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19 *and Lead Counsel for the Putative Class*

20 UNITED STATES DISTRICT COURT  
21 NORTHERN DISTRICT OF CALIFORNIA  
22 SAN FRANCISCO DIVISION

23 JAY RABKIN, Individually and on Behalf  
24 of All Others Similarly Situated,

25 Plaintiff,

26 v.

27 LION BIOTECHNOLOGIES, INC.,  
28 MANISH SINGH, MICHAEL  
HANDELMAN, and KAMILLA BJORLIN,

Defendants.

Case No. 3:17-cv-02086-SI

CLASS ACTION

**STIPULATION OF SETTLEMENT  
AND RELEASE**

Hon. Susan Illston  
Courtroom: 1-17th Floor (San Francisco)

1 This Stipulation of Settlement and Release dated as of September 28, 2018 (the “Stipulation”)  
2 is entered into between and among Court-appointed Lead Plaintiff Jay Rabkin (“Lead Plaintiff”), on  
3 behalf of himself and the Settlement Class (as defined below in ¶ 1(oo)), and defendants Lion  
4 Biotechnologies, Inc. (n/k/a Iovance Biotherapeutics, Inc) (“Lion” or the “Company”),<sup>1</sup> Manish  
5 Singh and Michael Handelman (collectively, “Defendants” and together with Lead Plaintiff, the  
6 “Parties”), by and through their respective counsel, and embodies the terms and conditions of the  
7 settlement of the above-captioned action (“Action”).<sup>2</sup> Subject to the approval of the Court and the  
8 terms and conditions expressly provided herein, this Stipulation is intended to fully, finally and  
9 forever compromise, settle, release, resolve and dismiss with prejudice all claims asserted in the  
10 Action against Defendants.

11 WHEREAS:

12 A. On April 14, 2017, the first putative securities class action complaint captioned  
13 *Desilvio v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-02086-SI, was filed in the United  
14 States District Court for the Northern District of California (“Court”). In accordance with the Private  
15 Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, as amended (“PSLRA”), notice to the  
16 public was issued stating the deadline by which putative class members could move the Court for  
17 appointment as lead plaintiff.

18 B. By Order dated July 26, 2017, the Court appointed Jay Rabkin as Lead Plaintiff and  
19 approved his selection of Kessler Topaz Meltzer & Check, LLP as Lead Counsel.

20 C. On September 8, 2017, Lead Plaintiff filed the operative complaint in the Action – the  
21 Amended Complaint for Violation of the Federal Securities Laws (“Amended Complaint”). The  
22 Amended Complaint asserted claims under §§ 10(b) and 20(a) of the Securities Exchange Act of 1934  
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24 <sup>1</sup> Lion Biotechnologies, Inc. changed its name to Iovance Biotherapeutics, Inc. on June 27, 2018, and  
25 the Company’s NASDAQ ticker symbol changed to “IOVA” on June 28, 2018. Prior to June 28,  
26 2018 and throughout the Class Period (*i.e.*, September 27, 2013 to April 10, 2017, inclusive), the  
27 Company’s NASDAQ ticker symbol was “LBIO.”

<sup>2</sup> All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed  
28 to them in ¶ 1 herein.

1 (“Exchange Act”) and Rule 10b-5 promulgated thereunder, as well as §§ 11(a), 12(a)(2), and 15 of  
2 the Securities Act of 1933 (“Securities Act”) against Defendants and Kamilla Bjorlin.<sup>3</sup>

3 D. On November 3, 2017, defendants moved to dismiss the Amended Complaint. On  
4 December 1, 2017, Lead Plaintiff filed his opposition to the motions to dismiss, and on December 8,  
5 2017, defendants filed their reply papers.

6 E. By Order dated February 15, 2018, the Court granted in part and denied in part the  
7 motions to dismiss the Amended Complaint.

8 F. Defendants filed their answers and affirmative defenses to the Amended Complaint  
9 on April 9, 2018.

10 G. Thereafter, the Parties commenced discovery, which included the Company’s  
11 production of documents previously produced to the United States Securities and Exchange  
12 Commission. Each side also performed damages analyses and concluded that mediation was  
13 appropriate.

14 H. To facilitate their negotiations regarding a possible resolution of the Action, the Parties  
15 scheduled a formal mediation with Jed D. Melnick, Esq. of JAMS for July 10, 2018 in New York,  
16 NY. In advance of the mediation, the Parties prepared and exchanged detailed mediation statements.  
17 Following a day of hard-fought, arm’s-length negotiations, the Parties reached an agreement in  
18 principle to settle the Action at the mediation on July 10, 2018.

19 I. This Stipulation (together with the exhibits hereto) reflects the final and binding  
20 agreement between the Parties.

21 J. Based upon their investigation, prosecution, and mediation of the case, Lead Plaintiff  
22 and Lead Counsel have concluded that the terms and conditions of this Stipulation are fair,  
23 reasonable, and adequate to Lead Plaintiff and the Settlement Class, and in their best interests. Based  
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25 <sup>3</sup> In connection with the Settlement of the Action, Lead Plaintiff intends to voluntarily dismiss his  
26 claims against defendant Kamilla Bjorlin, and will file his notice of voluntary dismissal pursuant to  
27 Rule 41(a)(i) of the Federal Rules of Civil Procedure following the Effective Date (as defined below).  
Accordingly, Kamilla Bjorlin is not a party to this Stipulation, and this Stipulation (and the Settlement  
embodied herein) is not contingent on the dismissal of Ms. Bjorlin.

1 on Lead Plaintiff's direct oversight of the prosecution of this matter and with the advice of his counsel,  
2 Lead Plaintiff has agreed to settle and release the Released Plaintiffs' Claims (as defined below in ¶  
3 1(jj)) as against Defendants pursuant to the terms and provisions of this Stipulation, after considering,  
4 among other things: (i) the substantial financial benefit that members of the Settlement Class will  
5 receive under the proposed Settlement; and (ii) the significant risks and costs of continued litigation  
6 and trial.

7 K. All of the Defendants deny, and continue to deny, that they have committed any act  
8 or omission giving rise to any liability under the Exchange Act, Rule 10b-5 promulgated thereunder,  
9 or the Securities Act. Specifically, Defendants expressly have denied, and continue to deny, each  
10 and all of the claims alleged by Lead Plaintiff in the Action, including without limitation, any liability  
11 arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been  
12 alleged, in the Action. Defendants also have denied, and continue to deny, among other allegations,  
13 the allegations that Lead Plaintiff or the Settlement Class have suffered any damages, or that Lead  
14 Plaintiff or the Settlement Class were harmed by the conduct alleged in the Action or that they could  
15 have alleged as part of the Action. In addition, Defendants maintain that they have meritorious  
16 defenses to all claims alleged in the Action.

17 L. As set forth below, neither the Settlement nor any of the terms of this Stipulation shall  
18 constitute an admission or finding of any fault, liability, wrongdoing, or damages whatsoever or any  
19 infirmity in the defenses that Defendants have, or could have, asserted. Defendants are entering into  
20 this Stipulation solely to eliminate the burden and expense of further litigation. Defendants have  
21 determined that it is desirable and beneficial to them that the Action be settled in the manner and  
22 upon the terms and conditions set forth in this Stipulation. Similarly, this Stipulation shall in no event  
23 be construed or deemed to be evidence of or an admission or concession on the part of Lead Plaintiff  
24 of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of  
25 Defendants' defenses to liability had any merit. Each of the Parties recognizes and acknowledges,  
26 however, that the Action has been initiated, filed, and prosecuted by Lead Plaintiff in good faith and  
27

1 defended by Defendants in good faith, and that the Action is being voluntarily settled with the advice  
2 of counsel.

3 NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among Lead  
4 Plaintiff (individually and on behalf of all members of the Settlement Class) and Defendants, by and  
5 through their respective undersigned attorneys and subject to the approval of the Court pursuant to  
6 Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to  
7 the Parties from the Settlement, all Released Plaintiffs' Claims as against the Defendant Releasees  
8 and all Released Defendants' Claims as against the Plaintiff Releasees shall be settled and released,  
9 upon and subject to the terms and conditions set forth below.

10 **DEFINITIONS**

11 1. As used in this Stipulation and any exhibits attached hereto and made a part hereof,  
12 the following capitalized terms shall have the following meanings:

13 (a) "Action" means *Rabkin v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-  
14 02086-SI (N.D. Cal.).

15 (b) "Alternative Judgment" means a form of final judgment that may be entered by  
16 the Court herein but in a form other than the form of Judgment provided for in this Stipulation.

17 (c) "Amended Complaint" means the Amended Complaint for Violation of the  
18 Federal Securities Laws filed in the Action on September 8, 2017.

19 (d) "Authorized Claimant" means a Settlement Class Member who or which  
20 submits a Claim Form to the Claims Administrator that is approved by the Court for payment from  
21 the Net Settlement Fund.

22 (e) "Claim" means a paper claim submitted on a Proof of Claim Form or an  
23 electronic claim that is submitted to the Claims Administrator.

24 (f) "Claim Form" or "Proof of Claim Form" means the form, substantially in the  
25 form attached hereto as Exhibit 2 to Exhibit A, that a Claimant must complete and submit to the  
26 Claims Administrator in order to be eligible to share in a distribution of the Net Settlement Fund.

1 (g) "Claimant" means a person or entity who or which submits a Claim Form to the  
2 Claims Administrator seeking to be eligible to share in the Net Settlement Fund.

3 (h) "Claims Administrator" means JND Legal Administration, the firm retained by  
4 Lead Counsel, subject to approval of the Court, to provide all notices approved by the Court to  
5 potential Settlement Class Members in the Action and to administer the Settlement.

6 (i) "Class Distribution Order" means an order entered by the Court authorizing and  
7 directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized Claimants.

8 (j) "Class Period" means the period of time between September 27, 2013 and April  
9 10, 2017, inclusive.

10 (k) "Court" means the United States District Court for the Northern District of  
11 California.

12 (l) "Defendants" means Lion Biotechnologies, Inc. (n/k/a Iovance Biotherapeutics,  
13 Inc.), Manish Singh, and Michael Handelman. For avoidance of doubt, "Defendants" does not  
14 include Kamila Bjorlin.

15 (m) "Defendants' Counsel" means the law firms of Sidley Austin LLP and Reed  
16 Smith LLP.

17 (n) "Defendant Releasees" means (i) Defendants and their attorneys; (ii) the  
18 Defendants' respective Immediate Family members, and the Defendants' and Immediate Family  
19 members' heirs, trusts, trustees, executors, estates, administrators, beneficiaries, entities, agents,  
20 affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate parents and  
21 subsidiaries; and (iii) all current and former officers, directors, and employees of Lion, in their  
22 capacities as such. For the avoidance of doubt, "Defendant Releasees" does not include Kamilla  
23 Bjorlin.

24 (o) "Effective Date" with respect to the Settlement means the first date by which  
25 all of the events and conditions specified in ¶ 31 of this Stipulation have been met and have occurred  
26 or have been waived.

1 (p) "Escrow Account" means an account maintained at The Huntington National  
2 Bank wherein the Settlement Amount shall be deposited and held in escrow under the control of Lead  
3 Counsel.

4 (q) "Escrow Agent" means The Huntington National Bank.

5 (r) "Escrow Agreement" means the agreement between Lead Counsel and the  
6 Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow  
7 Account.

8 (s) "Final," with respect to the Judgment or, if applicable, the Alternative  
9 Judgment, or any other court order means: (i) if no appeal is filed, the expiration date of the time  
10 provided for filing or noticing of any appeal under the Federal Rules of Appellate Procedure, *i.e.*,  
11 thirty (30) days after entry of the Judgment or order; or (ii) if there is an appeal from the Judgment or  
12 order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on  
13 certiorari or otherwise, or (b) the date the Judgment or order is finally affirmed on an appeal, the  
14 expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of  
15 a writ of certiorari or other form of review, and, if certiorari or other form of review is granted, the  
16 date of final affirmance following review pursuant to that grant. However, any appeal or proceeding  
17 seeking subsequent judicial review pertaining solely to an order issued with respect to: (i) attorneys'  
18 fees, costs or expenses; or (ii) the plan of allocation for the Settlement proceeds (as submitted or  
19 subsequently modified), shall not in any way delay or preclude the Judgment or, if applicable, the  
20 Alternative Judgment, from becoming Final.

21 (t) "Immediate Family" means children, stepchildren, grandchildren, parents,  
22 stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-  
23 in-law, brothers-in-law, and sisters-in-law. As used in this definition, "spouse" shall mean a husband,  
24 a wife, or a partner in a state recognized domestic relationship or civil union.

25 (u) "Judgment" means the final judgment, substantially in the form attached hereto  
26 as Exhibit B, to be entered by the Court approving the Settlement.

27 (v) "Lead Counsel" means the law firm of Kessler Topaz Meltzer & Check, LLP.

1 (w) “Lead Plaintiff” means Jay Rabkin.

2 (x) “Lion” or the “Company” means Lion Biotechnologies, Inc. (n/k/a Iovance  
3 Biotherapeutics, Inc.).

4 (y) “Litigation Expenses” means the costs and expenses incurred by Lead Counsel  
5 in connection with commencing, prosecuting and settling the Action (which may include the costs  
6 and expenses of Lead Plaintiff directly related to his representation of the Settlement Class), for which  
7 Lead Counsel intends to apply to the Court for reimbursement from the Settlement Fund.

8 (z) “Net Settlement Fund” means the Settlement Fund less: (i) any Taxes and Tax  
9 Expenses; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the  
10 Court; and (iv) any attorneys’ fees awarded by the Court.

11 (aa) “Notice” means the Notice of (I) Pendency of Class Action and Proposed  
12 Settlement; (II) Motion for an Award of Attorneys’ Fees and Reimbursement of Litigation Expenses;  
13 and (III) Settlement Fairness Hearing, substantially in the form attached hereto as Exhibit 1 to Exhibit  
14 A, which is to be mailed to Settlement Class Members.

15 (bb) “Notice and Administration Costs” means the costs, fees and expenses that are  
16 incurred by the Claims Administrator and/or Lead Counsel in connection with: (i) providing notice  
17 (including disseminating the Notice and publishing the Summary Notice) to the Settlement Class;  
18 and (ii) administering the Settlement, including but not limited to the Claims process, as well as the  
19 costs, fees and expenses incurred in connection with the Escrow Account.

20 (cc) “Parties” means Defendants and Lead Plaintiff, on behalf of himself and the  
21 Settlement Class.

22 (dd) “Plaintiff Releasees” means (i) Lead Plaintiff, his attorneys and all other  
23 Settlement Class Members; and (ii) the Immediate Family members, heirs, trusts, trustees, members,  
24 partners, including limited partners, shareholders, executors, estates, administrators, beneficiaries,  
25 agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate  
26 parents and subsidiaries of each of the Persons listed in (i), in their capacities as such.

27



1 (ee) “Plan of Allocation” means the proposed plan set forth in the Notice to be  
2 utilized for determining the allocation of the Net Settlement Fund, as submitted or subsequently  
3 modified.

4 (ff) “Preliminary Approval Order” means the order, substantially in the form  
5 attached hereto as Exhibit A, to be entered by the Court preliminarily approving the Settlement and  
6 directing that notice of the Settlement be provided to the Settlement Class.

7 (gg) “PSLRA” means the Private Securities Litigation Reform Act of 1995, 15  
8 U.S.C. § 78u-4, as amended.

9 (hh) “Released Claims” means all Released Defendants’ Claims and all Released  
10 Plaintiffs’ Claims.

11 (ii) “Released Defendants’ Claims” means any and all claims, rights, duties,  
12 controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements,  
13 promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of  
14 every nature and description, whether known claims or Unknown Claims, whether arising under  
15 federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or  
16 regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent,  
17 whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured,  
18 that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against  
19 Defendants. “Released Defendants’ Claims” do not include any claims relating to the enforcement  
20 of the Settlement or claims asserted against Kamila Bjorlin in this Action.

21 (jj) “Released Plaintiffs’ Claims” means any and all claims, rights, duties,  
22 controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements,  
23 promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of  
24 every nature and description, whether known claims or Unknown Claims, whether arising under  
25 federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or  
26 regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent,  
27 whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured,

1 that Lead Plaintiff, any other member of the Settlement Class, or any of Plaintiff Releasees (i) asserted  
2 in the Amended Complaint or (ii) could have asserted in any court or forum that arise out of or are  
3 based upon the allegations, transactions, facts, matters or occurrences, representations, or omissions  
4 set forth in the Amended Complaint and that relate to the purchase or acquisition of shares of Lion  
5 common stock during the Class Period. “Released Plaintiffs’ Claims” do not include (i) any claims  
6 relating to the enforcement of the Settlement; (ii) any claims that members of the Settlement Class  
7 may have solely in a derivative capacity, including without limitation in the action captioned *In re*  
8 *Iovance Biotherapeutics, Inc. Stockholder Derivative Litigation*, Lead Case No. 1:17-cv-01806-LPS  
9 (D. Del.); or (iii) any claims of any person or entity who or which submits a request for exclusion  
10 from the Settlement Class that is accepted by the Court. For the avoidance of doubt, “Released  
11 Plaintiffs’ Claims” also do not include any claims asserted against Kamilla Bjorlin in this Action.

