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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

In re GTT Communications, Inc.
Securities Litigation

This Document Relates To: All
Actions

Master File No. 2:21-cv-00270-DOC-AS

CLASS ACTION

STIPULATION OF SETTLEMENT

This Stipulation and Agreement of Settlement dated as of October 29, 2021 (together with all Exhibits hereto, “Stipulation”), which is entered into, by and through their undersigned attorneys, between (i) Lead Plaintiff Arthur Capital Inc. (“Plaintiff”), on behalf of itself and the Settlement Class (as defined herein) and (ii) GTT Communications, Inc. (“GTT”), Richard D. Calder, Jr., Ernie Ortega, Michael T. Sicoli, Daniel M. Fraser and Steven Berns (“Defendants” and with Plaintiff, “Parties”), states all of the terms of the settlement and resolution of this matter by

1 the Parties, and is intended by the Parties to fully and finally compromise, settle,
2 release, resolve, remise, discharge, and dismiss with prejudice the Released Claims
3 (as defined herein) against the Released Parties (as defined herein), as set forth
4 below.

5 Throughout this Stipulation, all terms used with initial capitalization, but not
6 immediately defined, shall have the meanings ascribed to them in Paragraph 1
7 below.

8 **WHEREAS:**

9 **A. The Action**

10 The first action was commenced on January 12, 2021, styled as *Frank Roth*
11 *Beteiligungs GmbH v. GTT Communications, Inc., et al.*, Case No. 2:21-cv-00270
12 (C.D. Cal.), alleging violations of Sections 10(b) and 20(a) of the Securities
13 Exchange Act of 1934 (“Exchange Act”). Dkt. No. 1. On January 29, 2021, a related
14 action, styled as *Grigore v. GTT Communications, Inc., et al.*, Case No. 2:21-cv-
15 00839 (C.D. Cal.) was also filed alleging the same claims.

16 On March 15, 2021, Arthur Capital Inc. filed a motion seeking to be
17 appointed Lead Plaintiff and for its counsel, The Rosen Law Firm, P.A. to be
18 appointed Lead Counsel. Dkt. No. 9. After a virtual hearing on April 12, 2021, the
19 Court: consolidated the actions, restyling the lead action as *In re GTT*
20 *Communications, Inc. Securities Litigation*, Case No. 2:21-cv-00270, and granted
21 Arthur Capital Inc.’s motion. Dkt. No. 31.

22 Pursuant to the Court’s order granting a scheduling stipulation regarding the
23 filing of an amended complaint and response thereto, Plaintiff was to file the
24 amended complaint by June 14, 2021. Dkt. No. 27. On June 7, 2021, the Parties
25 entered a stipulation requesting the Court to stay the action pending mediation
26 scheduled for July 6, 2021. Dkt. No. 38. The Court granted this request and stayed
27 the Action pending mediation. Dkt. No. 39.

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1 On July 20, 2021, the Parties filed a status report to notify the Court that
2 although the mediation session did not resolve in a settlement, settlement
3 discussions remained ongoing. Dkt. No. 40. Per the Parties’ request, the Court set
4 August 3, 2021 as a deadline for a status report or if settlement could not be reached,
5 for Plaintiff to file the amended complaint. Dkt. No. 41. On August 3, 2021, the
6 Parties filed another status report notifying the Court that they had reached a
7 settlement in principle, that Plaintiff would file an amended complaint by August
8 17, 2021, and that the Parties would work to formally document the settlement. Dkt.
9 No. 42.

10 On August 17, 2021, Plaintiff filed the Consolidated Amended Class Action
11 Complaint for Violations of the Federal Securities Laws (“Amended Complaint”)
12 Dkt. No. 44.

13 **B. The Settlement**

14 In the spring of 2021, the Parties began to discuss mediation and engaged Jed
15 Melnick, Esq. of JAMS, a well-respected mediator. On June 24, 2021, the Parties
16 exchanged detailed mediation statements. The Parties attended an all-day, virtual
17 mediation with Mr. Melnick on July 6, 2021. Although a settlement was not reached
18 at this session, with Mr. Melnick’s assistance the Parties continued settlement
19 discussions over the telephone and via email. The Parties reached a settlement in
20 principle and executed a binding Memorandum of Understanding that set forth the
21 material terms and obligations with respect to the settlement on August 9, 2021.

22 This Stipulation memorializes the agreement between the Parties to fully and
23 finally settle the Action and to fully release all Released Claims against Defendants
24 and the Released Parties with prejudice in return for the consideration specified
25 herein.

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1 **C. Defendants’ Denial of Wrongdoing and Liability**

2 Throughout this Action, Defendants have denied, and continue to deny, any
3 and all allegations of fault, liability, wrongdoing, or damages whatsoever arising
4 out of any of the conduct, statements, acts, or omissions alleged, or that could have
5 been alleged, in the Action. Defendants have denied, and continue to deny, the
6 allegations that Plaintiff or any Settlement Class Member has suffered damages or
7 was harmed by any of the conduct alleged in the Action or that could have been
8 alleged as part of the Action. In addition, Defendants maintain that they have
9 meritorious defenses to all claims in the Action. Defendants continue to believe the
10 claims asserted against them in the Action are without merit and have agreed to
11 enter into the Settlement set forth in this Stipulation solely to avoid the expense,
12 distraction, time and uncertainty associated with the Action.

13 Defendants have concluded that it is desirable that the Action be fully and
14 finally settled in the manner and upon the terms and conditions set forth in this
15 Stipulation. Defendants also have taken into account the risks inherent in any
16 litigation, especially in complex cases such as this Action. Defendants have
17 therefore determined that it is desirable and beneficial to them that the Action be
18 settled in the manner and upon the terms and conditions set forth in this Stipulation.

19 **D. Claims of Plaintiff and Benefits of Settlement**

20 Plaintiff believes that the claims it asserted in the Action on its own behalf
21 and on behalf of the putative Class have merit. Plaintiff, however, recognizes and
22 acknowledges the expense and length of continued proceedings necessary to
23 prosecute the Action against Defendants through trial and appeals. Plaintiff has also
24 taken into account the uncertain outcome and the risk of any litigation. In particular,
25 Plaintiff has considered the early procedural posture in this Action, and that even if
26 they were successful in defeating Defendants’ anticipated motion to dismiss the
27 Amended Complaint, inherent problems of proof and possible defenses to the
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1 federal securities law violations asserted in the Action pose formidable hurdles to a
2 more successful resolution. Plaintiff has determined, therefore, that the Settlement
3 set forth in this Stipulation is fair, adequate, reasonable, and in the best interests of
4 the Settlement Class.

5 **NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED**
6 by and among Plaintiff (on behalf of itself and each of the Settlement Class
7 Members) and Defendants, by and through their respective undersigned counsel,
8 that, subject to the approval of the Court, in consideration of the benefits flowing to
9 the Parties from the Settlement set forth herein, the Action and the Released Claims
10 as against the Released Parties shall be finally and fully compromised, settled and
11 released, the Action shall be dismissed with prejudice and the Released Claims shall
12 be finally and fully released as against the Released Parties, upon and subject to the
13 terms and conditions of this Stipulation, as follows:

14 **1. Definitions**

15 In addition to the terms defined above, the following capitalized terms, used
16 in this Stipulation, shall have the meanings specified below:

17 **1.1. “2019 Action Settlement”** means the Settlement described in the
18 Stipulation and Agreement of Settlement in the action captioned *Plymouth County*
19 *Retirement System v. GTT Communications, Inc. et al.*, Case No. 1:19-cv-982 (E.D.
20 Va.), Dkt. No. 84-1 in that action. ¶1.44, as “all persons or entities who purchased
21 or otherwise acquired publicly traded common stock of GTT from February 26,
22 2018 to August 7, 2019, inclusive, and who were damaged thereby. Excluded from
23 the [2019 Action] Settlement Class are Defendants, the Officers and directors of
24 GTT at all relevant times, and all such excluded persons’ Immediate Family
25 members, legal representatives, heirs, agents, affiliates, predecessors, successors
26 and assigns, and any entity in which any excluded person has or had a controlling
27 interest. Also excluded from the [2019 Action] Settlement Class are those persons
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1 who file valid and timely requests for exclusion in accordance with the Preliminary
2 Approval Order.”

3 **1.2.** “2019 Action Settlement Class Period” means February 26,
4 2018 to August 7, 2019, both dates inclusive.

5 **1.3.** “Action” means the putative class action captioned *In re GTT*
6 *Communications, Inc. Securities Litigation*, Case No. 2:21-cv-00270 (C.D. Cal.),
7 including all actions consolidated into *In re GTT Communications, Inc. Securities*
8 *Litigation*, Case No. 2:21-cv-00270 (C.D. Cal.).

9 **1.4.** “Administrative Costs” means all costs and expenses associated
10 with providing notice of the Settlement to the Settlement Class and otherwise
11 administering or carrying out the terms of the Settlement. Such costs may include,
12 without limitation: escrow agent costs, the costs of publishing and disseminating
13 the Notice, the costs of printing and mailing the Notice and Proof of Claim, as
14 directed by the Court, and the costs of allocating and distributing the Net Settlement
15 Fund to the Authorized Claimants. Such costs do not include legal fees.

16 **1.5.** “Authorized Claimant” means any Settlement Class Member
17 who is a Claimant and whose claim for recovery has been allowed pursuant to the
18 terms of this Stipulation, the exhibits hereto, and any order of the Court.

19 **1.6.** “Automatic Stay” has the meaning ascribed to it in Section 12.1
20 of this Stipulation.

21 **1.7.** “Award to Plaintiff” means the requested reimbursement to
22 Plaintiff for its reasonable costs and expenses directly related to Plaintiff’s
23 representation of the Settlement Class in the Action

24 **1.8.** “Business Day” means any day except Saturday, Sunday, or any
25 legal holiday as defined by Federal Rule of Civil Procedure 6(a)(6).

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1 **1.9.** “Claimant” means any Settlement Class Member who files a
2 Proof of Claim in such form and manner, and within such time, as the Court shall
3 permit.

4 **1.10.** “Claims” means any and all manner of claims, debts, demands,
5 controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights,
6 duties, judgments, sums of money, suits, contracts, agreements, promises, damages,
7 causes of action and liabilities, of every nature and description in law or equity
8 (including, but not limited to, any claims for damages, whether compensatory,
9 special, incidental, consequential, punitive, exemplary or otherwise, injunctive
10 relief, declaratory relief, recession or recessionary damages, interest, attorneys’
11 fees, expert or consulting fees, costs, or expenses), accrued or unaccrued, known or
12 unknown, arising under federal, state, common, administrative, or foreign law, or
13 any other law, rule, or regulation.

14 **1.11.** “Claims Administrator” means Strategic Claims Services,
15 which shall administer the Settlement.

16 **1.12.** “Court” means the United States District Court for the Central
17 District of California, or if this Action is transferred to another court, the transferee
18 court.

19 **1.13.** “Defendants” means GTT Communications, Inc., Richard D.
20 Calder, Jr., Ernie Ortega, Michael T. Sicoli, Daniel M. Fraser, and Steven Berns.

21 **1.14.** “Defense Counsel” means Cravath, Swaine & Moore LLP and
22 Troutman Pepper Hamilton Sanders LLP.

23 **1.15.** “Escrow Account” means an interest-bearing escrow account
24 established by the Escrow Agent at the Huntington National Bank. The Escrow
25 Account shall be managed by the Escrow Agent, subject to the Court’s supervisory
26 authority, for the benefit of Plaintiff and the Settlement Class in accordance with
27 the terms of the Stipulation and any order of the Court, provided that, unless this
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1 Stipulation otherwise permits, no amount shall be withdrawn from the Escrow
2 Account prior to the Effective Date absent written approval of Defendants or their
3 counsel, or an order of the Court after notice to Defendants.

4 **1.16. “Escrow Agent”** means Huntington Bank. The Escrow Agent
5 shall perform the duties as set forth in this Stipulation and any order of the Court.

6 **1.17. “Effective Date”** shall have the meaning set forth in ¶10.5 of this
7 Stipulation.

8 **1.18. “Final”** when referring to the Final Judgment means exhaustion
9 of all possible appeals, meaning (i) if no appeal or request for review is filed, the
10 day after the date of expiration of any time for appeal or review of the Final
11 Judgment, and (ii) if an appeal or request for review is filed, the day after the date
12 the appeal or request for review is dismissed, or the Final Judgment is upheld on
13 appeal or review in all material respects, and is not subject to further review on
14 appeal or by *certiorari* or otherwise; provided, however, that any dispute or appeals
15 relating solely to the amount, payment or allocation of attorneys’ fees and expenses
16 or the Plan of Allocation shall have no effect on finality for purposes of determining
17 the date on which the Final Judgment becomes Final.

18 **1.19. “Final Judgment”** means the order and judgment to be entered
19 by the Court finally approving the Settlement, materially in the form attached hereto
20 as Exhibit B.

21 **1.20. “Lead Counsel”** means The Rosen Law Firm, P.A.

22 **1.21. “Long Notice”** means the Notice of Pendency and Proposed
23 Settlement of Class Action, substantially in the form attached hereto as Exhibit A-
24 1.

25 **1.22. “Net Settlement Fund”** means the Settlement Fund, less: (i) the
26 Fee and Expense Awards (as defined below); (ii) Administrative Costs; (iii) Taxes
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1 and Tax Expenses; (iv) any Award to Plaintiff; and (v) other fees and expenses
2 authorized by the Court.

3 **1.23.** “Notice” means collectively, the Long Notice, the Summary
4 Notice, and the Postcard Notice, which are to be made available to Settlement Class
5 Members substantially in the forms attached hereto as Exhibits A-1, A-3, and A-4
6 on the Claims Administrator’s website and/or mailed to Settlement Class Members.

7 **1.24.** “Party” means any one of, and “Parties” means all of
8 Defendants and Plaintiff (on behalf of itself and the Settlement Class).

9 **1.25.** “Person” means an individual, corporation, fund, limited
10 liability corporation, professional corporation, limited liability partnership,
11 partnership, limited partnership, association, joint stock company, estate, legal
12 representative, trust, unincorporated association, government or any political
13 subdivision or agency thereof, and any business or legal entity and their spouses,
14 heirs, predecessors, successors, representatives, or assigns.

15 **1.26.** “Plaintiff” means Arthur Capital Inc.

16 **1.27.** “Plan of Allocation” means a plan or formula for allocating the
17 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
18 Taxes and Tax Expenses, and such attorneys’ fees, costs, and expenses as may be
19 awarded by the Court. The Plan of Allocation is not a condition to the effectiveness
20 of this Stipulation, and the Released Parties shall have no responsibility or liability,
21 with respect thereto.

22 **1.28.** “Postcard Notice” means the Postcard Notice, alerting potential
23 Class Members to the availability of the Notice and containing instructions on how
24 Class Members can obtain copies of the Notice and Proof of Claim either by
25 electronic means or by mail, substantially in the form attached hereto as Exhibit A-
26 4.

1 **1.29.** “Preliminary Approval Order” means an order preliminarily
2 approving the Settlement and directing notice thereof to the Settlement Class,
3 substantially in the form of the proposed order attached hereto as Exhibit A.

4 **1.30.** “Proof of Claim” means the Proof of Claim and Release Form
5 to be submitted by Claimants, substantially in the form attached hereto as Exhibit
6 A-2.

7 **1.31.** “Related Parties” means, with respect to each Released Party,
8 the immediate family members, employees, officers, directors, attorneys, legal
9 representatives, accountants, insurers, reinsurers, and agents of each of them, and
10 any person or entity which is or was related to or affiliated with any Released Party
11 or in which any Released Party has a controlling interest, and their present and
12 former parents, subsidiaries, variable interest entities, divisions, affiliates,
13 employees, officers, directors, attorneys, legal representatives, insurers, reinsurers,
14 and agents, and the predecessors, heirs, administrators, successors and assigns of
15 the foregoing.