12 (kk) “Releasee(s)” means each and any of the Defendant Releasees and each and any  
13 of the Plaintiff Releasees.

14 (ll) “Releases” means the releases set forth in ¶¶ 5-6 of this Stipulation.

15 (mm) “Settlement” means the settlement between Lead Plaintiff and Defendants on  
16 the terms and conditions set forth in this Stipulation.

17 (nn) “Settlement Amount” means Three Million Two Hundred and Fifty Thousand  
18 U.S. Dollars (\$3,250,000) in cash to be paid pursuant to ¶ 8 of this Stipulation.

19 (oo) “Settlement Class” means all persons and entities who purchased or otherwise  
20 acquired Lion common stock between September 27, 2013 and April 10, 2017, inclusive, and who  
21 were damaged thereby. Excluded from the Settlement Class are (i) Defendants, Kamilla Bjorlin and  
22 their Immediate Family members; (ii) the current and former officers and directors of the Company,  
23 and their Immediate Family members; (iii) the legal representatives, heirs, successors or assigns of  
24 any of the foregoing excluded party; and (iv) any entity in which Defendants, Kamilla Bjorlin, or  
25 Lidingo Holdings LLC have or had a controlling interest. Also excluded from the Settlement Class  
26 are any persons and entities who or which exclude themselves by submitting a request for exclusion  
27 that is accepted by the Court.

1 (pp) "Settlement Class Member" means each person and entity who or which is a  
2 member of the Settlement Class.

3 (qq) "Settlement Fairness Hearing" means the hearing set by the Court under Rule  
4 23(e)(2) of the Federal Rules of Civil Procedure to consider final approval of the Settlement.

5 (rr) "Settlement Fund" means the Settlement Amount plus any and all interest  
6 earned thereon.

7 (ss) "Summary Notice" means the Summary Notice of (I) Pendency of Class Action  
8 and Proposed Settlement; (II) Motion for an Award of Attorneys' Fees and Reimbursement of  
9 Litigation Expenses; and (III) Settlement Fairness Hearing, substantially in the form attached hereto  
10 as Exhibit 3 to Exhibit A, to be published as set forth in the Preliminary Approval Order.

11 (tt) "Taxes" means: (i) all federal, state, and/or local taxes of any kind (including  
12 any estimated taxes, interest or penalties thereon) arising with respect to any income earned by the  
13 Settlement Fund, including any taxes or tax detriments that may be imposed upon the Plaintiff  
14 Releasees or their counsel with respect to any income earned by the Settlement Fund for any period  
15 after the deposit of the Settlement Amount in the Escrow Account during which the Settlement Fund  
16 does not qualify as a "qualified settlement fund" for federal or state income tax purposes; and (ii) all  
17 taxes imposed on payments by the Settlement Fund, including withholding taxes.

18 (uu) "Tax Expenses" means the expenses and costs incurred by Lead Counsel in  
19 connection with determining the amount of, and paying, any taxes owed by the Settlement Fund  
20 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and  
21 distribution costs and expenses relating to filing (or failing to file) tax returns for the Settlement  
22 Fund).

23 (vv) "Unknown Claims" means any Released Plaintiffs' Claims which Lead  
24 Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her or its  
25 favor at the time of the release of such claims, and any Released Defendants' Claims which any  
26 Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims,  
27 which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this



1 and Defendants shall agree to, entry of the Preliminary Approval Order, substantially in the form  
2 attached hereto as Exhibit A.

3 **CLASS CERTIFICATION**

4 3. Solely for the purpose of the Settlement, the Parties hereby stipulate and agree to: (a)  
5 certification of the Action as a class action, pursuant to Rules 23(a) and (b)(3) of the Federal Rules  
6 of Civil Procedure, consistent with the definition of the Settlement Class; (b) appointment of Lead  
7 Plaintiff as representative for the Settlement Class; and (c) appointment of Lead Counsel as Class  
8 Counsel pursuant to Rule 23(g) of the Federal Rules of Civil Procedure. Lead Plaintiff will move for  
9 entry of the Preliminary Approval Order, which will certify the Action to proceed as a class action  
10 for settlement purposes only. Defendants expressly reserve the right to continue to contest class  
11 certification in the event that the Effective Date does not occur.

12 **RELEASE OF CLAIMS**

13 4. The obligations incurred pursuant to this Stipulation are in consideration of: (i) the full  
14 and final disposition of the Action as against Defendants; and (ii) the Releases provided for herein.

15 5. Pursuant to the Judgment, or the Alternative Judgment, if applicable, without further  
16 action by anyone, upon the Effective Date of the Settlement, Lead Plaintiff and each of the other  
17 Settlement Class Members, on behalf of themselves, and their respective Immediate Family members,  
18 heirs, trusts, trustees, members, partners, including limited partners, shareholders, executors, estates,  
19 administrators, beneficiaries, agents, affiliates, insurers and reinsurers, predecessors, successors,  
20 assigns, advisors, corporate parents and subsidiaries in their capacities as such, shall be deemed to  
21 have, and by operation of law and of the Judgment shall have, fully, finally and forever compromised,  
22 settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiffs'  
23 Claim against the Defendant Releasees, and shall forever be barred and enjoined from prosecuting  
24 any or all of the Released Plaintiffs' Claims against any of the Defendant Releasees.

25 6. Pursuant to the Judgment, or the Alternative Judgment, if applicable, without further  
26 action by anyone, upon the Effective Date of the Settlement, Defendants, on behalf of themselves,  
27 and their respective heirs, executors, administrators, predecessors, successors and assigns in their

1 capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have,  
2 fully, finally and forever compromised, settled, released, resolved, relinquished, waived and  
3 discharged each and every Released Defendants' Claim against the Plaintiff Releasees, and shall  
4 forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims  
5 against any of the Plaintiff Releasees.

6 7. Notwithstanding ¶¶ 5-6 above, nothing in the Judgment, or the Alternative Judgment,  
7 if applicable, shall bar any action by any of the Parties to enforce or effectuate the terms of this  
8 Stipulation or the Judgment, or Alternative Judgment, if applicable.

9 **THE SETTLEMENT CONSIDERATION**

10 8. In consideration of the full settlement of the claims asserted in the Action against  
11 Defendants and the Releases specified in ¶¶ 4-7 above, the Company shall pay or cause to be paid  
12 the Settlement Amount into the Escrow Account no later than ten (10) business days after the later  
13 of: (a) the entry of the Preliminary Approval Order; or (b) the provision to the Company's counsel  
14 of all information necessary to effectuate a transfer of funds to the Escrow Account, including the  
15 bank name and ABA routing number, account number, and a signed Form W-9 reflecting the taxpayer  
16 identification for the Settlement Fund.

17 **USE OF SETTLEMENT FUND**

18 9. The Settlement Fund shall be used to pay: (a) any Taxes and Tax Expenses; (b) any  
19 Notice and Administration Costs; (c) any Litigation Expenses awarded by the Court; and (d) any  
20 attorneys' fees awarded by the Court. Under no circumstances will Defendants or any of the other  
21 Defendant Releasees be required to pay more than the Settlement Amount. The balance remaining  
22 in the Settlement Fund, that is, the Net Settlement Fund, shall be distributed to Authorized Claimants  
23 as provided in ¶¶ 18-29 below.

24 10. Except as provided herein or pursuant to orders of the Court, the Net Settlement Fund  
25 shall remain in the Escrow Account prior to the Effective Date. All funds held by the Escrow Agent  
26 shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the  
27 Court until such time as the funds shall be distributed or returned pursuant to the terms of this

1 Stipulation and/or further order of the Court. At the written direction of Lead Counsel, the Escrow  
2 Agent shall invest any funds in the Escrow Account exclusively in instruments or accounts backed  
3 by the full faith and credit of the United States Government or fully insured by the United States  
4 Government or an agency thereof, including a United States Treasury Fund or a bank account that is  
5 either (a) fully insured by the Federal Deposit Insurance Corporation (“FDIC”) or (b) secured by  
6 instruments backed by the full faith and credit of the United States Government. The Escrow Agent  
7 shall reinvest the proceeds of these instruments or accounts as they mature in similar instruments or  
8 accounts at their then-current market rates.

9 11. The Escrow Agent shall not disburse the Settlement Fund except as provided in this  
10 Stipulation. The Parties agree that the Settlement Fund is intended to be a Qualified Settlement Fund  
11 within the meaning of Treasury Regulation § 1.468B-1 and that Lead Counsel, as administrator of  
12 the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be solely  
13 responsible for filing or causing to be filed all informational and other tax returns as may be necessary  
14 or appropriate (including, without limitation, the returns described in Treasury Regulation § 1.468B-  
15 2(k)) for the Settlement Fund. Lead Counsel shall also be solely responsible for causing payment to  
16 be made from the Settlement Fund of any Taxes or Tax Expenses owed with respect to the Settlement  
17 Fund. Upon written request, Defendants will provide to Lead Counsel the statement described in  
18 Treasury Regulation § 1.468B-3(e). Lead Counsel, as administrator of the Settlement Fund within  
19 the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are  
20 necessary or advisable to carry out this paragraph, including, as necessary, making a “relation back  
21 election,” as described in Treasury Regulation § 1.468B-1(j), to cause the Qualified Settlement Fund  
22 to come into existence at the earliest allowable date, and shall take or cause to be taken all actions as  
23 may be necessary or appropriate in connection therewith.

24 12. All Taxes and Tax Expenses shall be paid out of the Settlement Fund, and in all events  
25 the Defendant Releasees shall have no liability or responsibility whatsoever for the payment of Taxes  
26 or Tax Expenses. Taxes and Tax Expenses shall be timely paid by the Escrow Agent pursuant to the  
27 disbursement instructions to be set forth in the Escrow Agreement, and without further order of the



1 Court, and Lead Counsel shall be authorized (notwithstanding anything herein to the contrary) to  
2 withhold from distribution to Authorized Claimants any funds necessary to pay such amounts,  
3 including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any  
4 amounts that may be required to be withheld under Treas. Reg. §1.468B-2(1)(2)). The Parties hereto  
5 agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the  
6 extent reasonably necessary to carry out the provisions of ¶¶ 11 and 12 of this Stipulation.

7 13. The Settlement is not a claims-made settlement. Upon the occurrence of the Effective  
8 Date, no Defendant, Defendant Releasee, or any other person or entity who or which paid any portion  
9 of the Settlement Amount shall have any right to the return of the Settlement Fund or any portion  
10 thereof for any reason whatsoever, including without limitation, the number of Claim Forms  
11 submitted, the collective amount of Recognized Claims of Authorized Claimants, the percentage of  
12 recovery of losses, or the amounts to be paid to Authorized Claimants from the Net Settlement Fund.

13 14. Prior to the Effective Date of the Settlement, Lead Counsel may pay from the  
14 Settlement Fund, without further approval from Defendants or further order of the Court, Notice and  
15 Administration Costs actually incurred and paid or payable, up to an aggregate amount of One  
16 Hundred Fifty Thousand Dollars (\$150,000). Such costs and expenses shall include, without  
17 limitation, the actual costs of printing and mailing the Notice and Claim Form, publishing the  
18 Summary Notice, reimbursements to nominee owners for forwarding the Notice and Claim Form to  
19 their beneficial owners, the administrative expenses incurred and fees charged by the Claims  
20 Administrator in connection with providing notice, administering the Settlement (including  
21 processing submitted Claims), and the fees, if any, of the Escrow Agent. In the event that the  
22 Settlement is terminated pursuant to the terms of this Stipulation, all Notice and Administration Costs  
23 paid or incurred, including any related fees, shall not be returned or repaid to Defendants, any of the  
24 other Defendant Releasees or any other person or entity who or which paid any portion of the  
25 Settlement Amount.



**ATTORNEYS’ FEES AND LITIGATION EXPENSES**

1  
2           15.     Lead Counsel will apply to the Court for an award of attorneys’ fees to be paid from  
3 (and out of) the Settlement Fund. Lead Counsel also will apply to the Court for reimbursement of  
4 Litigation Expenses, which may include a request for reimbursement of Lead Plaintiff’s costs and  
5 expenses directly related to his representation of the Settlement Class, to be paid from (and out of)  
6 the Settlement Fund. Lead Counsel’s application for an award of attorneys’ fees and/or Litigation  
7 Expenses is not the subject of any agreement between Defendants and Lead Plaintiff other than what  
8 is set forth in this Stipulation.

9           16.     Any attorneys’ fees and Litigation Expenses that are awarded by the Court shall be  
10 paid to Lead Counsel immediately upon award, notwithstanding the existence of any timely filed  
11 objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part  
12 thereof, subject to Lead Counsel’s obligation to make appropriate refunds or repayments to the  
13 Settlement Fund, plus accrued interest at the same net rate as is earned by the Settlement Fund, if the  
14 Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or  
15 further proceedings on remand, or successful collateral attack, the award of attorneys’ fees and/or  
16 Litigation Expenses is reduced or reversed and such order reducing or reversing the award has  
17 become Final. Lead Counsel shall make the appropriate refund or repayment in full no later than  
18 thirty (30) calendar days after: (a) receiving from Defendants’ Counsel notice of the termination of  
19 the Settlement; or (b) any order reducing or reversing the award of attorneys’ fees and/or Litigation  
20 Expenses has become Final. The procedure for, the allowance or disallowance of, and the amount of  
21 any attorneys’ fees and/or Litigation Expenses are not necessary terms of this Stipulation, are not  
22 conditions of the Settlement embodied herein, and shall be considered separately from the Court’s  
23 consideration of the fairness, reasonableness, and adequacy of the Settlement. Neither Lead Plaintiff  
24 nor Lead Counsel may cancel or terminate the Settlement based on this Court’s or any appellate  
25 court’s ruling with respect to attorneys’ fees and/or Litigation Expenses, and any appeal from any  
26 order awarding attorneys’ fees and/or Litigation Expenses or any reversal or modification of any such  
27 order shall not affect or delay the finality of the Judgment.



1 purposes of identifying and providing notice to the Settlement Class, within five (5) calendar days  
2 after entry of the Preliminary Approval Order, the Company shall provide or cause to be provided to  
3 Lead Counsel or the Claims Administrator, at no cost to the Settlement Fund, Lead Counsel or the  
4 Claims Administrator, a list, in electronic form, of the holders of Lion common stock (consisting of  
5 names and addresses, as well as email addresses if available) during the Class Period.

6 20. The Claims Administrator shall receive Claims and determine first, whether the Claim  
7 is a valid Claim, in whole or in part, and second, each Authorized Claimant's *pro rata* share of the  
8 Net Settlement Fund as calculated pursuant to the proposed Plan of Allocation set forth in the Notice  
9 attached hereto as Exhibit 1 to Exhibit A (or such other plan of allocation as the Court approves).

10 21. The Plan of Allocation proposed in the Notice is not a necessary term of the Settlement  
11 or of this Stipulation, and it is not a condition of the Settlement or of this Stipulation that any particular  
12 plan of allocation be approved by the Court. Lead Plaintiff and Lead Counsel may not cancel or  
13 terminate the Settlement (or this Stipulation) based on this Court's or any appellate court's ruling  
14 with respect to the Plan of Allocation or any other plan of allocation approved in this Action.  
15 Defendants and the other Defendant Releasees shall not object in any way to the Plan of Allocation  
16 or any other plan of allocation in this Action. No Defendant, nor any other Defendant Releasees,  
17 shall have any involvement with or liability, obligation or responsibility whatsoever for the  
18 application of the Court-approved plan of allocation.

19 22. Any Settlement Class Member who does not submit a valid Claim Form will not be  
20 entitled to receive any distribution from the Net Settlement Fund, but will otherwise be bound by all  
21 of the terms of this Stipulation and Settlement, including the terms of the Judgment or, the Alternative  
22 Judgment, if applicable, to be entered in the Action and the Releases provided for herein and therein,  
23 and will be permanently barred and enjoined from bringing any action, claim, or other proceeding of  
24 any kind against the Defendant Releasees with respect to the Released Plaintiffs' Claims in the event  
25 that the Effective Date occurs with respect to the Settlement.

26 23. Lead Counsel shall be responsible for supervising the administration of the Settlement  
27 and the disbursement of the Net Settlement Fund subject to Court approval. No Defendant, or any

1 other Defendant Releasees, shall be permitted to review, contest or object to any Claim, or any  
2 decision of the Claims Administrator or Lead Counsel with respect to accepting or rejecting any  
3 Claim, nor shall any Defendant Releasee have any responsibility for, interest in, or liability for any  
4 decision. Lead Counsel shall have the right, but not the obligation, to waive what it deems to be  
5 formal or technical defects in any Claims submitted in the interests of achieving substantial justice.