16 **1.32.** “Released Claims” means and includes any and all Claims and
17 Unknown Claims (as defined in ¶1.43) that have been or could have been asserted
18 by or on behalf of any of the Releasing Parties, in any capacity, which arise out of,
19 are based upon, or concern or relate in any way to the purchase, acquisition, holding,
20 sale, or disposition of any GTT publicly traded securities during the Settlement
21 Class Period, including but not limited to any claims alleged in the Action and any
22 claims related to the allegations, facts, transactions, events, matters, occurrences,
23 acts, disclosures, oral or written statements, representations, omissions, failures to
24 act, filings, publications, disseminations, press releases, or presentations involved,
25 related to, set forth, alleged or referred to in the Action. Notwithstanding the
26 foregoing, “Released Claims” does not include claims to enforce the terms of this
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1 Stipulation or orders or judgments issued by the Court in connection with this
2 Settlement.

3 **1.33. “Released Parties”** means Defendants and each and all of their
4 Related Parties, their respective families, parent entities, associates, affiliates or
5 subsidiaries, and each and all of their respective past, present or future officers,
6 directors, stockholders, agents, representatives, employees, attorneys, financial or
7 investment advisors, advisors, consultants, accountants, investment bankers,
8 commercial bankers, trustees, engineers, agents, insurers, co-insurers and
9 reinsurers, heirs, executors, general or limited partners or partnerships, personal or
10 legal representatives, estates, administrators, predecessors, successors and assigns.

11 **1.34. “Releasing Parties”** means Plaintiff, each and every Settlement
12 Class Member and each of their respective parent entities, associates, affiliates,
13 subsidiaries, predecessors, successors, assigns, attorneys, immediate family
14 members, heirs, representatives, administrators, executors, devisees, legatees, and
15 estates, whether or not they object to the Settlement set forth in this Stipulation, and
16 whether or not they make a claim for payment from the Net Settlement Fund.

17 **1.35. “Settlement”** means the settlement contemplated by this
18 Stipulation.

19 **1.36. “Settlement Amount”** means two million dollars (\$2,000,000).

20 **1.37. “Settlement Class”** means all persons other than Defendants
21 who acquired GTT publicly traded securities from May 5, 2016 through July 30,
22 2021, both dates inclusive, and who were damaged thereby. Excluded from the
23 Settlement Class are: (a) persons who suffered no compensable losses; and (b)
24 Defendants; the present and former officers and directors of the Company at all
25 relevant times; members of their immediate families and their legal representatives,
26 heirs, successors, or assigns, and any entity in which any of the Defendants, or any
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1 person excluded under this subsection (b), has or had a majority ownership interest
2 at any time.

3 **1.38.** “Settlement Class Member” means any one of, and “Settlement
4 Class Members” means all of, the members of the Settlement Class.

5 **1.39.** “Settlement Class Period” means the period from May 5, 2016
6 through July 30, 2021, both dates inclusive.

7 **1.40.** “Settlement Fund” means all funds transferred to the Escrow
8 Account pursuant to this Stipulation and any interest or other income earned
9 thereon.

10 **1.41.** “Settlement Hearing” means the hearing at or after which the
11 Court will make a final decision pursuant to Rule 23 of the Federal Rules of Civil
12 Procedure as to whether the Settlement contained in the Stipulation is fair,
13 reasonable and adequate, and therefore, should receive final approval from the
14 Court.

15 **1.42.** “Summary Notice” means the Summary Notice of Pendency
16 and Proposed Class Action Settlement that the Claims Administrator will cause to
17 be published, substantially in the form attached hereto as Exhibit A-3.

18 **1.43.** “Unknown Claims” means all Claims of every nature and
19 description which Plaintiff or any Settlement Class Member do not know or suspect
20 to exist in their favor at the time of the release of the Released Parties which, if
21 known by them, might have affected their decision with respect to the settlement
22 with and release of the Released Parties, including without limitation any decision
23 not to opt-out or object to this Settlement.

24 **2. The Settlement Consideration**

25 **2.1.** In consideration of the full and final release, settlement, and
26 discharge of all Released Claims against the Released Parties, within 21 days after
27 entry of the Preliminary Approval Order (and subject to the Automatic Stay, if
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1 applicable), Defendants shall pay, or cause their insurers to pay, for the benefit of
2 the Settlement Class, the Settlement Amount of \$2,000,000 cash into the Escrow
3 Account, provided that Lead Counsel shall have provided Defendants with
4 complete and accurate payment instructions and a W-9 for the Settlement Fund at
5 least five Business Days before the day of such payment.

6 **2.2.** The obligations incurred pursuant to this Agreement shall be in
7 full and final disposition and settlement of all Released Claims. Plaintiff and
8 Settlement Class Members shall look solely to the Settlement Fund as full, final,
9 and complete satisfaction of all Released Claims. Under no circumstances will
10 Defendants be required to pay, or cause payment of, more than the Settlement
11 Amount pursuant to this Stipulation or the Settlement for any reason whatsoever,
12 including, without limitation, as Administrative Costs, as compensation to any
13 Settlement Class Member, as payment of Plaintiff's or any Settlement Class
14 Member's attorneys' fees and expenses, or in payment of any fees, expenses, costs,
15 liability, losses, Taxes, or damages whatsoever alleged or incurred by Plaintiff, any
16 Settlement Class Member or Lead Counsel, including but not limited to their
17 attorneys, experts, advisors, agents, or representatives.

18 **3. Handling and Disbursement of Funds by the Escrow Agent**

19 **3.1.** No monies will be disbursed from the Settlement Fund prior to
20 the Effective Date except:

- 21 **(a)** As provided in ¶3.4 below;
- 22 **(b)** As provided in ¶8.2 below;
- 23 **(c)** As provided in ¶10.9 below, if applicable; and
- 24 **(d)** To pay Taxes and Tax Expenses (as defined in ¶4.1
25 below). Taxes and Tax Expenses shall be paid out of the Settlement Fund and shall
26 be considered to be a cost of administration of the Settlement and shall be timely
27 paid by the Escrow Agent without prior Order of the Court.

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1 **3.2.** The Escrow Agent shall invest the Settlement Fund in short term
2 instruments backed by the full faith and credit of the United States Government or
3 fully insured by the United States Government or an agency thereof and shall
4 reinvest the proceeds of these instruments as they mature in similar instruments at
5 their then-current market rates. The Escrow Agent shall bear all responsibility and
6 liability for managing the Escrow Account and cannot assign or delegate its
7 responsibilities without approval of the Parties. Defendants, their counsel, their
8 insurers, and the other Released Parties shall have no responsibility for, interest in,
9 or any liability whatsoever with respect to any investment or management decisions
10 executed by the Escrow Agent. The Settlement Fund shall bear all risks related to
11 the investments of the Settlement Amount in accordance with the guidelines set
12 forth in this ¶3.2.

13 **3.3.** The Escrow Agent shall not disburse the Settlement Fund except
14 as provided in this Stipulation, by an order of the Court, or with the written
15 agreement of Defendants. At any time after the Court grants preliminary approval
16 of the Settlement, the Escrow Agent may, without further approval from Defendants
17 or the Court, disburse at the direction of Lead Counsel up to \$250,000 from the
18 Settlement Fund prior to the Effective Date to pay Administrative Costs. After the
19 Effective Date, an additional \$125,000 may be transferred from the Settlement Fund
20 to pay for any reasonable and necessary Administrative Costs without further order
21 of the Court. No payment from the Settlement Fund, including, without limitation,
22 any distributions from the Net Settlement Fund or payments of any attorneys' fees
23 or compensatory awards to Plaintiff, shall in any event be made to any Settlement
24 Class Member (including Plaintiff) or to Lead Counsel prior to the Effective Date.

25 **4. Taxes**

26 **4.1.** The Parties agree to treat the Settlement Fund as being at all
27 times a “qualified settlement fund” within the meaning of Treasury Regulation
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1 § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made via
2 the Escrow Agent, such elections as necessary or advisable to carry out the
3 provisions of this ¶4.1, including the “relation-back election” (as defined in
4 Treasury Regulation § 1.468B-1) back to the earliest permitted date. Such elections
5 shall be made in compliance with the procedures and requirements contained in
6 such regulations. It shall be the responsibility of Lead Counsel to timely and
7 properly prepare and deliver the necessary documentation for signature by all
8 necessary parties, and thereafter to cause the appropriate filing to occur. Upon
9 written request, the Released Parties will timely provide to Lead Counsel the
10 statement described in Treasury Regulation § 1.468B-3(e).

11 **(a)** For purposes of § 1.468B of the Internal Revenue Code of 1986,
12 as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder,
13 the “administrator” shall be Lead Counsel. Lead Counsel shall timely and properly
14 file, or cause to be filed via the Escrow Agent, all informational and other tax returns
15 necessary or advisable with respect to the Settlement Fund (including without
16 limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such returns
17 (as well as the election described in this ¶4.1) shall be consistent with this ¶4.1 and
18 in all events shall reflect that all Taxes (including any estimated Taxes, interest or
19 penalties) on the income earned by the Settlement Fund shall be paid out of the
20 Settlement Fund.

21 **(b)** All taxes (including any estimated taxes, interest or penalties)
22 arising with respect to the income earned by the Settlement Fund, including any
23 taxes or tax detriments that may be imposed upon the Released Parties with respect
24 to (i) any income earned by the Settlement Fund for any period during which the
25 Settlement Fund does not qualify as a “qualified settlement fund” for federal or state
26 income tax purposes, and (ii) the payment or reimbursement by the Settlement Fund
27 of any taxes or tax detriments described in clause (i) (“Taxes”), and all expenses
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1 and costs incurred in connection with the operation and implementation of this ¶4.1
2 (including, without limitation, expenses of tax attorneys and/or accountants and
3 mailing and distribution costs and expenses or penalties relating to filing (or failing
4 to file) the returns described in this ¶4.1) (“Tax Expenses”), shall be paid out of the
5 Settlement Fund, as appropriate. The Released Parties shall have no liability or
6 responsibility for the Taxes or the Tax Expenses. Taxes and Tax Expenses shall be
7 treated as, and considered to be, a cost of administration of the Settlement and shall
8 be timely paid out of the Settlement Fund without prior order from the Court. The
9 Escrow Agent shall be obligated (notwithstanding anything herein to the contrary)
10 to withhold from distribution to Authorized Claimants any funds necessary to pay
11 such amounts, including the establishment of adequate reserves for any Taxes and
12 Tax Expenses (as well as any amounts that may be withheld under Treasury
13 Regulation § 1.468B-2(1)(2)). The Released Parties shall have no responsibility
14 for, interest in, or any liability whatsoever with respect to the acts or omissions of
15 Lead Counsel or the Escrow Agent with respect to the foregoing provided in this
16 ¶4.1. The Parties agree to cooperate with each other, and their tax attorneys and
17 accountants, to the extent reasonably necessary to carry out the provisions of this
18 ¶4.1.

19 **5. Preliminary Approval Order, Notice Order, and Settlement**
20 **Hearing**

21 **5.1.** As soon as practicable after execution of this Stipulation (and
22 subject to the Automatic Stay, if applicable), Lead Counsel shall submit this
23 Stipulation and its exhibits to the Court and shall move for preliminary approval of
24 the Settlement set forth in this Stipulation, entry of a preliminary approval order,
25 and approval for the mailing and dissemination of notice, substantially in the form
26 of Exhibits A, A-1, A-2, A-3, and A-4. The Postcard Notice (Exhibit A-4) shall
27 inform potential Class Members of the availability of the Notice either by first class
28 mail, postage pre-paid, or by electronic delivery. The Long Notice (Exhibit A-1)

1 shall include the general terms of the Settlement and the provisions of the Plan of
2 Allocation, and shall set forth the procedure by which recipients of the Notice may
3 object to the Settlement or the Plan of Allocation or request to be excluded from the
4 Settlement Class. The date and time of the Settlement Hearing shall be added to the
5 Notice before it is mailed or otherwise provided to Settlement Class Members.

6 **5.2.** At the time of the submission described in ¶5.1 hereof (and
7 subject to the Automatic Stay, if applicable), Plaintiff, through Lead Counsel, shall
8 request that, after the Notice is provided, the Court hold the Settlement Hearing and
9 (i) approve the Settlement as set forth herein, and (ii) enter a final order and
10 judgment substantially in the form of Exhibit B hereto, as promptly after the
11 Settlement Hearing as possible.

12 **5.3.** It shall be Lead Counsel's sole responsibility to disseminate the
13 Notice to the Class in accordance with this Stipulation and as ordered by the Court.
14 Defendants shall not bear any cost or responsibility for class Notice, administration,
15 or the allocation of the settlement amount among Settlement Class Members.
16 Settlement Class Members shall have no recourse as to the Released Parties with
17 respect to any claims they may have that arise from any failure of the notice process.

18 **5.4.** To assist in dissemination of notice, Defendants will provide
19 GTT's transfer records information reasonably available to GTT concerning the
20 identity of Settlement Class Members, including any names and addresses of
21 Settlement Class Members and nominees or custodians that exist in such transfer
22 records ("Settlement Class Information") to Lead Counsel. Defendants shall
23 provide, or cause to be provided, to Lead Counsel or the Claims Administrator, at
24 no cost to Plaintiff or the Settlement Class, within 15 Business Days after the Court
25 signs an order preliminarily approving the Settlement (and subject to the Automatic
26 Stay, if applicable), transfer records in electronic searchable form, such as an Excel
27 spreadsheet or other form as is reasonably available to GTT, containing the
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1 Settlement Class Information. The Parties acknowledge that any information
2 Defendants provide to Lead Counsel or the Claims Administrator pursuant to this
3 ¶5.4 shall be treated as confidential and will be used by Lead Counsel and/or the
4 Claims Administrator solely to deliver the Notice and/or implement the Settlement,
5 including the Plan of Allocation.

6 **5.5.** No later than ten days following the filing of this Stipulation
7 with the Court (and subject to the Automatic Stay, if applicable), Defendants shall
8 serve, or cause to be served, the notice required under the Class Action Fairness Act
9 of 2005 (“CAFA”). At least seven days before the Settlement Hearing, Defendants
10 shall file with the Court an affidavit or declaration regarding their compliance with
11 the CAFA notice requirements.

12 **6. Releases and Covenants Not to Sue**

13 **6.1.** Upon the Effective Date, the Releasing Parties, regardless of
14 whether any such Releasing Party ever seeks or obtains by any means, including
15 without limitation by submitting a Proof of Claim, any disbursement from the
16 Settlement Fund, shall be deemed to have, and by operation of the Final Judgment
17 shall have, fully, finally, and forever compromised, settled, resolved, released,
18 relinquished, waived, dismissed, and discharged all Released Claims against the
19 Released Parties and shall have covenanted not to sue the Released Parties with
20 respect to all such Released Claims, and shall be permanently barred and enjoined
21 from asserting, commencing, prosecuting, instituting, assisting, instigating, or in
22 any way participating in the commencement or prosecution of any action or other
23 proceeding, in any forum, asserting any Released Claim, in any capacity, against
24 any of the Released Parties, and agree and covenant not to sue any of the Released
25 Parties on the basis of the Released Claims or to assist any third party in
26 commencing or maintaining any suit against the Released Parties related to any
27 Released Claims, whether or not such Settlement Class Member executes and
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1 delivers a Proof of Claim Form, seeks or obtains a distribution from the Settlement
2 Fund, is entitled to receive a distribution under the Plan of Allocation approved by
3 the Court, or has objected to any aspect of the Stipulation or the Settlement, the Plan
4 of Allocation, or Lead Counsel’s application for an award of attorneys’ fees or
5 expenses For the avoidance of doubt, Defendants are released from any and all
6 claims for contribution or indemnity, as would otherwise be allowed by Section
7 21D of the Exchange Act, 15 U.S.C. §78u-4(f)(7). Nothing contained herein shall,
8 however, bar the Releasing Parties from bringing any action or claim to enforce the
9 terms of this Stipulation or the Final Judgment. Nor shall anything contained herein
10 limit or release any claims Defendants may have with regard to insurance coverage
11 that may be available to them under any applicable policy. This release shall not
12 apply to any Settlement Class Members who timely and properly excludes
13 themselves from the Settlement Class.