6 24. For purposes of determining the extent, if any, to which a Settlement Class Member  
7 shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

8 (a) Each Claimant shall be required to submit a Claim in paper form, substantially  
9 in the form attached hereto as Exhibit 2 to Exhibit A, or in electronic form, in accordance with the  
10 instructions for the submission of such Claims, and supported by such documents as are designated  
11 therein, including proof of the Claimant's claimed loss, or such other documents or proof as the  
12 Claims Administrator or Lead Counsel, in their discretion, may deem acceptable;

13 (b) All Claims must be submitted by the date set by the Court in the Preliminary  
14 Approval Order and specified in the Notice. Any Settlement Class Member who fails to submit a  
15 Claim by such date shall be forever barred from receiving any distribution from the Net Settlement  
16 Fund or payment pursuant to this Stipulation (unless by Order of the Court such Settlement Class  
17 Member's Claim Form is accepted), but shall in all other respects be bound by all of the terms of this  
18 Stipulation and the Settlement, including the terms of the Judgment or Alternative Judgment, if  
19 applicable, and the Releases provided for herein and therein, and will be permanently barred and  
20 enjoined from bringing any action, claim or other proceeding of any kind against any Defendants'  
21 Releasees with respect to any Released Plaintiffs' Claim. Provided that it is mailed by the claim-  
22 submission deadline, a Claim Form shall be deemed to be submitted when postmarked, if received  
23 with a postmark indicated on the envelope and if mailed by first-class mail and addressed in  
24 accordance with the instructions thereon. In all other cases, the Claim Form shall be deemed to have  
25 been submitted on the date when actually received by the Claims Administrator;

26 (c) Each Claim shall be submitted to and reviewed by the Claims Administrator  
27 who shall determine in accordance with this Stipulation and the plan of allocation the extent, if any,

1 to which each Claim shall be allowed, subject to review by the Court pursuant to subparagraph (e)  
2 below as necessary;

3 (d) Claims that do not meet the submission requirements may be rejected. Prior to  
4 rejecting a Claim in whole or in part, the Claims Administrator shall communicate with the Claimant  
5 in writing, to give the Claimant the chance to remedy any curable deficiencies in the Claim Form  
6 submitted. The Claims Administrator shall notify, in a timely fashion and in writing, all Claimants  
7 whose Claim the Claims Administrator proposes to reject in whole or in part, setting forth the reasons  
8 therefor, and shall indicate in such notice that the Claimant whose Claim is to be rejected has the right  
9 to review by the Court if the Claimant so desires and complies with the requirements of subparagraph  
10 (e) below; and

11 (e) If any Claimant whose Claim has been rejected in whole or in part desires to  
12 contest such rejection, the Claimant must, within twenty (20) days after the date of mailing of the  
13 notice required in subparagraph (d) above, serve upon the Claims Administrator a notice and  
14 statement of reasons indicating the Claimant's grounds for contesting the rejection along with any  
15 supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a  
16 Claim cannot be otherwise resolved, Lead Counsel shall thereafter present the request for review to  
17 the Court.

18 25. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with  
19 respect to the Claimant's Claim, and the Claim will be subject to investigation and discovery under  
20 the Federal Rules of Civil Procedure, provided, however, that such investigation and discovery shall  
21 be limited to that Claimant's status as a Settlement Class Member and the validity and amount of the  
22 Claimant's Claim. No discovery shall be allowed on the merits of this Action or of the Settlement in  
23 connection with the processing of Claims.

24 26. Lead Counsel will apply to the Court, on notice to Defendants' Counsel, for a Class  
25 Distribution Order: (a) approving the Claims Administrator's administrative determinations  
26 concerning the acceptance and rejection of the Claims submitted; (b) approving payment of any  
27 administration fees and expenses associated with the administration of the Settlement from the

1 Escrow Account; and (c) if the Effective Date has occurred, directing payment of the Net Settlement  
2 Fund to Authorized Claimants from the Escrow Account.

3 27. Payment pursuant to the Class Distribution Order shall be final and conclusive against  
4 all Settlement Class Members. All Settlement Class Members whose Claims are not approved by the  
5 Court for payment shall be barred from participating in distributions from the Net Settlement Fund,  
6 but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the  
7 terms of the Judgment or Alternative Judgment, if applicable, to be entered in this Action and the  
8 Releases provided for herein and therein, and will be permanently barred and enjoined from bringing  
9 any action against any and all Defendant Releasees with respect to any and all of the Released  
10 Plaintiffs' Claims.

11 28. No person or entity shall have any claim against Lead Plaintiff, Lead Counsel, the  
12 Claims Administrator or any other agent designated by Lead Counsel, or the Defendant Releasees  
13 and/or their respective counsel, arising from distributions made substantially in accordance with the  
14 Stipulation, the plan of allocation approved by the Court, or any order of the Court. Lead Plaintiff  
15 and Defendants, and their respective counsel, Lead Plaintiff's damages consultant/expert, and all  
16 other Releasees shall have no liability whatsoever for the investment or distribution of the Settlement  
17 Fund or the Net Settlement Fund, the plan of allocation, or the determination, administration,  
18 calculation, or payment of any Claim or nonperformance of the Claims Administrator, the payment  
19 or withholding of Taxes (including interest and penalties) of Tax Expenses owed by the Settlement  
20 Fund, or any losses incurred in connection therewith.

21 29. All proceedings with respect to the administration, processing and determination of  
22 Claims and the determination of all controversies relating thereto, including disputed questions of  
23 law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.  
24 All Settlement Class Members, other Claimants, and the Parties to this Settlement expressly waive  
25 trial by jury (to the extent any such right may exist) and any right of appeal or review with respect to  
26 such determinations.

**TERMS OF THE JUDGMENT**

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

**CONDITIONS OF SETTLEMENT AND EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION**

31. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver of all of the following events:

(a) the Court has entered the Preliminary Approval Order, substantially in the form set forth in Exhibit A attached hereto, as required by ¶ 2 above;

(b) the Settlement Amount has been deposited into the Escrow Account in accordance with the provisions of ¶ 8 above;

(c) the Company has not exercised its option to terminate the Settlement pursuant to the provisions of this Stipulation (including the Supplemental Agreement described in ¶ 35 below);

(d) Lead Plaintiff has not exercised his option to terminate the Settlement pursuant to the provisions of this Stipulation; and

(e) the Court has approved the Settlement as described herein, following notice to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure, and entered the Judgment and the Judgment has become Final, or the Court has entered an Alternative Judgment and none of the Parties seek to terminate the Settlement and the Alternative Judgment has become Final.

32. Upon the occurrence of all of the events referenced in ¶ 31 above, any and all remaining interest or right of Defendants or any other Defendant Releasee in or to the Settlement Fund, if any, shall be absolutely and forever extinguished and the Releases herein shall be effective.

33. If, pursuant to ¶¶ 34 or 35, (i) the Company exercises its right to terminate the Settlement as provided in this Stipulation; (ii) Lead Plaintiff exercises his right to terminate the



1 Settlement as provided in this Stipulation; (iii) the Court disapproves the Settlement; or (iv) the  
2 Effective Date as to the Settlement otherwise fails to occur, then:

3 (a) the Settlement and the relevant portions of this Stipulation shall be canceled  
4 and terminated;

5 (b) Lead Plaintiff and Defendants shall revert to their respective positions in the  
6 Action as of the date immediately prior to the execution of this Stipulation;

7 (c) the terms and provisions of this Stipulation, with the exception of this ¶ 33 and  
8 ¶¶ 14, 16, 34 and 56, shall have no further force and effect with respect to the Parties and shall not be  
9 used in the Action or in any other proceeding for any purpose, and any Judgment, or Alternative  
10 Judgment, if applicable, or order entered by the Court in accordance with the terms of this Stipulation  
11 shall be treated as vacated, *nunc pro tunc*; and

12 (d) Within five (5) business days after joint written notification of termination is  
13 sent by the Company’s counsel and Lead Counsel to the Escrow Agent, the Settlement Fund  
14 (including accrued interest thereon and any funds received by Lead Counsel consistent with ¶ 16  
15 above), less any Notice and Administration Costs actually incurred, paid or payable and less any  
16 Taxes and Tax Expenses paid, due or owing shall be returned by the Escrow Agent to the parties who  
17 contributed to the payment of the Settlement Amount in the same proportions as their respective  
18 contributions as instructed by the Company’s counsel. In the event that the funds received by Lead  
19 Counsel consistent with ¶ 16 above have not been refunded to the Settlement Fund within the five (5)  
20 business days specified in this paragraph, those funds shall be refunded by the Escrow Agent to the  
21 Company (or such other persons or entities as the Company’s counsel may direct) immediately upon  
22 their deposit into the Escrow Account consistent with ¶ 16 above.

23 34. It is further stipulated and agreed that Lead Plaintiff, on the one hand, and the  
24 Company, on the other hand, shall each have the right to terminate the Settlement and this Stipulation,  
25 by providing written notice of their election to do so (“Termination Notice”) to the other Parties to  
26 this Stipulation within thirty (30) days of: (a) the Court’s final refusal to enter the Preliminary  
27 Approval Order in any material respect; (b) the Court’s final refusal to approve the Settlement or any



1 material part thereof; (c) the Court’s final refusal to enter the Judgment in any material respect as to  
2 the Settlement; (d) the date upon which the Judgment is modified or reversed in any material respect  
3 by the United States Court of Appeals for the Ninth Circuit or the United States Supreme Court; or  
4 (e) the date upon which an Alternative Judgment is modified or reversed in any material respect by  
5 the United States Court of Appeals for the Ninth Circuit or the United States Supreme Court, and the  
6 provisions of ¶ 33 above shall apply. However, any decision or proceeding, whether in this Court or  
7 any appellate court, with respect to an application for attorneys’ fees or reimbursement of Litigation  
8 Expenses or with respect to any plan of allocation shall not be considered material to the Settlement,  
9 shall not affect the finality of any Judgment or Alternative Judgment, if applicable, and shall not be  
10 grounds for termination of the Settlement.

11 35. In addition to the grounds set forth in ¶ 34 above, the Company shall have the right to  
12 terminate the Settlement in the event that Settlement Class Members timely and validly requesting  
13 exclusion from the Settlement Class meet the conditions set forth in the Parties’ confidential  
14 supplemental agreement (the “Supplemental Agreement”), in accordance with the terms of that  
15 agreement. The Supplemental Agreement, which is being executed concurrently herewith, shall not  
16 be filed with the Court and its terms shall not be disclosed in any other manner (other than the  
17 statements herein and in the Notice, to the extent necessary, or as otherwise provided in the  
18 Supplemental Agreement) unless and until the Court otherwise directs or a dispute arises between  
19 Lead Plaintiff and Defendants concerning its interpretation or application.

20 **NO ADMISSION OF WRONGDOING**

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

26 (a) shall be offered against any of the Defendant Releasees as evidence of, or  
27 construed as, or deemed to be evidence of any presumption, concession, or admission by any of the

1 Defendant Releasees with respect to the truth of any fact alleged by Lead Plaintiff or the validity of  
2 any claim that was or could have been asserted or the deficiency of any defense that has been or could  
3 have been asserted in this Action or in any other litigation, or of any liability, negligence, fault, or  
4 other wrongdoing of any kind of any of the Defendant Releasees or in any way referred to for any  
5 other reason as against any of the Defendant Releasees, in any civil, criminal or administrative action  
6 or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this  
7 Stipulation;

8 (b) shall be offered against any of the Plaintiff Releasees, as evidence of, or  
9 construed as, or deemed to be evidence of any presumption, concession or admission by any of the  
10 Plaintiff Releasees that any of their claims are without merit, that any of the Defendant Releasees had  
11 meritorious defenses, or that damages recoverable under the Amended Complaint would not have  
12 exceeded the Settlement Amount or with respect to any liability, negligence, fault or wrongdoing of  
13 any kind, or in any way referred to for any other reason as against any of the Plaintiff Releasees, in  
14 any civil, criminal or administrative action or proceeding, other than such proceedings as may be  
15 necessary to effectuate the provisions of this Stipulation; or

16 (c) shall be construed against any of the Releasees as an admission, concession, or  
17 presumption that the consideration to be given hereunder represents the amount which could be or  
18 would have been recovered after trial;

19 *provided, however*, that if this Stipulation is approved by the Court, the Parties and the Releasees and  
20 their respective counsel may refer to it to effectuate the protections from liability granted hereunder  
21 or otherwise to enforce the terms of the Settlement.

22 **MISCELLANEOUS PROVISIONS**

23 37. All of the exhibits attached hereto are hereby incorporated by reference as though fully  
24 set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or  
25 inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto, the  
26 terms of the Stipulation shall prevail.

1 38. Pursuant to the Class Action Fairness Act (“CAFA”), no later than ten (10) calendar  
2 days after the Stipulation is filed with the Court, Defendants, at their own cost, shall serve proper  
3 notice of the proposed Settlement upon those who are entitled to notice pursuant to CAFA.

4 39. In the event of the entry of a final order of a court of competent jurisdiction  
5 determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf of  
6 Defendants to be a preference, voidable transfer, fraudulent transfer or similar transaction and any  
7 portion thereof is required to be returned, and such amount is not promptly deposited into the  
8 Settlement Fund by others, then, at the election of Lead Plaintiff, the Parties shall jointly move the  
9 Court to vacate and set aside the Releases given and the Judgment or Alternative Judgment, if  
10 applicable, entered in favor of Defendants and the other Defendant Releasees pursuant to this  
11 Stipulation, in which event the Releases and Judgment, or Alternative Judgment, if applicable, shall  
12 be null and void, and the Parties shall be restored to their respective positions in the litigation as  
13 provided in ¶ 33(b) above, Lead Counsel shall promptly return any attorneys’ fees and Litigation  
14 Expenses received pursuant to ¶ 16, above, plus accrued interest at the same net rate as is earned by  
15 the Settlement Fund, and any cash amounts in the Settlement Fund (less any Taxes and Tax Expenses  
16 paid, due or owing with respect to the Settlement Fund and less any Notice and Administration Costs  
17 actually incurred, paid or payable) shall be returned as provided in ¶ 33 above.

18 40. The Parties intend this Stipulation and the Settlement to be a final and complete  
19 resolution of all disputes asserted or which could be asserted by Lead Plaintiff and any Settlement  
20 Class Members against the Defendants’ Releasees with respect to the Released Plaintiffs’ Claims.  
21 Accordingly, Lead Plaintiff and his counsel and Defendants and their counsel agree not to assert in  
22 any forum that this Action was brought by Lead Plaintiff or defended by Defendants in bad faith or  
23 without a reasonable basis. No party shall assert any claims of any violation of Rule 11 of the Federal  
24 Rules of Civil Procedure, or of 28 U.S.C. Section 1927, or otherwise make any accusation of wrongful  
25 or actionable conduct by any other Party, relating to the institution, prosecution, defense, or settlement  
26 of this Action. The Parties agree that the amounts paid and the other terms of the Settlement were  
27 negotiated at arm’s-length and in good faith by the Parties through a mediation process supervised

1 and conducted by Jed Melnick, and reflect the Settlement that was reached voluntarily after extensive  
2 negotiations and consultation with experienced legal counsel, who were fully competent to assess the  
3 strengths and weaknesses of their respective clients' claims or defenses.

4 41. The terms of the Settlement, as reflected in this Stipulation, may not be modified or  
5 amended, nor may any of its provisions be waived except by a writing signed on behalf of both Lead  
6 Plaintiff and Defendants (or their successors-in-interest).

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

9 43. Pending approval of the Court of this Stipulation and its exhibits, all proceedings in  
10 this Action shall be stayed and all members of the Settlement Class shall be barred and enjoined from  
11 prosecuting any of the Released Plaintiffs' Claims against any of the Defendant Releasees.

12 44. The administration and consummation of the Settlement as embodied in this  
13 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the  
14 purpose of entering orders providing for awards of attorneys' fees and Litigation Expenses to Lead  
15 Counsel and enforcing the terms of this Stipulation, including the Plan of Allocation (or such other  
16 plan of allocation as may be approved by the Court) and the distribution of the Net Settlement Fund  
17 to Settlement Class Members.

18 45. The waiver by one Party of any breach of this Stipulation by any other Party shall not  
19 be deemed a waiver of any other prior or subsequent breach of this Stipulation.

20 46. This Stipulation, its exhibits and the Supplemental Agreement constitute the entire  
21 agreement among Lead Plaintiff and Defendants concerning the Settlement and this Stipulation and  
22 its exhibits. All Parties acknowledge that no other agreements, representations, warranties, or  
23 inducements have been made by any party hereto concerning this Stipulation, its exhibits or the  
24 Supplemental Agreement other than those contained and memorialized in such documents.