14 **6.2.** With respect to any and all Released Claims, the Parties
15 stipulate and agree that, upon the Effective Date, Plaintiff and the Released Parties
16 shall expressly waive, and each of the Settlement Class Members and Releasing
17 Parties shall be deemed to have waived, and by operation of the Final Judgment
18 shall have waived, the provisions, rights, and benefits of California Civil Code §
19 1542, which provides:

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

26 With respect to any and all Released Claims, Plaintiff and the Released Parties shall
27 expressly waive and each of the Settlement Class Members shall be deemed to have
28 waived, and by operation of the Final Judgment shall have waived, any and all

1 provisions, rights and benefits conferred by any law of any state, territory, foreign
2 country or principle of common law, which is similar, comparable or equivalent to
3 California Civil Code § 1542. Plaintiff, the Released Parties and/or one or more
4 Settlement Class Members may hereafter discover facts in addition to or different
5 from those which he, she or it now knows or believes to be true with respect to the
6 Released Claims, but Plaintiff and the Released Parties shall expressly fully, finally
7 and forever settle and release, and each Settlement Class Member, upon the
8 Effective Date, shall be deemed to have, and by operation of the Final Judgment
9 shall have, fully, finally and forever settled and released, any and all Released
10 Claims, known or unknown, suspected or unsuspected, contingent or
11 noncontingent, whether or not concealed or hidden, which now exist, or heretofore
12 have existed, upon any theory of law or equity now existing or coming into
13 existence in the future, including, but not limited to, conduct which is negligent,
14 intentional, with or without malice, or a breach of fiduciary duty, law or rule,
15 without regard to the subsequent discovery or existence of such different or
16 additional facts. Plaintiff and the Released Parties acknowledge, and the Settlement
17 Class Members shall be deemed by operation of the Final Judgment to have
18 acknowledged, that the foregoing waiver was separately bargained for and a key
19 element of the Settlement of which this release is a part.

20 **6.3.** Upon the Effective Date, the Released Parties shall be deemed
21 to have, and by operation of the Final Judgment shall have, fully, finally, and
22 forever released, relinquished, and discharged all claims they may have against the
23 Releasing Parties, including Settlement Class Members and Lead Counsel, related
24 to the prosecution of the Action or any other known or unknown counter-claim
25 related thereto and shall have covenanted not to sue the Releasing Parties, including
26 Settlement Class Members and Lead Counsel, with respect to any counter claim,
27 claim, or sanction related to the Released Claims, and shall be permanently barred
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1 and enjoined from asserting, commencing, prosecuting, instituting, assisting,
2 instigating, or in any way participating in the commencement or prosecution of any
3 action or other proceeding, in any forum, asserting any such claim, in any capacity,
4 against any of the Releasing Parties, including Settlement Class Members and Lead
5 Counsel, and agree and covenant not to sue any of the Releasing Parties, including
6 Settlement Class Members and Lead Counsel, on the basis of any such claim or to
7 assist any third party in commencing or maintaining any suit against the Releasing
8 Parties related to any such claim. Nothing contained herein shall, however, bar the
9 Released Parties from bringing any action or claim to enforce the terms of this
10 Stipulation or the Final Judgment.

11 **6.4.** The releases provided in this Stipulation shall become effective
12 immediately upon occurrence of the Effective Date without the need for any further
13 action, notice, condition, or event. Plaintiff, Releasing Parties, and Settlement Class
14 Members shall be deemed to acknowledge that, as of the Effective Date, the releases
15 given herein shall become effective immediately by operation of the Final Judgment
16 and shall be permanent, absolute, and unconditional. Upon the Effective Date to the
17 extent allowed by law, this Stipulation shall operate conclusively as an estoppel and
18 full defense in the event, and to the extent, or any claim, demand, action, or
19 proceeding brought by a Settlement Class Member against any of the Defendant
20 Releasees with respect to any Released Plaintiff's Claims, or brought by a
21 Defendant against any of the Plaintiff Releasees with respect to any Released
22 Defendants' Claim.

23 **7. Administration and Calculation Of Claims, Final Awards And**
24 **Supervision And Distribution Of The Settlement Fund**

25 **7.1.** Under the supervision of Lead Counsel, acting on behalf of the
26 Settlement Class, and subject to such supervision and direction of the Court as may
27 be necessary or as circumstances may require, the Claims Administrator shall
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1 administer and calculate the claims submitted by Settlement Class Members and
2 shall oversee distribution of the Net Settlement Fund (as defined below) to
3 Authorized Claimants. After the Effective Date, Lead Counsel shall apply to the
4 Court, on notice to the Parties, for the Settlement Fund Distribution Order.

5 **7.2.** The Settlement Fund shall be applied as follows:

6 **(a)** To pay the Taxes and Tax Expenses described in ¶4.1
7 above;

8 **(b)** To pay Administrative Costs;

9 **(c)** To pay Lead Counsel’s attorneys’ fees and expenses and
10 payments to Plaintiff for reimbursement of its time and expenses (“Fee and Expense
11 Award”), to the extent allowed by the Court; and

12 **(d)** To distribute the balance of the Settlement Fund, that is,
13 the Settlement Fund less the items set forth in ¶¶7.2(a), (b), and (c) hereof (“Net
14 Settlement Fund”), plus all accrued interest, to the Authorized Claimants as allowed
15 by this Stipulation, the Plan of Allocation, or the Court.

16 **7.3.** Upon and after the Effective Date, the Net Settlement Fund shall
17 be distributed to Authorized Claimants in accordance with the terms of the Plan of
18 Allocation set forth in the Notice and any orders of the Court. No Person shall have
19 any claims against Lead Counsel, the Claims Administrator, or any other agent
20 designated by Lead Counsel based on distribution determinations or claim
21 rejections made substantially in accordance with this Stipulation and the Settlement
22 contained herein, the Plan of Allocation, or orders of the Court. Lead Counsel shall
23 have the right, but not the obligation, to waive what it deems to be formal or
24 technical defects in any Proofs of Claim filed, where doing so is in the interest of
25 achieving substantial justice.

26 **7.4.** This is not a claims-made settlement, and if all conditions of the
27 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
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1 Settlement Fund will be returned to Defendants. Defendants, their counsel, their
2 insurers, and the other Released Parties shall have no responsibility for,
3 involvement in, interest in, or liability whatsoever with respect to the investment or
4 distribution of the Net Settlement Fund, the Plan of Allocation, the determination,
5 administration, or calculation of claims, the payment or withholding of Taxes or
6 Tax Expenses, or any losses incurred in connection therewith. In no instance shall
7 any Defendant Releasee be required to pay any amount other than as specified in
8 Paragraph 2.1.

9 **7.5.** The Claims Administrator shall administer the Settlement
10 subject to the jurisdiction of the Court and pursuant to this Stipulation and the Plan
11 of Allocation. Plaintiff and Lead Counsel shall be solely responsible for formulation
12 of the Plan of Allocation. It is understood and agreed by the Parties that any
13 proposed Plan of Allocation of the Net Settlement Fund including, but not limited
14 to, any adjustments to an Authorized Claimant's claim set forth therein, is not a
15 condition of this Stipulation and is to be considered by the Court separately from
16 the Court's consideration of the fairness, reasonableness, and adequacy of the
17 Settlement. Any order or proceedings relating to the Plan of Allocation, or any
18 appeal from any order relating thereto or reversal or modification thereof, shall not
19 operate to modify, terminate or cancel this Stipulation, or affect or delay the finality
20 of the Final Judgment and the releases contained therein, or any other orders entered
21 pursuant to this Stipulation.

22 **7.6.** Each Claimant shall be deemed to have submitted to the
23 jurisdiction of the Court with respect to the Claimant's claim, and the claim will be
24 subject to investigation and discovery under the Federal Rules of Civil Procedure,
25 provided that such investigation and discovery shall be limited to that Claimant's
26 status as a Settlement Class Member and the validity of the amount of the
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1 Claimant’s claim. No discovery shall be allowed on the merits of the Action or
2 Settlement in conjunction with the processing of the Proofs of Claim.

3 **7.7.** Payment pursuant to this Stipulation shall be deemed final and
4 conclusive against all Claimants. All Claimants whose claims are not approved by
5 the Court shall be barred from participating in the distribution from the Net
6 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation
7 and the Settlement, including the terms of the Final Judgment to be entered in this
8 Action and the releases provided for herein, and will be barred from bringing any
9 action against the Released Parties concerning the Released Claims.

10 **7.8.** All proceedings with respect to the administration, processing,
11 and determination of claims and all controversies relating thereto, including
12 disputed questions of law and fact with respect to the validity of claims, shall be
13 subject to the jurisdiction of this Court, but shall not delay or affect the finality of
14 the Final Judgment.

15 **7.9.** Neither the Parties nor their counsel shall have any
16 responsibility for or liability whatsoever with respect to: (i) any act, omission, or
17 determination of the Escrow Agent or the Claims Administrator, or any of their
18 respective designees or agents, in connection with the administration of the
19 Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination,
20 administration, calculation, or payment of any claims asserted against the
21 Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the
22 Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or
23 costs incurred in connection with the taxation of the Settlement Fund or the filing
24 of any returns.

25 **8. Lead Counsel’s Attorneys’ Fees and Reimbursement of Expenses**

26 **8.1.** Lead Counsel may, subject to the Automatic Stay, if applicable,
27 submit an application or applications (“Fee and Expense Application”) for
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1 distributions from the Settlement Fund to Lead Counsel for a Fee and Expense
2 Award consisting of: (i) an award of attorneys' fees from the Settlement Fund; (ii)
3 reimbursement of actual costs and expenses, including the fees and expenses of any
4 experts or consultants, incurred in connection with prosecuting the Action; and (iii)
5 an Award to Plaintiff as payment to Plaintiff for reimbursement of its time and
6 expenses in connection with the Action. Defendants shall take no position with
7 respect to the Fee and Expense Application(s). Lead Counsel's application for an
8 award of attorneys' fees or Litigation Expenses is not the subject of any agreement
9 between Defendants and Plaintiff other than what is set forth in this Stipulation.

10 **8.2.** Any attorneys' fees and expenses awarded to Lead Counsel by
11 the Court shall be paid to Lead Counsel from the Escrow Account within three
12 Business Days of the date the Court enters an order approving the Fee and Expense
13 Award (subject to the Automatic Stay, if applicable), notwithstanding the existence
14 of any timely filed objections to any Fee and Expense Award, or potential for appeal
15 therefrom, or collateral attack on the Settlement or any part thereof, and subject to
16 Lead Counsel's obligation to make appropriate refunds or repayments to the
17 Settlement Fund, plus interest earned thereon, within ten Business Days, if and
18 when the Settlement is terminated in accordance with its terms or, as a result of any
19 appeal and/or further proceedings on remand, or successful collateral attack, the Fee
20 and Expense Award is reduced.

21 **8.3.** The procedure for, and allowance or disallowance by the Court
22 of, the Fee and Expense Application are not a condition of the Settlement set forth
23 in this Stipulation and are to be considered by the Court separately from the Court's
24 consideration of the fairness, reasonableness, and adequacy of the Settlement. Any
25 order of or proceeding relating to the Fee and Expense Application, or any objection
26 to, motion regarding, or appeal from any order or proceeding relating thereto or
27 reversal or modification thereof, shall not operate to modify, terminate or cancel
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1 this Stipulation, or affect or delay the finality of the Final Judgment or the releases
2 contained therein or any other orders entered pursuant to this Stipulation.

3 **8.4.** Any Fee and Expense Award paid to Lead Counsel or Award to
4 Plaintiff shall be paid solely from the Settlement Fund and shall reduce the
5 settlement consideration paid to the Settlement Class accordingly. Defendants shall
6 not have any responsibility for payment of Lead Counsel’s attorneys’ fees and
7 expenses or other award to Plaintiff beyond the obligation of Defendants to fund,
8 or to cause their insurers to fund, the Settlement Amount as set forth in ¶2.1 above.
9 The Released Parties shall have no responsibility for, and no liability whatsoever
10 with respect to, any payments to Lead Counsel, Plaintiff, the Settlement Class
11 and/or any other Person who receives payment from the Settlement Fund.

12 **9. Class Certification**

13 **9.1.** In the Final Judgment, the Parties agree that the Court should,
14 subject to the Automatic Stay, if applicable, certify the Settlement Class for
15 purposes of this Settlement only. For purposes of this settlement only, in connection
16 with the Final Judgment, Defendants shall consent to (i) the appointment of Plaintiff
17 as class representative, (ii) the appointment of Lead Counsel as class counsel, and
18 (iii) the certification of the Settlement Class pursuant to Rules 23(a) and (b)(3) of
19 the Federal Rules of Civil Procedure. In the event that the Final Judgment does not
20 become Final or the Settlement fails to become effective for any reason, the
21 Settlement Class shall be decertified without prejudice, and the Parties shall revert
22 to their pre-settlement positions.

23 **10. Conditions of Settlement, Effect of Disapproval, Cancellation or**
24 **Termination**

25 **10.1.** Plaintiff, on behalf of the Settlement Class, and Defendants shall
26 each have the right to terminate the Settlement and Stipulation by providing written
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1 notice of their election to do so (“Termination Notice”) to all other Parties within
2 10 business days of:

3 (a) entry of a Court order declining to enter the Preliminary
4 Approval Order in all material respects;

5 (b) entry of a Court order refusing to approve this Stipulation
6 in all material respects;

7 (c) entry of a Court order declining to enter the Final
8 Judgment in all material respects, provided, however, that this Settlement is
9 expressly not conditioned on the Court’s approval of the proposed Plan of
10 Allocation, nor on the Court’s approval of Lead Counsel’s application for attorneys’
11 fees or expenses, nor on the Court’s approval of any award to Plaintiff for its
12 reasonable costs and expenses, and any change in the Judgment relating to these
13 items shall not be considered a material change;

14 (d) entry of a Court order refusing to dismiss the Action with
15 prejudice; or

16 (e) entry of an order by which the Final Judgment is modified
17 or reversed in any material respect by any appeal or review.

18 **10.2.** If the Settlement Amount is not paid into the Escrow Account
19 in accordance with ¶2.1 of this Stipulation (subject to the Automatic Stay, if
20 applicable), then Plaintiff, on behalf of the Settlement Class, shall have the right to:

21 (a) terminate the Settlement and Stipulation by providing written notice to
22 Defendants at any time prior to the Court’s entry of the Final Judgment; or (b)
23 enforce the terms of the Settlement and this Stipulation and seek a judgment
24 effecting the terms herein.

25 **10.3.** If, prior to the Settlement Hearing, persons who otherwise
26 would be Settlement Class Members have filed with the Court valid and timely
27 request for exclusion from the Settlement Class in accordance with the provision of
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1 the Preliminary Approval Order and the Notice, and such persons in the aggregate
2 have purchased or otherwise acquired GTT common stock in an amount that equals
3 or exceeds the sum specified in a separate supplemental agreement between the
4 Parties (“Supplemental Agreement”), GTT shall have the option, but not the
5 obligation, to terminate this Stipulation in accordance with the procedures set forth
6 in the Supplemental Agreement. The Supplemental Agreement is confidential and
7 will not be filed with the Court unless requested by the Court or a dispute among
8 the Parties concerning its interpretation or application arises, in which case the
9 Parties will take reasonable steps to assure the Supplemental Agreement is filed
10 under seal or submitted for *in camera* review, subject to the Court’s approval and
11 direction. The Parties will file a statement identifying the existence of the
12 Supplemental Agreement pursuant to Federal Rule of Civil Procedure 23(e)(3).
13 Copies of all requests for exclusion received, together with copies of all revocations
14 of request for exclusion (if any), shall be delivered to Defendants’ counsel within
15 five (5) days of receipt thereof.