25 47. This Stipulation may be executed in one or more counterparts, including by signature  
26 transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email. All executed  
27 counterparts and each of them shall be deemed to be one and the same instrument.



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Telephone: (415) 400-3000  
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Email: jjoost@ktmc.com

If to Defendants or Defendants’  
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55. Except as otherwise provided herein, each party shall bear its own costs.

56. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.

57. No opinion or advice concerning the tax consequences of the proposed Settlement to individual Settlement Class Members is being given or will be given by the Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Settlement Class Member’s tax obligations, and the determination thereof, are the sole responsibility of the Settlement Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Settlement Class Member.

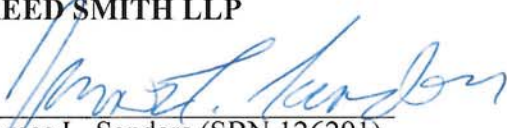
58. The Parties agree that Jed Melnick shall retain jurisdiction and arbitral power over any settlement-related issues arising between any of the Parties.





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-and-  
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# **EXHIBIT A**

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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

JAY RABKIN, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

LION BIOTECHNOLOGIES, INC.,  
MANISH SINGH, MICHAEL  
HANDELMAN, and KAMILLA BJORLIN,

Defendants.

Case No. 3:17-cv-02086-SI

CLASS ACTION

**[PROPOSED] ORDER PRELIMINARILY APPROVING  
SETTLEMENT AND PROVIDING FOR NOTICE**

WHEREAS, a securities class action is pending in this Court entitled *Rabkin v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-02086-SI (“Action”);

WHEREAS, Lead Plaintiff Jay Rabkin, on behalf of himself and the other members of the Settlement Class (as defined below), and defendants Lion Biotechnologies, Inc. (n/k/a Iovance Biotherapeutics, Inc.) (“Lion” or “Company”), Manish Singh and Michael Handelman (collectively, “Defendants,” and together with Lead Plaintiff, on behalf of himself and the other members of the Settlement Class, “Parties”) have determined to settle all claims asserted against Defendants in the Action with prejudice on the terms and conditions set forth in the Stipulation of Settlement and Release dated September 28, 2018 (“Stipulation”) subject to approval of this Court (“Settlement”);

WHEREAS, Lead Plaintiff has made an application, pursuant to Rule 23 of the Federal Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with the Stipulation and allowing notice to Settlement Class Members as more fully described herein;

1 WHEREAS, the Court has read and considered: (a) Lead Plaintiff’s motion for preliminary  
2 approval of the Settlement, and the papers filed and arguments made in connection therewith; and (b)  
3 the Stipulation and the exhibits attached thereto; and

4 WHEREAS, unless otherwise defined herein, all capitalized words contained herein shall  
5 have the same meanings as they have in the Stipulation;

6 NOW THEREFORE, IT IS HEREBY ORDERED:

7 1. **Provisional Certification of the Settlement Class** – Pursuant to Rule 23 of the  
8 Federal Rules of Civil Procedure, and solely for the purpose of effectuating the Settlement, this Court  
9 provisionally certifies a class defined as all persons and entities who purchased or otherwise acquired  
10 Lion common stock between September 27, 2013 and April 10, 2017, inclusive, and who were  
11 damaged thereby (“Settlement Class”). Excluded from the Settlement Class are (i) Defendants,  
12 Kamilla Bjorlin<sup>1</sup> and their Immediate Family members; (ii) the current and former officers and  
13 directors of the Company, and their Immediate Family members; (iii) the legal representatives, heirs,  
14 successors or assigns of any of the foregoing excluded party; and (iv) any entity in which Defendants,  
15 Kamilla Bjorlin, or Lidingo Holdings LLC have or had a controlling interest. Also excluded from the  
16 Settlement Class are any persons and entities who or which exclude themselves from the Settlement  
17 Class by submitting a request for exclusion that is accepted by the Court. The provisional certification  
18 of the Settlement Class shall be vacated if the proposed Settlement is terminated or not approved by  
19 the Court, or if for any other reason the Effective Date does not occur.

20 2. Solely for purposes of effectuating the proposed Settlement, the Court preliminarily  
21 finds that the prerequisites for class action certification under Federal Rules of Civil Procedure 23(a),  
22 23(b)(2) and 23(b)(3) are satisfied as: (a) the members of the Settlement Class are so numerous that  
23 joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law

24 \_\_\_\_\_  
25 <sup>1</sup> In connection with the Settlement of this Action, Lead Plaintiff intends to voluntarily dismiss his claims  
26 against Kamilla Bjorlin, who was also named as a defendant in this Action, and will file a notice of voluntary  
27 dismissal pursuant to Rule 41(a)(i) of the Federal Rules of Civil Procedure following the Effective Date.  
Accordingly, Kamilla Bjorlin is not a party to the Stipulation (or the Settlement), and the Stipulation (and the  
Settlement) is not contingent on the dismissal of defendant Bjorlin.

1 and fact common to the Settlement Class; (c) the claims of Lead Plaintiff are typical of the claims of  
2 the Settlement Class; (d) the interests of all Settlement Class Members are adequately represented by  
3 Lead Plaintiff and Lead Counsel; (e) the issues common to Settlement Class Members predominate  
4 over any individualized issues; and (f) a class action is superior to other available methods for the fair  
5 and efficient adjudication of the controversy. These preliminary findings shall be vacated if the  
6 Settlement is terminated or if for any reason the Effective Date does not occur.

7 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and solely for the  
8 purposes of effectuating the Settlement, Lead Plaintiff is appointed as representative for the  
9 Settlement Class and Lead Counsel is appointed as counsel for the Settlement Class. Solely for the  
10 purposes of effectuating the proposed Settlement, Lead Counsel is authorized to act on behalf of Lead  
11 Plaintiff and the other Settlement Class Members with respect to all acts or consents required by or  
12 that may be given pursuant to the Stipulation, including all acts that are reasonably necessary to  
13 consummate the Settlement. These designations shall be vacated if the Settlement is terminated or if  
14 for any reason the Effective Date does not occur.

15 4. **Preliminary Approval of the Settlement** – The Court hereby preliminarily approves  
16 the Settlement, as embodied in the Stipulation, as being fair, reasonable and adequate to the  
17 Settlement Class, subject to further consideration at the Settlement Fairness Hearing to be conducted  
18 as described below.

19 5. **Settlement Fairness Hearing** – The Court will hold a hearing (the “Settlement  
20 Fairness Hearing”) on \_\_\_\_\_, 201\_ at \_\_: \_\_.m. in Courtroom 1-17<sup>th</sup> Floor of the Phillip  
21 Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, San  
22 Francisco, CA 94102, for the following purposes: (a) to determine whether the proposed Settlement  
23 on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the  
24 Settlement Class, and should be approved by the Court; (b) to determine whether a Judgment  
25 substantially in the form attached as Exhibit B to the Stipulation should be entered dismissing the  
26 Action with prejudice against Defendants; (c) to determine whether the proposed Plan of Allocation

1 for the proceeds of the Settlement is fair and reasonable and should be approved; (d) to determine  
2 whether the motion by Lead Counsel for an award of attorneys’ fees and reimbursement of Litigation  
3 Expenses should be approved; and (e) to consider any other matters that may properly be brought  
4 before the Court in connection with the Settlement. Notice of the Settlement and the Settlement  
5 Fairness Hearing shall be given to Settlement Class Members as set forth in ¶ 7 of this Order.

6 6. The Court may adjourn the Settlement Fairness Hearing without further notice to the  
7 Settlement Class, and may approve the proposed Settlement with such modifications as the Parties  
8 may agree to, if appropriate, without further notice to the Settlement Class.

9 7. **Retention of Claims Administrator and Manner of Giving Notice** – Lead Counsel  
10 is hereby authorized to retain JND Legal Administration (the “Claims Administrator”) to supervise  
11 and administer the notice procedure in connection with the proposed Settlement as well as the  
12 processing of Claims as more fully set forth below. Notice of the Settlement and the Settlement  
13 Fairness Hearing shall be given by Lead Counsel as follows:

14 (a) within five (5) calendar days after entry of this Order, the Company shall  
15 provide or cause to be provided to Lead Counsel or the Claims Administrator, at no cost to the  
16 Settlement Fund, Lead Counsel, or the Claims Administrator, a list, in electronic form, of the holders  
17 of Lion common stock (consisting of names and addresses, as well as email addresses if available)  
18 during the Class Period;

19 (b) not later than twenty (20) business days after the date of entry of this Order  
20 (“Notice Date”), the Claims Administrator shall cause a copy of the Notice and the Claim Form,  
21 substantially in the forms attached hereto as Exhibits 1 and 2, respectively (together, the “Notice  
22 Packet”), to be mailed by first-class mail, or e-mailed, to potential Settlement Class Members at the  
23 mailing addresses and/or the email addresses set forth in the records provided or caused to be provided  
24 by the Company, or who otherwise may be identified through further reasonable effort;

1 (c) contemporaneously with the mailing of the Notice Packet, the Claims  
2 Administrator shall cause copies of the Notice and the Claim Form to be posted on a website to be  
3 developed for the Settlement, from which copies of the Notice and Claim Form can be downloaded;

4 (d) not later than ten (10) business days after the Notice Date, the Claims  
5 Administrator shall cause the Summary Notice, substantially in the form attached hereto as Exhibit  
6 3, to be published once in *Investor’s Business Daily* and to be transmitted once over the *PR Newswire*;  
7 and

8 (e) not later than seven (7) calendar days prior to the Settlement Fairness Hearing,  
9 Lead Counsel shall serve on Defendants’ Counsel and file with the Court proof, by affidavit or  
10 declaration, of such mailing and publication.

11 8. **Approval of Form and Content of Notice** – The Court (a) approves, as to form and  
12 content, the Notice, the Claim Form, and the Summary Notice, attached hereto as Exhibits 1, 2, and  
13 3, respectively, and (b) finds that the mailing and distribution of the Notice and Claim Form and the  
14 publication of the Summary Notice in the manner and form set forth in ¶ 7 of this Order (i) is the best  
15 notice practicable under the circumstances; (ii) constitutes notice that is reasonably calculated, under  
16 the circumstances, to apprise Settlement Class Members of the pendency of the Action, of the effect  
17 of the proposed Settlement (including the Releases to be provided thereunder), of Lead Counsel’s  
18 motion for an award of attorneys’ fees and reimbursement of Litigation Expenses, of their right to  
19 object to the Settlement, the Plan of Allocation, and/or Lead Counsel’s motion for attorneys’ fees and  
20 reimbursement of Litigation Expenses, of their right to exclude themselves from the Settlement Class,  
21 and of their right to appear at the Settlement Fairness Hearing; (iii) constitutes due, adequate, and  
22 sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and  
23 (iv) satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States  
24 Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of  
25 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable law and rules. The date and time of  
26

1 the Settlement Fairness Hearing shall be included in the Notice and Summary Notice before they are  
2 mailed (and/or e-mailed) and published, respectively.

3 9. **Nominee Procedures** – Brokers and other nominees who purchased or otherwise  
4 acquired Lion common stock during the Class Period for the benefit of another person or entity shall  
5 (a) within seven (7) calendar days of receipt of the Notice, request from the Claims Administrator  
6 sufficient copies of the Notice Packet to forward to all such beneficial owners and within seven (7)  
7 calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b)  
8 within seven (7) calendar days of receipt of the Notice, send a list of the names and addresses (and e-  
9 mail addresses, if available) of all such beneficial owners to the Claims Administrator in which event  
10 the Claims Administrator shall promptly mail the Notice Packet to such beneficial owners. Upon full  
11 compliance with this Order, such nominees may seek reimbursement of their reasonable expenses  
12 actually incurred in complying with this Order by providing the Claims Administrator with proper  
13 documentation supporting the expenses for which reimbursement is sought. Such properly  
14 documented expenses incurred by nominees in compliance with the terms of this Order shall be paid  
15 from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses  
16 incurred subject to review by the Court.

17 10. **Participation in the Settlement** – Settlement Class Members who wish to participate  
18 in the Settlement and to be eligible to receive a distribution from the Net Settlement Fund must  
19 complete and submit a Claim Form in accordance with the instructions contained therein. Unless the  
20 Court orders otherwise, all Claim Forms must be postmarked no later than one hundred twenty (120)  
21 calendar days after the Notice Date. Notwithstanding the foregoing, Lead Counsel may, at its  
22 discretion, accept for processing late Claims provided such acceptance does not delay the distribution  
23 of the Net Settlement Fund to the Settlement Class. By submitting a Claim, a person or entity shall  
24 be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim and  
25 the subject matter of the Settlement.

1           11. Each Claim Form submitted must satisfy the following conditions: (a) it must be  
 2 properly completed, signed and submitted in a timely manner in accordance with the provisions of  
 3 the preceding paragraph; (b) it must be accompanied by adequate supporting documentation for the  
 4 transactions and holdings reported therein, in the form of broker confirmation slips, broker account  
 5 statements, an authorized statement from the broker containing the transactional and holding  
 6 information found in a broker confirmation slip or account statement, or such other documentation  
 7 as is deemed adequate by Lead Counsel or the Claims Administrator; (c) if the person executing the  
 8 Claim Form is acting in a representative capacity, a certification of his, her, or its current authority to  
 9 act on behalf of the Settlement Class Member must be included in the Claim Form to the satisfaction  
 10 of Lead Counsel or the Claims Administrator; and (d) the Claim Form must be complete and contain  
 11 no material deletions or modifications of any of the printed matter contained therein and must be  
 12 signed under penalty of perjury.

13           12. Any Settlement Class Member that does not timely and validly submit a Claim Form  
 14 or whose Claim is not otherwise approved by the Court: (a) shall be deemed to have waived his, her,  
 15 or its right to share in the Net Settlement Fund; (b) shall be forever barred from participating in any  
 16 distributions therefrom; (c) shall be bound by the provisions of the Stipulation and the Settlement and  
 17 all proceedings, determinations, orders, and judgments in the Action relating thereto, including,  
 18 without limitation, the Judgment and the releases provided for therein, whether favorable or  
 19 unfavorable to the Settlement Class; and (d) will be barred from commencing, maintaining or  
 20 prosecuting any of the Released Plaintiffs' Claims against each and all of the Defendant Releasees,  
 21 as more fully described in the Stipulation and Notice. Notwithstanding the foregoing, late Claim  
 22 Forms may be accepted for processing as set forth in ¶ 10 above.

23           13. **Exclusion From the Settlement Class** – Any member of the Settlement Class who  
 24 wishes to exclude himself, herself, or itself from the Settlement Class must request exclusion in  
 25 writing within the time and in the manner set forth in the Notice, which shall provide that: (a) any  
 26 such request for exclusion from the Settlement Class must be mailed or delivered such that it is



1 received no later than twenty-one (21) calendar days prior to the Settlement Fairness Hearing, to:  
2 *Lion Biotechnologies Securities Litigation Settlement*, EXCLUSIONS, c/o JND Legal  
3 Administration, P.O. Box 91227, Seattle, WA 98111, and (b) each request for exclusion must (i) state  
4 the name, address, and telephone number of the person or entity requesting exclusion, and in the case  
5 of entities, the name and telephone number of the appropriate contact person; (ii) state that such  
6 person or entity “requests exclusion from the Settlement Class in *Rabkin v. Lion Biotechnologies,*  
7 *Inc., et al.*, Case No. 3:17-cv-02086-SI”; (iii) state the number of shares of Lion common stock that  
8 the person or entity requesting exclusion purchased/acquired and/or sold during the Class Period (*i.e.*,  
9 between September 27, 2013 and April 10, 2017, inclusive), as well as the dates, number of shares,  
10 and prices of each such purchase/acquisition and/or sale; and (iv) be signed by the person or entity  
11 requesting exclusion or an authorized representative. A request for exclusion shall not be effective  
12 unless it provides all the required information and is received within the time stated above, or is  
13 otherwise accepted by the Court.

14 14. Any person or entity who or which timely and validly requests exclusion in  
15 compliance with the terms stated in this Order and is excluded from the Settlement Class shall not be  
16 a Settlement Class Member, shall not be bound by the terms of the Settlement or any orders or  
17 judgments in the Action, and shall not receive any payment out of the Net Settlement Fund.

18 15. Any Settlement Class Member who or which does not timely and validly request  
19 exclusion from the Settlement Class in the manner stated in this Order: (a) shall be deemed to have  
20 waived his, her or its right to be excluded from the Settlement Class; (b) shall be forever barred from  
21 requesting exclusion from the Settlement Class in this or any other proceeding; (c) shall be bound by  
22 the provisions of the Stipulation and Settlement and all proceedings, determinations, orders, and  
23 judgments in the Action, including, but not limited to, the Judgment and the Releases provided for  
24 therein, whether favorable or unfavorable to the Settlement Class; and (d) will be barred from  
25 commencing, maintaining, or prosecuting any of the Released Plaintiffs’ Claims against any of the  
26 Defendant Releasees, as more fully described in the Stipulation and Notice.



1 the Settlement Class Member wishes to bring to the Court's attention; and (d) must include  
2 documents sufficient to prove membership in the Settlement Class, consisting of documents showing  
3 the number of shares of Lion common stock that the objector purchased/acquired and/or sold during  
4 the Class Period (*i.e.*, between September 27, 2013 and April 10, 2017, inclusive), as well as the  
5 dates, number of shares, and prices of each such purchase/acquisition and/or sale. Documentation  
6 establishing membership in the Settlement Class must consist of copies of brokerage confirmation  
7 slips or monthly brokerage account statements, or an authorized statement from the objector's broker  
8 containing the transactional and holding information found in a broker confirmation slip or account  
9 statement. Objectors who enter an appearance and desire to present evidence at the Settlement  
10 Fairness Hearing in support of their objection must include in their written objection or notice of  
11 appearance the identity of any witnesses they may call to testify and any exhibits they intend to  
12 introduce into evidence at the hearing.

13         19. Any Settlement Class Member who or which does not make his, her or its objection  
14 in the manner provided herein shall be deemed to have waived his, her, or its right to object to any  
15 aspect of the proposed Settlement, the proposed Plan of Allocation, and Lead Counsel's motion for  
16 an award of attorneys' fees and reimbursement of Litigation Expenses and shall be forever barred  
17 and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Plan  
18 of Allocation, or the requested attorneys' fees and Litigation Expenses, or from otherwise being heard  
19 concerning the Settlement, the Plan of Allocation, or the requested attorneys' fees and Litigation  
20 Expenses in this or any other proceeding.

21         20. **Stay and Temporary Injunction** – Until otherwise ordered by the Court, the Court  
22 stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms  
23 and conditions of the Stipulation. Pending final determination of whether the Settlement should be  
24 approved, the Court bars and enjoins Lead Plaintiff, and all other members of the Settlement Class,  
25 from commencing or prosecuting any and all of the Released Plaintiffs' Claims against each and all  
26 of the Defendant Releasees.



1 evidence of, any presumption, concession, or admission by any of the Defendant Releasees with  
 2 respect to the truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or could  
 3 have been asserted or the deficiency of any defense that has been or could have been asserted in this  
 4 Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any  
 5 kind of any of the Defendant Releasees or in any way referred to for any other reason as against any  
 6 of the Defendant Releasees, in any civil, criminal, or administrative action or proceeding, other than  
 7 such proceedings as may be necessary to effectuate the provisions of the Stipulation; (b) shall be  
 8 offered against any of the Plaintiff Releasees, as evidence of, or construed as, or deemed to be  
 9 evidence of, any presumption, concession, or admission by any of the Plaintiff Releasees that any of  
 10 their claims are without merit, that any of the Defendant Releasees had meritorious defenses, or that  
 11 damages recoverable in the Action would not have exceeded the Settlement Amount or with respect  
 12 to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other  
 13 reason as against any of the Plaintiff Releasees, in any civil, criminal, or administrative action or  
 14 proceeding, other than such proceedings as may be necessary to effectuate the provisions of the  
 15 Stipulation; or (c) shall be construed against any of the Releasees as an admission, concession, or  
 16 presumption that the consideration to be given hereunder represents the amount which could be or  
 17 would have been recovered after trial *provided, however*, that if the Stipulation is approved by the  
 18 Court, the Parties and the Releasees and their respective counsel may refer to it to effectuate the  
 19 protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

20           26.     **Supporting Papers** – Lead Counsel shall file and serve the opening papers in support  
 21 of the proposed Settlement, the Plan of Allocation, and Lead Counsel’s motion for an award of  
 22 attorneys’ fees and reimbursement of Litigation Expenses no later than thirty-five (35) calendar days  
 23 prior to the Settlement Fairness Hearing; and reply papers, if any, shall be filed and served no later  
 24 than seven (7) calendar days prior to the Settlement Fairness Hearing.

25           27.     The Court retains jurisdiction to consider all further applications arising out of or  
 26 connected with the proposed Settlement.

1 SO ORDERED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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The Honorable Susan Illston  
United States District Judge

# **EXHIBIT A-1**



Exhibit A-1

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

JAY RABKIN, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

LION BIOTECHNOLOGIES, INC.,  
MANISH SINGH, MICHAEL  
HANDELMAN, and KAMILLA BJORLIN,

Defendants.

Case No. 3:17-cv-02086-SI

CLASS ACTION

**NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT;  
(II) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF  
LITIGATION EXPENSES; AND (III) SETTLEMENT FAIRNESS HEARING**

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

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by the above-captioned securities class action (“Action”) pending in the United States District Court for the Northern District of California (“Court”), if, during the period between September 27, 2013 and April 10, 2017, inclusive (“Class Period”), you purchased or otherwise acquired Lion Biotechnologies, Inc. common stock and were damaged thereby.<sup>1</sup>

**NOTICE OF SETTLEMENT:** Please also be advised that the Court-appointed Lead Plaintiff Jay Rabkin (“Lead Plaintiff”), on behalf of himself and the Settlement Class (as defined in ¶19 below), have reached a proposed settlement of the Action for \$3,250,000 in cash that, if approved, will resolve all claims in the Action (“Settlement”).

**PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.**

**If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact the Court, the Defendants in the Action or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶61 below).**

<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation of Settlement and Release dated September 28, 2018 (“Stipulation”), which is available at [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com).

1. **Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that defendants Lion Biotechnologies, Inc. (n/k/a Iovance Biotherapeutics, Inc.) (“Lion” or the “Company”),<sup>2</sup> Manish Singh and Michael Handelman (collectively, “Defendants”) violated the federal securities laws by making false and misleading statements regarding Lion.<sup>3</sup> A more detailed description of the Action is set forth in ¶¶11-18 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in ¶19 below.

2. **Statement of the Settlement Class’s Recovery:** Subject to Court approval, Lead Plaintiff, on behalf of himself and the Settlement Class, has agreed to settle the Action in exchange for a settlement payment of \$3,250,000 in cash (“Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (i.e., the Settlement Amount plus any and all interest earned thereon (“Settlement Fund”) less (i) any Taxes and Tax Expenses; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; and (iv) any attorneys’ fees awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (“Plan of Allocation”) is attached hereto as Appendix A.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Lead Plaintiff’s damages expert’s estimate of the number of shares of Lion common stock purchased during the Class Period that may have been affected by the conduct at issue in the Action and assuming that all Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses, and costs as described herein) per eligible share is approximately \$0.10. **Settlement Class Members should note, however, that the foregoing average recovery per eligible share is only an estimate.** Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors: (i) when and the price at which they purchased/acquired shares of Lion common stock; (ii) whether they sold their shares of Lion common stock; (iii) the total number and value of valid Claims submitted; (iv) the amount of Notice and Administration Costs; and (v) the amount of attorneys’ fees and Litigation Expenses awarded by the Court. Distributions to Settlement Class Members will be made based on the Plan of Allocation attached hereto as Appendix A or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share of Lion common stock that would be recoverable if Lead

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<sup>2</sup> Lion Biotechnologies, Inc. changed its name to Iovance Biotherapeutics, Inc. on June 27, 2018, and the Company’s NASDAQ ticker symbol changed to “IOVA” on June 28, 2018. Prior to June 28, 2018 and throughout the Class Period (i.e., September 27, 2013 to April 10, 2017, inclusive), the Company’s NASDAQ ticker symbol was “LBIO.”

<sup>3</sup> Kamilla Bjorlin was also named as a defendant in the Action. In connection with the Settlement, Lead Plaintiff intends to voluntarily dismiss his claims against Ms. Bjorlin, and will file a notice of voluntary dismissal pursuant to Rule 41(a)(i) of the Federal Rules of Civil Procedure following the Effective Date. Accordingly, Ms. Bjorlin is not a party to the Settlement, and the Settlement is not contingent on her dismissal from the Action.

Plaintiff was to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of their conduct.

5. **Attorneys' Fees and Expenses Sought:** Court-appointed Lead Counsel, Kessler Topaz Meltzer & Check, LLP, has not received any payment of attorneys' fees for its representation of the Settlement Class in this Action and has advanced the funds to pay expenses necessarily incurred to prosecute this Action with the expectation that if it was successful in recovering money for the Settlement Class, it would receive fees and be paid for its expenses from the Settlement Fund, as is customary in this type of litigation. Lead Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund, an amount which approximates Lead Counsel's lodestar (i.e., approximately \$800,000), a figure calculated by multiplying the hours expended to date on the Action by Lead Counsel for each attorney and professional by their respective hourly rates. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the claims against Defendants, in an amount not to exceed \$85,000, which amount may include a request for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiff directly related to his representation of the Settlement Class in accordance with 15 U.S.C. §78u-4(a)(4), in an amount not to exceed \$5,000. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. The estimated average cost per eligible share of Lion common stock, if the Court approves Lead Counsel's fee and expense application, is \$0.027 per share. **Please note that this amount is only an estimate.**<sup>4</sup>

6. **Identification of Attorneys' Representatives:** Lead Plaintiff and the Settlement Class are represented by Jennifer L. Joost, Esq. of Kessler Topaz Meltzer & Check, LLP, One Sansome Street, Suite 1850, San Francisco, CA 94104, 1-415-400-3000, info@ktmc.com. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting Lead Counsel or the Court-appointed Claims Administrator at: *Lion Biotechnologies Securities Litigation Settlement*, c/o JND Legal Administration, P.O. Box 91227, Seattle, WA 98111, 1-888-337-0001, info@LionBiotechnologiesLitigationSettlement.com, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com).

7. **Reasons for the Settlement:** Lead Plaintiff's principal reason for entering into the Settlement is the immediate cash benefit for the Settlement Class without the risk or the delays and costs inherent in further litigation. Moreover, the cash benefit provided under the Settlement must be considered against the risk that a smaller recovery – or indeed no recovery at all – might be achieved after discovery, contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years.

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<sup>4</sup> The Notice and Administration Costs for this Settlement, which shall be paid out of the Settlement Fund, are estimated to be between \$125,000 and \$150,000. This is only an estimate, however, as the administration has not fully commenced as of the date of this Notice. The costs of notice and administration will largely depend upon the number of Notices mailed and the number of Claim Forms submitted for processing. If the attorneys' fees and Litigation Expenses requested are approved by the Court and the Notice and Administration Costs are \$150,000, the average cost per eligible share of Lion common stock for all of these expenditures will be approximately \$0.031 per share.

Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:</b>	
<b>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN _____, 201_.</b>	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶28 below) that you have against Defendants and the other Defendant Releasees (defined in ¶29 below), so it is in your interest to submit a Claim Form.
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN _____, 2018.</b>	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other current or future lawsuit against any of the Defendants or the other Defendant Releasees concerning the Released Plaintiffs' Claims.
<b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN _____, 2018.</b>	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the requested attorneys' fees and Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.
<b>GO TO A HEARING ON _____, 201_ AT _____:____.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN _____, 2018.</b>	Filing a written objection and notice of intention to appear by _____, 2018 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
<b>DO NOTHING.</b>	If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

These rights and options – and the deadlines to exercise them – are further explained in this Notice. **Please Note:** The date and time of the Settlement Fairness Hearing – currently scheduled for \_\_\_\_\_, 201\_ at \_\_:\_\_ .m. – is subject to change without further notice to the Settlement Class. If you plan to attend the hearing, you should check the website [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or with Lead Counsel as set forth above to confirm that no change to the date and/or time of the hearing has been made.

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**WHY DID I GET THIS NOTICE?**

8. The Court directed that this Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired Lion common stock during the Class Period. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Lead Plaintiff and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and Lead Counsel’s application for an award of attorneys’ fees and Litigation Expenses (“Settlement Fairness Hearing”). See ¶52 below for details about the Settlement Fairness Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time.

#### WHAT IS THIS CASE ABOUT?

11. This is a securities class action brought against Lion, its former President and Chief Executive Officer Manish Singh, its former Chief Financial Officer Michael Handelman, and Kamilla Bjorlin, the founder and owner of stock promotion firm Lidingo Holdings, LLC (“Lidingo”).<sup>5</sup> Lead Plaintiff alleges that, during the Class Period, defendants artificially inflated the price of Lion’s common stock by arranging for the publication on investment websites of paid promotional articles designed to appear as unaffiliated investment advice from analysts/investors with no connection to the Company. Lead Plaintiff also alleges that defendants improperly failed to disclose Lion’s retention of the stock promotion firm Lidingo, which facilitated such publications, and actively hid those facts (and in so doing made a number of false and misleading statements to the investing public).

12. The Action was commenced on April 14, 2017, with the filing of a putative securities class action complaint in this Court. By Order dated July 26, 2017, the Court appointed Jay Rabkin as Lead Plaintiff and approved his selection of Kessler Topaz Meltzer & Check, LLP as Lead Counsel.

13. On September 8, 2017, Lead Plaintiff filed the operative complaint in the Action – the Amended Complaint for Violation of the Federal Securities Laws (“Amended Complaint”). The Amended Complaint asserted claims under §§10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 promulgated thereunder, as well as §§11(a), 12(a)(2), and 15 of the Securities Act of 1933 (“Securities Act”) against Defendants and Kamilla Bjorlin.

14. On November 3, 2017, defendants moved to dismiss the Amended Complaint, challenging all of Lead Plaintiff’s claims. On December 1, 2017, Lead Plaintiff opposed the

<sup>5</sup> As stated above, in connection with the Settlement of the Action, Lead Plaintiff intends to voluntarily dismiss his claims against defendant Kamilla Bjorlin, and will file his notice of voluntary dismissal pursuant to Rule 41(a)(i) of the Federal Rules of Civil Procedure following the Effective Date.



motions to dismiss, and on December 8, 2017, defendants filed their reply papers in support of their motions. By Order dated February 15, 2018, the Court granted in part and denied in part the motions to dismiss. More specifically, the Court denied the motions to dismiss in all respects, except for Lead Plaintiff's Securities Act claims, which were dismissed.

15. Defendants filed their answers and affirmative defenses to the Amended Complaint on April 9, 2018. Thereafter, the Parties commenced discovery, which included the Company's production of documents previously produced to the United States Securities and Exchange Commission ("SEC"). Each side also performed alleged damages analyses.

16. While discovery was ongoing, the Parties began discussing the possible resolution of the Action. To facilitate their discussions, the Parties scheduled a formal mediation with Jed D. Melnick, Esq. of JAMS for July 10, 2018 in New York, NY. In advance of the mediation, the Parties prepared and exchanged detailed mediation statements. Following a day of hard-fought, arm's-length negotiations, the Parties reached an agreement in principle to settle the Action at the mediation. Negotiations on the specific terms of the Settlement continued for another forty-five (45) days following the agreement in principle.

17. On September 28, 2018, the Parties entered into the Stipulation, which sets forth the final terms and conditions of the Settlement. The Stipulation can be viewed at [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com).

18. On \_\_\_\_\_, 2018, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Settlement Fairness Hearing to consider whether to grant final approval to the Settlement.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?  
WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

19. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded from the Settlement Class. The Settlement Class provisionally certified by the Court for purposes of effectuating the Settlement consists of:

**All persons and entities who purchased or otherwise acquired Lion common stock between September 27, 2013 and April 10, 2017, inclusive, and who were damaged thereby.**

Excluded from the Settlement Class are: (i) Defendants, Kamilla Bjorlin and their Immediate Family members; (ii) the current and former officers and directors of the Company, and their Immediate Family members; (iii) the legal representatives, heirs, successors or assigns of any of the foregoing excluded party; and (iv) any entity in which Defendants, Kamilla Bjorlin, or Lindingo Holdings LLC have or had a controlling interest. Also excluded from the Settlement Class are any persons and entities who or which exclude themselves by submitting a request for exclusion that is accepted by the Court. *See* "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself," on page \_\_ below.



**PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN \_\_\_\_\_, 201\_.**

**WHAT ARE LEAD PLAINTIFF'S REASONS FOR THE SETTLEMENT?**

20. Lead Plaintiff and Lead Counsel believe that the claims asserted against Defendants have merit; however, they also recognize the substantial risks in continuing to litigate the Action. For example, Defendants have raised a number of arguments and defenses that they did not make false and misleading statements in violation of the federal securities laws and that Lead Plaintiff would not be able to establish that Defendants acted with the requisite intent. Even assuming Lead Plaintiff could establish Defendants' liability, the amount of damages that could be attributed to the allegedly false statements would be hotly contested. Additionally, Lead Plaintiff and Lead Counsel recognize the significant expense and length of continued proceedings necessary to pursue their claims against Defendants through discovery, further motion practice, trial and appeals. Moreover, with each of the individual Defendants who are parties to this Settlement having indemnification agreements with the Company, any future recovery would likely have to be funded from limited insurance proceeds, which were being used for defense costs and would continue to be depleted if this case was not settled. Thus, there were very significant risks attendant to the continued prosecution of the Action.