16 **10.4.** If any Party engages in a material breach of the terms hereof,
17 any other Party, provided that it is in substantial compliance with the terms of this
18 Stipulation, may terminate this Stipulation on notice to all the Parties.

19 **10.5.** The Effective Date of this Stipulation shall not occur unless and
20 until each of the following events occurs, and it shall be the date upon which the
21 last in time of the following events occurs:

22 **(a)** The Court has entered the Preliminary Approval Order
23 attached hereto as Exhibit A or an order containing materially the same terms;

24 **(b)** The Court has approved the Settlement, following notice
25 to the Settlement Class and the Settlement Hearing, and has entered the Final
26 Judgment;

27 **(c)** The Action has been dismissed with prejudice; and
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1 (d) The Final Judgment has become Final as defined in ¶1.18.

2 10.6. Upon the occurrence of the Effective Date, any and all interest
3 or right of Defendants in or to the Settlement Fund, shall be absolutely and forever
4 extinguished, except as set forth in this Stipulation.

5 10.7. In the event that some or all of the conditions specified in ¶10.3
6 above are not met, the Parties may agree in writing nevertheless to proceed with
7 this Stipulation and Settlement. However, none of the Parties, or any of them, shall
8 have any obligation whatsoever to proceed under any terms other than those
9 provided for and agreed herein.

10 10.8. In the event the Stipulation shall terminate, or be canceled, or
11 shall not become effective for any reason, the Parties and the Released Parties shall,
12 subject to the Automatic Stay, if applicable, be restored to their respective positions
13 in the Action immediately prior to August 9, 2021, and they shall proceed in all
14 respects as if the Stipulation had not been executed and the related orders had not
15 been entered, and in that event all of their respective claims and defenses as to any
16 issue in the Action shall be preserved without prejudice.

17 10.9. In the event that the Stipulation is not approved by the Court or
18 the Settlement set forth in this Stipulation is terminated or fails to become effective
19 in accordance with its terms, the terms and provisions of this Stipulation, except as
20 otherwise provided herein, shall have no further force and effect with respect to the
21 Parties or the Released Parties and shall not be used in the Action or in any other
22 proceeding for any purpose, and any judgment or order entered by the Court in
23 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro*
24 *tunc*.

25 10.10. In the event the Stipulation shall be terminated, or be canceled,
26 or is incapable of becoming effective for any reason, within ten Business Days after
27 the occurrence of such event (and subject to the Automatic Stay, if applicable), the
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1 Settlement Fund (less taxes already paid and any Administrative Costs which have
2 either been disbursed or are determined to be chargeable, not to exceed \$250,000
3 without the prior approval of the Court) shall be refunded by the Escrow Agent to
4 Defendants or their insurers, as applicable, plus accrued interest attributable to that
5 amount, by check or wire transfer pursuant to written instructions from Defendants'
6 counsel. At the request of Defendants, the Escrow Agent or its designee shall apply
7 for any tax refund owed on the Settlement Fund and pay the proceeds, after
8 deduction of any fees or expenses incurred in connection with such application(s)
9 for refund, to Defendants or their insurers, as applicable, pursuant to written
10 direction from Defendants.

11 **10.11.** No order of the Court or modification or reversal on appeal of
12 any order of the Court or motion for reconsideration, appeal, petition for a writ of
13 *certiorari* or its equivalent concerning the Plan of Allocation or the Fee and Expense
14 Application shall in any way delay or preclude the Effective Date or constitute
15 grounds for cancellation or termination of the Stipulation.

16 **11. No Admission of Liability or Wrongdoing**

17 **11.1.** The Parties covenant and agree that neither this Stipulation,
18 whether or not consummated, (nor the Settlement contained therein), nor any of its
19 terms and provisions, nor any of the negotiations, documents, or proceedings
20 connected with them, is evidence, or an admission or concession by any Party or
21 their counsel, any Settlement Class Member, or any of the Released Parties, of any
22 fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or
23 asserted or could have been alleged or asserted in the Action, or any other actions
24 or proceedings, or as to the validity or merit of any of the claims or defenses alleged
25 or asserted in any such action or proceeding. This Stipulation is not a finding or
26 evidence of the validity or invalidity of any claims or defenses alleged or asserted
27 or could have been alleged or asserted in the Action, any wrongdoing by any Party,
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1 Settlement Class Member, or any of the Released Parties, or any damages or injury
2 to any Party, Settlement Class Member, or any Released Parties. Neither this
3 Stipulation, nor any of the terms and provisions of this Stipulation, nor any of the
4 negotiations or proceedings in connection therewith, nor any of the documents or
5 statements referred to herein or therein, nor the Settlement, nor the fact of the
6 Settlement, nor the Settlement proceedings, nor any statement in connection
7 therewith, (a) shall (i) be argued to be, used or construed as, offered or received in
8 evidence as, or otherwise constitute an admission, concession, presumption, proof,
9 evidence, or a finding of any, liability, fault, wrongdoing, injury or damages, or of
10 any wrongful conduct, acts or omissions on the part of any Released Party, or of
11 any infirmity of any defense, or of any damages to Plaintiff or any other Settlement
12 Class Member, or (ii) otherwise be used to create or give rise to any inference or
13 presumption against any of the Released Parties concerning any fact or any
14 purported liability, fault, or wrongdoing of the Released Parties or any injury or
15 damages to any person or entity, or (b) shall otherwise be admissible, referred to or
16 used in any proceeding of any nature, for any purpose whatsoever, other than such
17 proceedings as may be necessary to effectuate the provisions of this Stipulation;
18 provided, however, that this Stipulation, the documents related hereto, or the Final
19 Judgment may be introduced in any proceeding, whether in the Court or otherwise,
20 as may be necessary to enforce the Settlement or Final Judgment, to effectuate the
21 liability protection granted them hereunder, to support a defense or counterclaim
22 based on principles of *res judicata*, collateral estoppel, release, good faith
23 settlement, judgment bar or reduction, offset or any other theory of claim preclusion
24 or issue preclusion or similar defense or counterclaim, or as otherwise required by
25 law.

26 **11.2.** Nothing in this Stipulation constitutes or reflects a waiver or
27 release of any rights or claims of any Defendant against his, her, or its insurers, or
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1 insurers’ subsidiaries, predecessors, successors, assigns, affiliates, or
2 representatives. Nothing in this Stipulation constitutes or reflects a waiver or release
3 of any rights or claims relating to indemnification, advancement, or any
4 undertakings by an indemnified party to repay amounts advanced or paid by way of
5 indemnification or otherwise.

6 **12. GTT Bankruptcy Filing**

7 **12.1.** The Parties agree and acknowledge that GTT and certain
8 affiliated entities intend to file petitions for relief under chapter 11 of the United
9 States Bankruptcy Code on or before October 31, 2021 (the “Chapter 11 Cases”) in
10 the United States Bankruptcy Court for the Southern District of New York (the
11 “Bankruptcy Court”), and upon the commencement of the Chapter 11 Cases, this
12 Action will be automatically stayed with respect to GTT pursuant to 11 U.S.C. §
13 362(a)(1) (the “Automatic Stay”).

14 **12.2.** The Parties agree to enter into a stipulation and proposed order,
15 within 14 days of the filing of the Chapter 11 Cases, jointly consenting to the
16 Bankruptcy Court lifting the Automatic Stay in order to allow the Action to continue
17 as against GTT, including certain acts by, and obligations of, GTT called for under
18 this Stipulation.