21. In light of these risks, the amount of the Settlement, and the immediacy of recovery to the Settlement Class, Lead Plaintiff and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. Lead Plaintiff and Lead Counsel believe that the Settlement provides a favorable result for the Settlement Class, namely \$3,250,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no recovery after discovery, summary judgment, trial, and appeals, possibly years in the future.

22. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation, and the Settlement may not be construed as an admission of any wrongdoing by Defendants.

**WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?**

23. If there were no Settlement and Lead Plaintiff failed to establish any essential legal or factual element of his claims against Defendants, neither Lead Plaintiff nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, either at summary judgment, at trial, or on

appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

**HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED  
BY THE ACTION AND THE SETTLEMENT?**

24. As a Settlement Class Member, you are represented by Lead Plaintiff and Lead Counsel, unless you enter an appearance through counsel of your own choice and at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf. *See* “When And Where Will The Court Decide Whether To Approve The Settlement?,” below.

25. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?,” below.

26. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” below.

27. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (“Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiff and each of the other Settlement Class Members, on behalf of themselves, and their respective Immediate Families, heirs, trusts, trustees, members, partners, including limited partners, shareholders, executors, estates, administrators, beneficiaries, agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate parents and subsidiaries in their capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs’ Claim (as defined in ¶28 below) against the Defendant Releasees (as defined in ¶29 below), and shall be permanently barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any and all of the Defendant Releasees.

28. “Released Plaintiffs’ Claims” means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that Lead Plaintiff, any other member of the Settlement Class, or any of Plaintiff

Releasees (i) asserted in the Amended Complaint or (ii) could have asserted in any court or forum that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations, or omissions set forth in the Amended Complaint and that relate to the purchase or acquisition of shares of Lion common stock during the Class Period. “Released Plaintiffs’ Claims” do not include (i) any claims relating to the enforcement of the Settlement; (ii) any claims that members of the Settlement Class may have solely in a derivative capacity, including without limitation in the action captioned *In re Iovance Biotherapeutics, Inc. Stockholder Derivative Litigation*, Lead Case No. 1:17-cv-01806-LPS (D. Del.); or (iii) any claims of any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court. For the avoidance of doubt, “Released Plaintiffs’ Claims” also do not include any claims asserted against Kamilla Bjorlin in this Action.<sup>6</sup>

29. “Defendant Releasees” means (i) Defendants and their attorneys; (ii) the Defendants’ respective Immediate Family members, and the Defendants’ and Immediate Family members’ heirs, trusts, trustees, executors, estates, administrators, beneficiaries, entities, agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate parents and subsidiaries; and (iii) all current and former officers, directors, and employees of Lion, in their capacities as such. For the avoidance of doubt, “Defendant Releasees” does not include Kamilla Bjorlin.

30. “Unknown Claims” means any Released Plaintiffs’ Claims which Lead Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement, including, but not limited to, whether or not to object to the Settlement or to the release of the Released Claims. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiff and Defendants shall expressly waive, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment or the Alternative Judgment, if applicable, shall have, expressly waived, the provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties acknowledge that they may hereafter discover facts in addition to or different from those which he, she or it or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims, but, upon the Effective Date, Lead Plaintiff and Defendants shall expressly settle and release, and each of the other Settlement Class Members and Plaintiff Releasees shall be deemed to have, and by operation of the Judgment or the

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<sup>6</sup> As noted above, in connection with the Settlement, Lead Plaintiff intends to voluntarily dismiss his claims against Ms. Bjorlin, and will file a notice of voluntary dismissal pursuant to Rule 41(a)(i) of the Federal Rules of Civil Procedure following the Effective Date.

Alternative Judgment, if applicable, shall have, settled and released, any and all Released Claims without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of the Judgment or the Alternative Judgment, if applicable, to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

31. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors and assigns in their capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim (as defined in ¶32 below) against the Plaintiff Releasees (as defined in ¶33 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiff Releasees.

32. "Released Defendants' Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants. "Released Defendants' Claims" do not include any claims relating to the enforcement of the Settlement or claims asserted against Kamila Bjorlin in this Action.

33. "Plaintiff Releasees" means (i) Lead Plaintiff, his attorneys and all other Settlement Class Members; and (ii) the Immediate Family members, heirs, trusts, trustees, members, partners, including limited partners, shareholders, executors, estates, administrators, beneficiaries, agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate parents and subsidiaries of each of the Persons listed in (i), in their capacities as such.

<b>HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?</b>
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34. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation *postmarked no later than* \_\_\_\_\_, 201\_. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-888-337-0001 or by emailing the Claims Administrator at [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com). Please retain all records of your ownership of and transactions in Lion common stock, as they may be needed to document your Claim. If

you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

**HOW MUCH WILL MY PAYMENT BE?**

35. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

36. Pursuant to the Settlement, Defendants shall pay or cause to be paid \$3,250,000 in cash. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the “Settlement Fund.” If the Settlement is approved by the Court and the Effective Date occurs, the “Net Settlement Fund” (that is, the Settlement Fund less (i) all federal, state and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (ii) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; and (iii) any attorneys’ fees and Litigation Expenses awarded by the Court) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

37. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal, or review, whether by certiorari or otherwise, has expired.

38. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court’s order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the plan of allocation.

39. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

40. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked on or before \_\_\_\_\_, 201\_ shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the Releases given. This means that each Settlement Class Member releases the Released Plaintiffs’ Claims (as defined in ¶28 above) against the Defendant Releasees (as defined in ¶29 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs’ Claims against any of the Defendant Releasees whether or not such Settlement Class Member submits a Claim Form.

41. Participants in and beneficiaries of any employee retirement and/or benefit plan (“Employee Plan”) should NOT include any information relating to shares of Lion common

stock purchased/acquired through an Employee Plan in any Claim Form they submit in this Action. They should include ONLY those shares of Lion common stock purchased/acquired during the Class Period outside of an Employee Plan. Claims based on any Employee Plan(s)' purchases/acquisitions of eligible Lion common stock during the Class Period may be made by the Employee Plan(s)' trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in an Employee Plan(s), such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by such Employee Plan(s).

42. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Settlement Class Member.

43. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim Form.

44. Only Settlement Class Members, *i.e.*, persons and entities who purchased or otherwise acquired Lion common stock during the Class Period and were damaged as a result of such purchases or acquisitions, will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

45. **Appendix A to this Notice sets forth the Plan of Allocation for allocating the Net Settlement Fund among Authorized Recipients, as proposed by Lead Plaintiff and Lead Counsel. At the Settlement Fairness Hearing, Lead Counsel will request the Court approve the Plan of Allocation. The Court may modify the Plan of Allocation, or approve a different plan of allocation, without further notice to the Settlement Class.**

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING?  
HOW WILL THE LAWYERS BE PAID?**

46. Lead Counsel has not received any payment for its services in pursuing claims against the Defendants on behalf of the Settlement Class, nor has Lead Counsel been reimbursed for its out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed \$85,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiff directly related to his representation of the Settlement Class in accordance with 15 U.S.C. §78u-4(a)(4), in an amount not to exceed \$5,000. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.



**WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS?  
HOW DO I EXCLUDE MYSELF?**

47. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written request for exclusion addressed to: *Lion Biotechnologies Securities Litigation Settlement*, EXCLUSIONS, c/o JND Legal Administration, P.O. Box 91227, Seattle, WA 98111. The request for exclusion must be **received no later than \_\_\_\_\_, 2018**. You will not be able to exclude yourself from the Settlement Class after that date. Each request for exclusion must: (i) state the name, address, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person; (ii) state that such person or entity “requests exclusion from the Settlement Class in *Rabkin v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-02086-SI”; (iii) state the number of shares of Lion common stock that the person or entity requesting exclusion purchased/acquired and/or sold during the Class Period (*i.e.*, between September 27, 2013 and April 10, 2017, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and/or sale; and (iv) be signed by the person or entity requesting exclusion or an authorized representative. A request for exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

48. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs’ Claim against any of the Defendant Releasees. Excluding yourself from the Settlement Class is the only option that allows you to be part of any other current or future lawsuit against Defendants or any of the other Defendant Releasees concerning the Released Plaintiffs’ Claims. Please note, however, if you decide to exclude yourself from the Settlement Class, you may be time-barred from asserting the claims covered by the Action by a statute of repose. In addition, Defendants and the other Defendant Releasees will have the right to assert any and all defenses they may have to any claims that you may seek to assert.

49. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

50. The Company has the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Lead Plaintiff and the Company.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE  
SETTLEMENT? DO I HAVE TO COME TO THE HEARING?  
MAY I SPEAK AT THE HEARING IF I DON’T LIKE THE SETTLEMENT?**

51. **Settlement Class Members do not need to attend the Settlement Fairness Hearing. The Court will consider any submission made in accordance with the provisions**



**below even if a Settlement Class Member does not attend the hearing.** Please Note: The date and time of the Settlement Fairness Hearing may change without further written notice to the Settlement Class. If you plan on attending the hearing, please check the website, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), the Court's PACER site or contact Lead Counsel to confirm that the date and/or time of the hearing has not changed.

52. The Settlement Fairness Hearing will be held on \_\_\_\_\_, 201\_ at \_\_:\_\_.m., before the Honorable Susan Illston at the United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102, Courtroom 1-17th Floor. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Fairness Hearing without further notice to the members of the Settlement Class.

53. Any Settlement Class Member may object to the Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses. The Court can only approve or deny the Settlement. You cannot ask the Court to order a larger settlement. If the Court denies approval of the Settlement, no settlement payments will be sent out and the Action will continue.

54. To object, you must send a letter to the Court saying that you object to the Settlement in *Rabkin v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-02086-SI and the reasons you object to the Settlement, or any part thereof. Any objection must: (i) state the name, address, and telephone number of the person or entity objecting and be signed by the objector; (ii) state whether the objector is represented by counsel and, if so, the name, address, and telephone number of the objector's counsel; (iii) contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (iv) include documents sufficient to prove membership in the Settlement Class, consisting of documents showing the number of shares of Lion common stock that the objector purchased/acquired and/or sold during the Class Period (*i.e.*, between September 27, 2013 and April 10, 2017, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and/or sale.<sup>7</sup> **You may not object to the Settlement, Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.**

55. Objections and all supporting papers must be submitted to the Court either by mailing the objection to the Class Action Clerk, United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102 or by filing the objection in person at any location of the United States Court for the Northern District of California, such that the objection is **received on or before** \_\_\_\_\_, 2018.

<sup>7</sup> Documentation establishing membership in the Settlement Class must consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from the objector's broker containing the transactional and holding information found in a broker confirmation slip or account statement.

56. You may submit an objection without having to appear at the Settlement Fairness Hearing. You may not, however, appear at the Settlement Fairness Hearing to present your objection unless you first submit a written objection in accordance with the procedures described above, unless the Court orders otherwise.

57. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, and if you timely submit a written objection as described above, you must also mail or file a notice of appearance with the Class Action Clerk at the address set forth in ¶55 above so that it is *received on or before* \_\_\_\_\_, 2018. Persons who intend to object and desire to present evidence at the Settlement Fairness Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

58. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Fairness Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must mail or file a notice of appearance with the Class Action Clerk at the address set forth in ¶55 above so that the notice is received on or before \_\_\_\_\_, 2018.

**59. Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Fairness Hearing or take any other action to indicate their approval.**

**WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?**

60. If you purchased or otherwise acquired Lion common stock between September 27, 2013 and April 10, 2017, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either (i) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses (and e-mail addresses, if available) of all such beneficial owners to *Lion Biotechnologies Securities Litigation Settlement*, c/o JND Legal Administration, P.O. Box 91227, Seattle, WA 98111. If you choose the second option, the Claims Administrator will send a copy of the Notice Packet to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the Settlement website, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), by calling the Claims

Administrator toll-free at 1-888-337-0001, or by emailing the Claims Administrator at [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com).

**CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?**

61. This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, please see the Stipulation available at [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com). A copy of the Stipulation and additional information regarding the Settlement can also be obtained by contacting Lead Counsel at the contact information set forth above, by accessing the Court docket in this case through the Court's PACER system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. You may also contact the Claims Administrator at *Lion Biotechnologies Securities Litigation* Settlement, c/o JND Legal Administration, P.O. Box 91227, Seattle, WA 98111; 1-888-337-0001; [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com). **PLEASE DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.**

Dated: \_\_\_\_\_, 2018

By Order of the Court  
United States District Court  
Northern District of California

## Appendix A

### Proposed Plan of Allocation of Net Settlement Fund Among Authorized Claimants

The Plan of Allocation set forth herein is the plan that is being proposed to the Court for approval by Lead Plaintiff after consultation with his damages expert. The Court may approve the Plan of Allocation with or without modification, or approve another plan of allocation, without further notice to the Settlement Class. Any Orders regarding a modification of the Plan of Allocation will be posted on the website for the Settlement, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com). The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan of Allocation.

The objective of the proposed Plan of Allocation is to equitably distribute the Net Settlement Fund among those Settlement Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws set forth in the Amended Complaint, as opposed to economic losses caused by market or industry factors or company-specific factors unrelated thereto. To that end, Lead Plaintiff's damages expert calculated the estimated amount of alleged artificial inflation in the per share price of Lion common stock, over the course of the Class Period, that was allegedly proximately caused by Defendants' alleged materially false and misleading misrepresentations and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Lead Plaintiff's damages expert considered price changes in Lion common stock in reaction to public disclosures that allegedly corrected the respective alleged misrepresentations and omissions. The calculations made pursuant to the Plan of Allocation, however, do not represent a formal damages analysis that has been adjudicated in the Action and are not intended to measure the amounts that Settlement Class Members would recover after a trial. Nor are these calculations intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the security. Accordingly, to have a "Recognized Loss Amount" pursuant to the Plan of Allocation, the Lion common stock must have been purchased or otherwise acquired during the Class Period (i.e., between September 27, 2013 and April 10, 2017, inclusive) and **held through** at least one of the alleged corrective disclosures that removed alleged artificial inflation related to that information. To that end, Lead Plaintiff's damages expert has identified three dates on which alleged corrective disclosures removed alleged artificial inflation from the price of Lion common stock: May 14, 2014, November 12, 2014 and April 10, 2017.<sup>8</sup>

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<sup>8</sup> On May 14, 2014, Lion disclosed in its Form 10-k for the first quarter of 2014 that it had received a subpoena from the SEC in connection with its investigation into Galena Biopharma, Inc. *See* Amended

### CALCULATION OF RECOGNIZED LOSS AMOUNTS

1. For purposes of determining whether a Claimant has a “Recognized Claim,” purchases, acquisitions, and sales of Lion common stock will first be matched on a First In, First Out (“FIFO”) basis as set forth in ¶ 6 below.

2. A “Recognized Loss Amount” will be calculated as set forth below for each share of Lion common stock purchased or otherwise acquired between September 27, 2013 and April 10, 2017, inclusive, that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero. The sum of a Claimant’s Recognized Loss Amounts will be the Claimant’s “Recognized Claim.”

3. For each share of Lion common stock purchased or otherwise acquired between September 27, 2013 and April 10, 2017, inclusive, and sold on or before July 7, 2017,<sup>9</sup> an “Out of Pocket Loss” will be calculated. Out of Pocket Loss is defined as the per-share purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the per-share sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of an Out of Pocket Loss results in a negative number, that number shall be set to zero.

4. A Claimant’s Recognized Loss Amount per share of Lion common stock purchased or otherwise acquired during the Class Period will be calculated as follows:

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Complaint ¶¶ 85, 207. Upon this news, Lion common stock fell \$1.00 per share, or 10.9%. *Id.*, ¶¶16, 251. Six months later, on November 12, 2014, Lion announced the resignation of Defendant Singh, and the price of Lion common stock declined by \$0.75 per share, or over 11%. *Id.*, ¶¶19, 89. Finally, on April 10, 2017, the SEC announced enforcement actions against 27 individuals and entities behind various alleged stock promotion schemes that left investors with the impression they were reading independent, unbiased analyses on investing websites while writers were being secretly compensated for touting company stocks. *Id.*, ¶92. On the same day, the SEC also published cease-and-desist orders in connection with administrative proceedings against Lion, Singh and Lavos, LLC (i.e., a stock promotion firm controlled and operated by Singh) for violations of the securities laws. *Id.*, ¶93. Following this news, Lion’s stock fell \$0.20 per share, or over 3%, to close at \$6.35 per share on April 10, 2017. *Id.*, ¶22.

<sup>9</sup> July 7, 2017 represents the last day of the 90-day period subsequent to the end of the Class Period, i.e., April 10, 2017 (the “90-day look-back period”). The PSLRA imposes a statutory limitation on recoverable damages using the 90-day look-back period. This limitation is incorporated into the calculation of a Settlement Class Member’s Recognized Loss Amount. Specifically, a Settlement Class Member’s Recognized Loss Amount cannot exceed the difference between the purchase price paid for the Lion common stock and the average price of Lion common stock during the 90-day look-back period if the share was held through July 7, 2017, the end of this period. Losses on Lion common stock purchased/acquired during the period between September 27, 2013 and April 10, 2017 and sold during the 90-day look-back period cannot exceed the difference between the purchase price paid for the Lion common stock and the average price of Lion common stock during the portion of the 90-day look-back period elapsed as of the date of sale (the “90-Day Look-back Value”), as set forth in **Table 2** below.

- A. For each share of Lion common stock purchased or otherwise acquired during the Class Period and subsequently sold prior to the opening of trading on May 14, 2014, the Recognized Loss Amount is \$0.
- B. For each share of Lion common stock purchased or otherwise acquired during the Class Period and subsequently sold after the opening of trading on May 14, 2014 and prior to the close of trading on April 10, 2017, the Recognized Loss Amount shall be *the lesser of*:
- (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below *minus* the dollar amount of alleged artificial inflation applicable to each such share on the date of sale as set forth in **Table 1** below;<sup>10</sup> or
  - (ii) the Out of Pocket Loss.
- C. For each share of Lion common stock purchased or otherwise acquired during the Class Period and subsequently sold after the close of trading on April 10, 2017 and prior to the close of trading on July 7, 2017 (i.e., the last day of the 90-day look-back period), the Recognized Loss Amount shall be *the least of*:
- (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1**;
  - (ii) the purchase/acquisition price of each such share (excluding all fees, taxes, and commissions) *minus* the 90-Day Look-back Value as set forth in **Table 2** below; or
  - (iii) the Out of Pocket Loss.

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<sup>10</sup> Given that the allegedly corrective disclosures on May 14, 2014 and April 10, 2017 occurred during trading hours, the following adjustments have been made in order to properly assign artificial inflation at the time of purchase/acquisition and sale on those days:

- Artificial inflation for purchases/acquisitions on May 14, 2014 will be equal to \$0.94 plus the purchase/acquisition price *minus* \$8.20 (the closing price on May 14, 2014), not to exceed a total of \$1.94, and not to fall below \$0.94.
- Artificial inflation for sales on May 14, 2014 will be equal to \$0.94 plus the sales price *minus* \$8.20 (the closing price on May 14, 2014), not to exceed a total of \$1.94, and not to fall below \$0.94.
- Artificial inflation for purchases/acquisitions on April 10, 2017 will be equal to the purchase/acquisition price *minus* \$6.35 (the closing price on April 10, 2017), not to exceed a total of \$0.19, and not to fall below \$0.05.
- Artificial inflation for sales on April 10, 2017 will be equal to the sales price *minus* \$6.35 (the closing price on April 10, 2017), not to exceed a total of \$0.19, and not to fall below \$0.00.



- D. For each share of Lion common stock purchased or otherwise acquired during the Class Period and still held as of the close of trading on July 7, 2017 (i.e., the last day of the 90-day look-back period), the Recognized Loss Amount shall be *the lesser of*:
- (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or
  - (ii) the purchase/acquisition price of each such share (excluding all fees, taxes, and commissions) *minus* \$6.37 (the average closing price of Lion common stock during the 90-day look-back period (i.e., April 10, 2017 through July 7, 2017), as shown on the last line in **Table 2** below).

### ADDITIONAL PROVISIONS

5. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶10 below) is \$10.00 or greater.

6. If a Class Member has more than one purchase/acquisition or sale of Lion common stock during the Class Period, all purchases/acquisitions and sales shall be matched on a FIFO basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

7. Purchases/acquisitions and sales of Lion common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of Lion common stock during the Class Period, shall not be deemed a purchase, acquisition or sale of these shares of Lion common stock for the calculation of an Authorized Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of Lion common stock unless (i) the donor or decedent purchased or otherwise acquired such shares of Lion common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Lion common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

8. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the Lion common stock. The date of a “short sale” is deemed to be the date of sale of Lion common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has an opening short position in Lion common stock, the earliest purchases or acquisitions during the Class Period shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.

9. Lion common stock is the only security eligible for recovery under the Plan of Allocation. Option contracts to purchase or sell Lion common stock are not securities eligible to participate in the Settlement. With respect to Lion common stock purchased or sold through the exercise of an option, the purchase/sale date of the Lion common stock is the exercise date of the



option and the purchase/sale price is the exercise price of the option. Any Recognized Loss Amount arising from purchases of Lion common stock acquired during the Class Period through the exercise of an option on Lion common stock<sup>11</sup> shall be computed as provided for other purchases of Lion common stock in the Plan of Allocation.

10. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which will be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

11. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

12. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Plaintiffs’ counsel, Lead Plaintiff’s damages expert, Defendants, Defendants’ Counsel, any of the other Plaintiff Releasees or Defendant Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiff, Defendants and their respective counsel, and all other Defendant Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator; the payment or withholding of Taxes or Tax Expenses; or any losses incurred in connection therewith.

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<sup>11</sup> This includes (1) purchases of Lion common stock as the result of the exercise of a call option, and (2) purchases of Lion common stock by the seller of a put option as a result of the buyer of such put option exercising that put option.

**TABLE 1**  
**Estimated Alleged Artificial Inflation in Lion Common Stock**

From	To	Estimated Alleged Artificial Inflation Per Share
9/27/2013	5/13/2014	\$1.94
5/14/2014	11/11/2014	\$0.94
11/12/2014	4/10/2017	\$0.19

**TABLE 2**  
**Lion Common Stock 90-Day Look-back Value by Sale/Disposition Date**

Sale Date	90-Day Look-back Value	Sale Date	90-Day Look-back Value
4/10/2017	\$6.35	5/24/2017	\$6.30
4/11/2017	\$6.28	5/25/2017	\$6.30
4/12/2017	\$6.23	5/26/2017	\$6.28
4/13/2017	\$6.19	5/30/2017	\$6.25
4/17/2017	\$6.15	5/31/2017	\$6.21
4/18/2017	\$6.13	6/1/2017	\$6.19
4/19/2017	\$6.16	6/2/2017	\$6.19
4/20/2017	\$6.22	6/5/2017	\$6.19
4/21/2017	\$6.26	6/6/2017	\$6.19
4/24/2017	\$6.30	6/7/2017	\$6.19
4/25/2017	\$6.36	6/8/2017	\$6.20
4/26/2017	\$6.43	6/9/2017	\$6.19
4/27/2017	\$6.48	6/12/2017	\$6.19
4/28/2017	\$6.50	6/13/2017	\$6.19
5/1/2017	\$6.53	6/14/2017	\$6.19
5/2/2017	\$6.51	6/15/2017	\$6.18
5/3/2017	\$6.48	6/16/2017	\$6.18
5/4/2017	\$6.46	6/19/2017	\$6.19
5/5/2017	\$6.44	6/20/2017	\$6.20
5/8/2017	\$6.42	6/21/2017	\$6.20
5/9/2017	\$6.40	6/22/2017	\$6.21

<b>TABLE 2</b>				
<b>Lion Common Stock 90-Day Look-back Value by Sale/Disposition Date</b>				
<b>Sale Date</b>	<b>90-Day Look-back Value</b>		<b>Sale Date</b>	<b>90-Day Look-back Value</b>
5/10/2017	\$6.39		6/23/2017	\$6.24
5/11/2017	\$6.37		6/26/2017	\$6.25
5/12/2017	\$6.36		6/27/2017	\$6.27
5/15/2017	\$6.34		6/28/2017	\$6.28
5/16/2017	\$6.34		6/29/2017	\$6.30
5/17/2017	\$6.32		6/30/2017	\$6.31
5/18/2017	\$6.32		7/3/2017	\$6.33
5/19/2017	\$6.30		7/5/2017	\$6.35
5/22/2017	\$6.29		7/6/2017	\$6.36
5/23/2017	\$6.29		7/7/2017	\$6.37

# **EXHIBIT A-2**

**Lion Biotechnologies Securities Litigation Settlement  
c/o JND Legal Administration  
P.O. Box 91227  
Seattle, WA 98111**

**Toll-Free Number: 1-888-337-0001**

**Email: [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com)**

**Website: [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com)**

**PROOF OF CLAIM AND RELEASE FORM**

TO BE ELIGIBLE TO RECEIVE A SHARE OF THE NET SETTLEMENT FUND IN CONNECTION WITH THE PROPOSED SETTLEMENT, YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE FORM (“CLAIM FORM”) AND MAIL IT BY PREPAID, FIRST-CLASS MAIL TO THE ABOVE ADDRESS, **POSTMARKED NO LATER THAN \_\_\_\_\_, 201\_.**

FAILURE TO SUBMIT YOUR CLAIM FORM BY THE DATE SPECIFIED WILL SUBJECT YOUR CLAIM TO REJECTION AND MAY PRECLUDE YOU FROM BEING ELIGIBLE TO RECOVER ANY MONEY IN CONNECTION WITH THE PROPOSED SETTLEMENT.

**DO NOT MAIL OR DELIVER YOUR CLAIM FORM TO THE COURT, THE PARTIES TO THIS ACTION, OR THEIR COUNSEL. SUBMIT YOUR CLAIM FORM ONLY TO THE CLAIMS ADMINISTRATOR AT THE ADDRESS SET FORTH ABOVE.**

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<b>PART IV – RELEASE OF CLAIMS AND SIGNATURE</b>	—

## **PART I – GENERAL INSTRUCTIONS**

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

2. This Claim Form is directed to all persons and entities who purchased or otherwise acquired Lion Biotechnologies, Inc. (“Lion”)<sup>1</sup> common stock between September 27, 2013 and April 10, 2017, inclusive (“Class Period”), and were damaged thereby (“Settlement Class”). Certain persons and entities are excluded from the Settlement Class by definition as set forth in ¶19 of the Notice.

3. By submitting this Claim Form, you will be making a request to share in the proceeds of the Settlement described in the Notice. **IF YOU ARE NOT A SETTLEMENT CLASS MEMBER** (*see* definition of Settlement Class contained in ¶19 of the Notice, which sets forth who is included in and who is excluded from the Settlement Class), **OR IF YOU, OR SOMEONE ACTING ON YOUR BEHALF, SUBMITTED A REQUEST FOR EXCLUSION FROM THE SETTLEMENT CLASS, DO NOT SUBMIT A CLAIM FORM. YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT. THUS, IF YOU ARE EXCLUDED FROM THE SETTLEMENT CLASS, ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, WILL NOT BE ACCEPTED.**

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

5. Use the Schedule of Transactions in Part III of this Claim Form to supply all required details of your transaction(s) (including free transfers and deliveries) in and holdings of Lion common stock. On this schedule, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of Lion common stock, whether such transactions resulted in a profit or a loss. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

6. **Please note:** Only Lion common stock purchased or otherwise acquired during the Class Period (*i.e.*, between September 27, 2013 and April 10, 2017, inclusive) is eligible under the Settlement. However, under the “90-day look-back period” (described in the Plan of Allocation set forth in the Notice), your sales of Lion common stock during the period from April 11, 2017 through and including the close of trading on July 7,

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<sup>1</sup> Lion Biotechnologies, Inc. changed its name to Iovance Biotherapeutics, Inc. on June 27, 2018, and the Company’s NASDAQ ticker symbol changed to “IOVA” on June 28, 2018. Prior to June 28, 2018 and throughout the Class Period (*i.e.*, September 27, 2013 to April 10, 2017, inclusive), the Company’s NASDAQ ticker symbol was “LBIO.”

2017 will be used for purposes of calculating loss amounts under the Plan of Allocation. Therefore, in order for the Claims Administrator to be able to balance your claim, the requested purchase/acquisition information during the 90-day look-back period must also be provided. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

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

8. All joint beneficial owners each must sign this Claim Form and their names must appear as “Claimants” in Part II of this Claim Form. The complete name(s) of the beneficial owner(s) must be entered. If you purchased or otherwise acquired Lion common stock during the Class Period and held the shares in your name, you are the beneficial owner as well as the record owner. If you purchased or otherwise acquired Lion common stock during the Class Period and the shares were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner of these shares, but the third party is the record owner. The beneficial owner, not the record owner, must sign this Claim Form.

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

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

- (a) expressly state the capacity in which they are acting;
- (b) identify the name, account number, last four digits of the Social Security Number (or taxpayer identification number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Lion common stock; and
- (c) furnish herewith evidence of their authority to bind to the Claim Form the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade securities in another person’s accounts.)



11. By submitting a signed Claim Form, you will be swearing that you:
  - (a) own(ed) the Lion common stock you have listed in the Claim Form; or
  - (b) are expressly authorized to act on behalf of the owner thereof.

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

13. If the Court approves the Settlement, payments to eligible Authorized Claimants pursuant to the Plan of Allocation (or such other plan of allocation as the Court approves) will be made after any appeals are resolved, and after the completion of all claims processing. The claims process will take substantial time to complete fully and fairly. Please be patient.

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

15. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Notice, you may contact the Claims Administrator, JND Legal Administration, at the above address, by email at [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com), or by toll-free phone at 1-888-337-0001, or you can visit the website maintained by the Claims Administrator, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), where copies of the Claim Form and Notice are available for downloading.

16. **NOTICE REGARDING ELECTRONIC FILES:** Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the **mandatory** electronic filing requirements and file layout, you may visit the website for the Settlement, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), or you may email the Claims Administrator's electronic filing department at [LBTsecurities@jndla.com](mailto:LBTsecurities@jndla.com). **Any file not in accordance with the required electronic filing format will be subject to rejection.** Only one claim should be submitted for each separate legal entity (*see* ¶9 above) and the **complete** name of the beneficial owner of the securities must be entered where called for (*see* ¶8 above). No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect. **Do not assume that your file has been received until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the Claims Administrator's electronic filing department at [LBTsecurities@jndla.com](mailto:LBTsecurities@jndla.com) to inquire about your file and confirm it was received.**

**IMPORTANT PLEASE NOTE: YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM BY MAIL WITHIN 60 DAYS. IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, CALL THE CLAIMS ADMINISTRATOR TOLL FREE AT 1-888-337-0001.**

**PART II – CLAIMANT IDENTIFICATION**

**Please complete this PART II in its entirety. The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above.**

Beneficial Owner’s First Name

Beneficial Owner’s Last Name

Co-Beneficial Owner’s First Name

Co-Beneficial Owner’s Last Name

Entity Name (if Beneficial Owner is not an individual)

Representative or Custodian Name (if different from Beneficial Owner(s) listed above)

Address1 (street name and number)

Address2 (apartment, unit or box number)

City

State

Zip Code

Country

Last four digits of Social Security Number or Taxpayer Identification Number

Telephone Number (home)

Telephone Number (work)

Email address (E-mail address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.)

Account Number (where securities were traded)<sup>2</sup>:

Claimant Account Type (check appropriate box)

- |   |                                       |                                |
|---|---------------------------------------|--------------------------------|
| <input type="checkbox"/> Individual (includes joint owner accounts) | <input type="checkbox"/> Pension Plan | <input type="checkbox"/> Trust |
| <input type="checkbox"/> Corporation                                | <input type="checkbox"/> Estate       |                                |
| <input type="checkbox"/> IRA/401K                                   | <input type="checkbox"/> Other _____  | (please specify)               |

<sup>2</sup> If the account number is unknown, you may leave blank. If filing for more than one account for the same legal entity you may write “multiple.” Please see ¶9 of the General Instructions above for more information on when to file separate Claim Forms for multiple accounts.

**PART III – SCHEDULE OF TRANSACTIONS IN LION BIOTECHNOLOGIES, INC. COMMON STOCK**

Complete this Part III if and only if you purchased or otherwise acquired Lion common stock during the period between September 27, 2013 and April 10, 2017, inclusive. Please be sure to include proper documentation with your Claim Form as described in detail in Part II – General Instructions, ¶7, above. Do not include information regarding securities other than Lion common stock.