19 **12.3.** The Parties acknowledge and agree that, during the period that
20 the Automatic Stay is in effect, they may be unable to perform certain acts and
21 obligations called for hereunder, and that certain timeframes and deadlines imposed
22 hereunder may need to be suspended to allow for compliance with the Automatic
23 Stay. The Parties therefore agree that, notwithstanding any other term or provision
24 of this Stipulation, no Party shall be held or deemed to be in violation or default of
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1 this Stipulation for failure to perform any act or obligation hereunder due solely to
2 the pendency of the Automatic Stay.

3 **13. Miscellaneous Provisions**

4 **13.1.** Except in the event of the provision of a Termination Notice
5 pursuant to ¶10 of this Stipulation, the Parties shall take all actions necessary to
6 consummate this agreement; and agree to cooperate with each other to the extent
7 reasonably necessary to effectuate and implement all terms and conditions of the
8 Stipulation.

9 **13.2.** The Parties and their counsel represent that they will not
10 encourage or otherwise influence (or seek to influence) in any way whatsoever any
11 Settlement Class Members to request exclusion from, or object to, the Settlement.

12 **13.3.** Each of the attorneys executing this Stipulation, any of its
13 exhibits, or any related settlement documents on behalf of any Party hereto hereby
14 warrants and represents that he or she has been duly empowered and authorized to
15 do so by the Party he or she represents.

16 **13.4.** Plaintiff and Lead Counsel represent and warrant that Plaintiff
17 is a Settlement Class Member and none of Plaintiff's claims or causes of action
18 against one or more Defendants in the Action, or referred to in this Stipulation, or
19 that could have been alleged against one or more Defendants in the Action have
20 been assigned, encumbered or in any manner transferred in whole or in part.

21 **13.5.** This Stipulation constitutes the entire agreement between the
22 Parties related to the Settlement and supersedes any prior agreements. No
23 representations, warranties, promises, inducements or other statements have been
24 made to or relied upon by any Party concerning this Stipulation, other than the
25 representations, warranties and covenants expressly set forth herein. Plaintiff, on
26 behalf of itself and the Settlement Class, acknowledge and agree that any and all
27 other representations and warranties of any kind or nature, express or implied, are
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1 specifically disclaimed and were not relied upon in connection with this Stipulation.
2 In entering this Stipulation, the Parties relied solely upon their own knowledge and
3 investigation. Except as otherwise provided herein, each Party shall bear his, her,
4 or its own costs.

5 **13.6.** This Stipulation may not be modified or amended, nor may any
6 of its provisions be waived, except by a writing signed by all Parties or their counsel
7 or their respective successors in interest.

8 **13.7.** This Stipulation shall be binding upon, and shall inure to the
9 benefit of, the Parties and their respective agents, successors, executors, heirs, and
10 assigns.

11 **13.8.** The Released Parties who do not appear on the signature lines
12 below are acknowledged and agreed to be third party beneficiaries of this
13 Stipulation and Settlement.

14 **13.9.** The headings herein are used for the purpose of convenience
15 only and are not meant to have legal effect.

16 **13.10.** This Stipulation may be executed in any number of counterparts
17 by any of the signatories hereto and the transmission of an original signature page
18 electronically (including by facsimile or portable document format) shall constitute
19 valid execution of the Stipulation as if all signatories hereto had executed the same
20 document. Copies of this Stipulation executed in counterpart shall constitute one
21 agreement.

22 **13.11.** This Stipulation, the Settlement, and any all disputes arising out
23 of or relating in any way to this Stipulation, whether in contract, tort or otherwise,
24 shall be governed by and construed in accordance with the laws of the State of
25 California without regard to conflict of laws principles.

26 **13.12.** Any claim or dispute among the Parties arising out of, relating
27 to, or in connection with the interpretation or implementation of the terms of the
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1 Stipulation prior to submission to the Court shall (subject to the Automatic Stay, if
2 applicable) be resolved by the mediator Jed Melnick of JAMS, acting as arbitrator,
3 whose determinations shall be binding and non-appealable.

4 **13.13.** Subject to the Automatic Stay, if applicable, the Court shall
5 retain jurisdiction with respect to the implementation and enforcement of the terms
6 of this Stipulation, and all Parties hereto submit to the jurisdiction of the Court for
7 purposes of implementing and enforcing the Settlement embodied in this
8 Stipulation.

9 **13.14.** The Stipulation shall not be construed more strictly against one
10 Party than another merely by virtue of the fact that it, or any part of it, may have
11 been prepared by counsel for one of the Parties, it being recognized that it is the
12 result of arm's-length negotiations between the Parties, and all Parties have
13 contributed substantially and materially to the preparation of this Stipulation.

14 **13.15.** Plaintiff, Lead Counsel, and the attorneys, staff, experts, and
15 consultants assisting them in this Action agree that (a) they will not intentionally
16 assist or cooperate with any person or entity in the pursuit of legal action related to
17 the Released Claims against the Released Parties, (b) they will not intentionally
18 assist or cooperate with any person or entity seeking to publicly disparage or
19 economically harm the Released Parties with respect to any matter relating to the
20 subject matter this Action, and (c) they will not discuss any confidential matters
21 related to this Action or the Settlement with anyone, and (d) they will not make any
22 accusations of wrongful or actionable conduct by any party concerning the
23 prosecution, defense, and resolution of the Action, and shall not otherwise suggest
24 that the settlement embodied in this Stipulation constitutes an admission of any
25 claim or defense alleged. The Parties reserve their right to rebut, in a manner that
26 such party determines to be appropriate, any contention made in any public forum
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1 regarding the Action, including that the Action was brought or defended in bad faith
2 or without a reasonable basis.

3 **13.16.** All agreements by, between or among the Parties, their counsel
4 and their other advisors as to the confidentiality of information exchanged between
5 or among them shall remain in full force and effect, and shall survive the execution
6 and any termination of this Stipulation and the final consummation of the
7 Settlement, if finally consummated, without regard to any of the conditions of the
8 Settlement.

9 **13.17.** The Parties shall not assert or pursue any action, claim or rights
10 that any Party violated any provision of Rule 11 of the Federal Rules of Civil
11 Procedure and/or the Private Securities Litigation Reform Act of 1995 in
12 connection with the Action, the Settlement, or the Stipulation. The Parties agree
13 that the Action was resolved in good faith following arm's-length bargaining, in
14 full compliance with applicable requirements of good faith litigation under the
15 Securities Exchange Act of 1934, Rule 11 of the Federal Rules of Civil Procedure,
16 and/or the Private Securities Litigation Reform Act of 1995.

17 **13.18.** Any failure by any of the Parties to insist upon the strict
18 performance by any other Party of any of the provisions of the Stipulation shall not
19 be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding
20 such failure, shall have the right thereafter to insist upon the strict performance of
21 any and all of the provisions of this Stipulation to be performed by the other Parties
22 to this Stipulation.

23 **13.19.** The waiver, express or implied, by any Party of any breach or
24 default by any other Party in the performance of such Party of its obligations under
25 the Stipulation shall not be deemed or construed to be a waiver of any other breach,
26 whether prior, subsequent, or contemporaneous, under this Stipulation.

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1 **13.20.** The Parties reserve the right, subject to the Court’s approval, to
2 make any reasonable extensions of time that might be necessary to carry out any of
3 the provisions of this Stipulation.

4 **13.21.** Whether or not this Stipulation is approved by the Court and
5 whether or not the settlement embodied in this Stipulation is consummated, the
6 Parties and their counsel shall use their best efforts to keep all negotiations,
7 discussions, acts performed, agreements, drafts, documents signed and proceedings
8 had in connection with this Stipulation confidential. Notwithstanding the foregoing,
9 the Parties agree that this Stipulation may be filed publicly as part of any motion
10 for preliminary or final approval of the settlement.

11 **IN WITNESS WHEREOF**, the Parties have executed this Stipulation by
12 their undersigned counsel effective as of the date set forth below.

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