<b>1. HOLDINGS AS OF SEPTEMBER 27, 2013</b> – State the total number of shares of Lion common stock held as of the opening of trading on September 27, 2013. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="checkbox"/>
<b>2. PURCHASES/ACQUISITIONS FROM SEPTEMBER 27, 2013 THROUGH APRIL 10, 2017, INCLUSIVE</b> – Separately list each and every purchase/acquisition (including free receipts) of Lion common stock from after the opening of trading on September 27, 2013 through and including the close of trading on April 10, 2017. (Must be documented.)				
Date of Purchase/ Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/Acquisition Price Per Share	Total Purchase/ Acquisition Price (excluding taxes, commissions, and fees)	Confirm Proof of Purchase/ Acquisition Enclosed
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
<b>3. PURCHASES/ACQUISITIONS FROM APRIL 11, 2017 THROUGH JULY 7, 2017</b> – State the total number of shares of Lion common stock purchased/acquired (including free receipts) from after the opening of trading on April 11, 2017 through and including the close of trading on July 7, 2017. (Must be documented.) If none, write “zero” or “0.” <sup>3</sup> _____				
<b>4. SALES FROM SEPTEMBER 27, 2013 THROUGH JULY 7, 2017, INCLUSIVE</b> – Separately list each and every sale/disposition (including free deliveries) of Lion common stock from after the opening of trading on September 27, 2013 through and including the close of trading on July 7, 2017. (Must be documented.)				<b>IF NONE, CHECK HERE</b> <input type="checkbox"/>
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Confirm Proof of Sale Enclosed
/ /		\$	\$	<input type="checkbox"/>

<sup>3</sup> **Please note:** Information requested with respect to your purchases/acquisitions of Lion common stock from after the opening of trading on April 11, 2017 through and including the close of trading on July 7, 2017 is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible transactions and will not be used for purposes of calculating Recognized Loss Amounts pursuant to the Plan of Allocation.

/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>5. HOLDINGS AS OF JULY 7, 2017</b> – State the total number of shares of Lion common stock held as of the close of trading on July 7, 2017. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="radio"/>

**IF YOU REQUIRE ADDITIONAL SPACE FOR THE SCHEDULE ABOVE, ATTACH EXTRA SCHEDULES IN THE SAME FORMAT. PRINT THE BENEFICIAL OWNER’S FULL NAME AND LAST FOUR DIGITS OF SOCIAL SECURITY/TAXPAYER IDENTIFICATION NUMBER ON EACH ADDITIONAL PAGE. IF YOU DO ATTACH EXTRA SCHEDULES, CHECK THIS BOX**

**PART IV - RELEASE OF CLAIMS AND SIGNATURE**

**YOU MUST ALSO READ THE RELEASE AND CERTIFICATION BELOW AND SIGN ON PAGE \_\_\_ OF THIS CLAIM FORM.**

I (we) hereby acknowledge that, pursuant to the terms set forth in the Stipulation, without further action by anyone, upon the Effective Date of the Settlement, I (we), on behalf of myself (ourselves) and my (our) Immediate Family members, heirs, trusts, trustees, members, partners, including limited partners, shareholders, executors, estates, administrators, beneficiaries, agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors, corporate parents and subsidiaries in their capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs' Claim (including Unknown Claims) against the Defendant Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendant Releasees.

**CERTIFICATION**

By signing and submitting this Claim Form, the claimant(s) or the person(s) who represent(s) the claimant(s) agree(s) to the release above and certifies (certify) as follows:

1. that I (we) have read and understand the contents of the Notice and this Claim Form, including the Releases provided for in the Settlement and the terms of the Plan of Allocation;
2. that the claimant(s) is a (are) member(s) of the Settlement Class Member(s), as defined in the Notice, and is (are) not excluded by definition from the Settlement Class as set forth in the Notice;
3. that the claimant has **not** submitted a request for exclusion from the Settlement Class;
4. that I (we) own(ed) the Lion common stock identified in the Claim Form and have not assigned the claim against Defendants or any of the other Defendant Releasees to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
5. that the claimant(s) has (have) not submitted any other claim covering the same purchases/acquisitions of Lion common stock and knows (know) of no other person having done so on the claimant's (claimants') behalf;
6. that the claimant(s) submit(s) to the jurisdiction of the Court with respect to claimant's (claimants') claim and for purposes of enforcing the Releases set forth herein;
7. that I (we) agree to furnish such additional information with respect to this Claim Form as Lead Counsel, the Claims Administrator, or the Court may require;
8. that the claimant(s) waive(s) the right to trial by jury, to the extent it exists, agree(s) to the determination by the Court of the validity or amount of this Claim and waives any right of appeal or review with respect to such determination;
9. that I (we) acknowledge that the claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and

10. that the claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (a) the claimant(s) is (are) exempt from backup withholding or (b) the claimant(s) has (have) not been notified by the IRS that he/she/it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the claimant(s) that he/she/it is no longer subject to backup withholding. **If the IRS has notified the claimant(s) that he/she/it is subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**

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

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Signature of claimant Date

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Print claimant name here

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Signature of joint claimant, if any Date

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Print joint claimant name here

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

---

Signature of person signing on behalf of claimant Date

---

Print name of person signing on behalf of claimant here

---

Capacity of person signing on behalf of claimant, if other than an individual, *e.g.*, executor, president, trustee, custodian, etc. (Must provide evidence of authority to act on behalf of claimant – see ¶10 on page \_\_ of this Claim Form.)

**REMINDER CHECKLIST**

1. Sign the above release and certification. If this Claim Form is being made on behalf of joint claimants, then both must sign.
2. Attach only **copies** of acceptable supporting documentation as these documents will not be returned to you.
3. Do not highlight any portion of the Claim Form or any supporting documents.
4. Keep copies of the completed Claim Form and documentation for your own records.
5. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. **If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll-free at 1-888-337-0001.**
6. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, you must send the Claims Administrator written notification of your new address. If you change your name, inform the Claims Administrator.
7. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address below, by email at [info@LionBiotechnologiesSettlement.com](mailto:info@LionBiotechnologiesSettlement.com), or by toll-free phone at 1-888-337-0001 or you may visit [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com). DO NOT call the Court, Defendants or Defendants' Counsel with questions regarding your claim.

THIS CLAIM FORM MUST BE MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, POSTMARKED NO LATER THAN \_\_\_\_\_, 201\_, ADDRESSED AS FOLLOWS:

*Lion Biotechnologies Securities Litigation Settlement*  
c/o JND Legal Administration  
P.O. Box 91227  
Seattle, WA 98111

A Claim Form received by the Claims Administrator shall be deemed to have been submitted when posted, if a postmark date on or before \_\_\_\_\_, 201\_ is indicated on the envelope and it is mailed First Class, and addressed in accordance with the above instructions. In all other cases, a Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator.

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



# **EXHIBIT A-3**

Exhibit A-3

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

JAY RABKIN, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

LION BIOTECHNOLOGIES, INC.,  
MANISH SINGH, MICHAEL  
HANDELMAN, and KAMILLA BJORLIN,

Defendants.

Case No. 3:17-cv-02086-SI

CLASS ACTION

**SUMMARY NOTICE OF (I) PENDENCY OF CLASS ACTION AND  
PROPOSED SETTLEMENT; (II) MOTION FOR AN AWARD OF ATTORNEYS' FEES  
AND REIMBURSEMENT OF LITIGATION EXPENSES; AND  
(III) SETTLEMENT FAIRNESS HEARING**

**TO: All persons and entities who purchased or otherwise acquired Lion Biotechnologies, Inc. common stock between September 27, 2013 and April 10, 2017, inclusive, and who were damaged thereby (the "Settlement Class").**<sup>1</sup> Certain persons and entities are excluded from the Settlement Class as set forth in detail in the Stipulation of Settlement and Release dated September 28, 2018 ("Stipulation") and the Notice described below.

**PLEASE READ THIS NOTICE CAREFULLY, YOUR RIGHTS WILL BE AFFECTED  
BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.**

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Northern District of California ("Court"), that the above-captioned action ("Action") has been provisionally certified as a class action for the purposes of settlement only and that the parties to the Action have reached a proposed settlement for \$3,250,000 in cash ("Settlement"), that, if approved, will resolve all claims in the Action. A hearing will be held on \_\_\_\_\_, 201\_ at \_\_:\_\_ .m., before the Honorable Susan Illston at the Phillip Burton Federal Building & United States Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102, Courtroom 1-17th Floor, to determine: (i) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (ii) whether the Action should be dismissed with prejudice against Defendants, and the releases

<sup>1</sup> Lion Biotechnologies, Inc. changed its name to Iovance Biotherapeutics, Inc. on June 27, 2018, and the Company's NASDAQ ticker symbol changed to "IOVA" on June 28, 2018. Prior to June 28, 2018 and throughout the Class Period (*i.e.*, September 27, 2013 to April 10, 2017, inclusive), the Company's NASDAQ ticker symbol was "LBIO."

specified and described in the Stipulation (and in the Notice described below) should be granted; (iii) whether the proposed Plan of Allocation should be approved as fair and reasonable; and (iv) whether Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses should be approved.

**If you are a member of the Settlement Class, your rights will be affected by the pending Action and the Settlement, and you may be entitled to share in the Settlement Fund.** If you have not yet received the detailed Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses; and (III) Settlement Fairness Hearing ("Notice") and Claim Form, you may obtain copies of these documents by contacting the Claims Administrator at *Lion Biotechnologies Securities Litigation Settlement*, c/o JND Legal Administration, P.O. Box 91227, Seattle, WA 98111; 1-888-337-0001; [info@LionBiotechnologiesLitigationSettlement.com](mailto:info@LionBiotechnologiesLitigationSettlement.com). Copies of the Notice and Claim Form can also be downloaded from the website maintained by the Claims Administrator, [www.LionBiotechnologiesLitigationSettlement.com](http://www.LionBiotechnologiesLitigationSettlement.com), or from Lead Counsel's website, [www.ktmc.com](http://www.ktmc.com).

If you are a member of the Settlement Class, in order to be eligible to receive a payment under the proposed Settlement, you must submit a Claim Form **postmarked no later than \_\_\_\_\_, 201\_**, in accordance with the instructions set forth in the Claim Form. If you are a Settlement Class Member and do not submit a proper Claim Form, you will not be eligible to share in the distribution of the net proceeds of the Settlement but you will nevertheless be bound by any judgments or orders entered by the Court in the Action.

If you are a member of the Settlement Class and wish to exclude yourself from the Settlement Class, you must submit a request for exclusion such that it is **received no later than \_\_\_\_\_, 201\_**, in accordance with the instructions set forth in the Notice. If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action and you will not be eligible to share in the net proceeds of the Settlement.

Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and reimbursement of expenses, must be submitted to the Class Action Clerk or filed with the Court such that they are **received no later than \_\_\_\_\_, 201\_**, in accordance with the instructions set forth in the Notice.

**PLEASE DO NOT CONTACT THE COURT, THE CLERK'S OFFICE, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.** All questions about this notice, the proposed Settlement, or your eligibility to participate in the Settlement should be directed to Lead Counsel or the Claims Administrator:

**Lead Counsel**

Jennifer L. Joost, Esq.  
Kessler Topaz Meltzer & Check, LLP  
One Sansome Street, Suite 1850  
San Francisco, CA 94104

1-415-400-3000  
info@ktmc.com

**Claims Administrator**

*Lion Biotechnologies Securities Litigation Settlement*  
c/o JND Legal Administration  
P.O. Box 91227  
Seattle, WA 98111  
1-888-337-0001  
info@LionBiotechnologiesLitigationSettlement.com  
www.LionBiotechnologiesLitigationSettlement.com

DATED: \_\_\_\_\_, 2018

BY ORDER OF THE COURT  
United States District Court  
for the Northern District of California

# **EXHIBIT B**

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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

JAY RABKIN, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff,

v.

LION BIOTECHNOLOGIES, INC.,  
MANISH SINGH, MICHAEL  
HANDELMAN, and KAMILLA BJORLIN,

Defendants.

Case No. 3:17-cv-02086-SI

CLASS ACTION

**[PROPOSED] JUDGMENT APPROVING CLASS ACTION SETTLEMENT**

WHEREAS, a securities class action is pending in this Court entitled *Rabkin v. Lion Biotechnologies, Inc., et al.*, Case No. 3:17-cv-02086-SI (“Action”);

WHEREAS, Lead Plaintiff Jay Rabkin, on behalf of himself and the other members of the Settlement Class (as defined below), and defendants Lion Biotechnologies, Inc. (n/k/a Iovance Biotherapeutics, Inc.) (“Lion” or “Company”), Manish Singh and Michael Handelman (collectively, “Defendants,” and together with Lead Plaintiff, on behalf of himself and the other members of the Settlement Class, “Parties”) have entered into the Stipulation of Settlement and Release dated September 28, 2018 (“Stipulation”), that provides for a complete dismissal with prejudice of the claims asserted against Defendants in the Action on the terms and conditions set forth in the Stipulation, subject to the approval of this Court (“Settlement”);

WHEREAS, unless otherwise defined in this Judgment, the capitalized terms used herein shall have the same meanings as they have in the Stipulation;

WHEREAS, by Order dated \_\_\_\_\_, 2018 (“Preliminary Approval Order”), this Court: (a) preliminarily approved the Settlement; (b) provisionally certified the Settlement Class solely for

1 the purpose of effectuating the Settlement; (c) directed that notice of the proposed Settlement be  
2 provided to Settlement Class Members; (d) provided Settlement Class Members with the opportunity  
3 either to exclude themselves from the Settlement Class or to object to the Settlement; and (e)  
4 scheduled a hearing regarding final approval of the Settlement;

5 WHEREAS, due and adequate notice has been given to the Settlement Class;

6 WHEREAS, the Court conducted a hearing on \_\_\_\_\_, 201\_ (“Settlement Fairness  
7 Hearing”) to consider, among other things, (a) whether the terms and conditions of the Settlement are  
8 fair, reasonable and adequate to the Settlement Class, and should therefore be approved; and (b)  
9 whether a judgment should be entered dismissing the Action with prejudice as against the Defendants;  
10 and

11 WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and  
12 proceedings held herein in connection with the Settlement, all oral and written comments received  
13 regarding the Settlement, and the record in the Action, and good cause appearing therefor;

14 NOW THEREFORE, IT IS HEREBY ORDERED:

15 1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action, and  
16 all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties and each  
17 of the Settlement Class Members.

18 2. **Incorporation of Settlement Documents** – This Judgment incorporates and makes a  
19 part hereof: (a) the Stipulation filed with the Court on September 28, 2018; and (b) the Notice and  
20 the Summary Notice, both of which were filed with the Court on \_\_\_\_\_, 2018.

21 3. **Certification of the Settlement Class for Purposes of Settlement** – Pursuant to Rule  
22 23 of the Federal Rules of Civil Procedure, this Court finally certifies, solely for purposes of  
23 effectuating the Settlement, this Action as a class action on behalf of a Settlement Class defined as  
24 all persons and entities who purchased or otherwise acquired Lion common stock between September  
25 27, 2013 and April 10, 2017, inclusive, and who were damaged thereby. Excluded from the  
26 Settlement Class are (i) Defendants, Kamilla Bjorlin and their Immediate Family members; (ii) the  
27 current and former officers and directors of the Company, and their Immediate Family members; (iii)



1 the legal representatives, heirs, successors or assigns of any of the foregoing excluded party; and (iv)  
2 any entity in which Defendants, Kamilla Bjorlin, or Lidingo Holdings LLC have or had a controlling  
3 interest. Also excluded from the Settlement Class are any persons and entities who or which excluded  
4 themselves from the Settlement Class by submitting a request for exclusion, as listed on the attached  
5 Exhibit 1.

6 4. Lead Plaintiff is hereby appointed, for purposes of effectuating the Settlement only,  
7 as representative for the Settlement Class for purposes of Federal Rule of Civil Procedure 23. Kessler  
8 Topaz Meltzer & Check, LLP, which was appointed by the Court to serve as Lead Counsel, is hereby  
9 appointed, for settlement purposes only, as counsel for the Settlement Class pursuant to Rules  
10 23(c)(1)(B) and (g) of the Federal Rules of Civil Procedure.

11 5. **Notice** – The Court finds that the dissemination of the Notice and the publication of  
12 the Summary Notice: (a) were implemented in accordance with the Preliminary Approval Order; (b)  
13 constituted the best notice practicable under the circumstances; (c) constituted notice that was  
14 reasonably calculated, under the circumstances, to apprise Settlement Class Members of (i) the  
15 pendency of the Action; (ii) the effect of the proposed Settlement (including the Releases to be  
16 provided thereunder); (iii) Lead Counsel’s motion for an award of attorneys’ fees and reimbursement  
17 of Litigation Expenses; (iv) their right to object to any aspect of the Settlement, the Plan of Allocation  
18 and/or Lead Counsel’s motion for attorneys’ fees and reimbursement of Litigation Expenses; (v) their  
19 right to exclude themselves from the Settlement Class; and (vi) their right to appear at the Settlement  
20 Fairness Hearing; (d) constituted due, adequate, and sufficient notice to all persons and entities  
21 entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 23 of  
22 the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process  
23 Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, as amended, and  
24 all other applicable law and rules.

25 6. **CAFA** – The Court finds that the notice requirements set forth in the Class Action  
26 Fairness Act of 2005, 28 U.S.C. § 1715, to the extent applicable to the Action, have been satisfied.



1 members, partners, including limited partners, shareholders, executors, estates, administrators,  
2 beneficiaries, agents, affiliates, insurers and reinsurers, predecessors, successors, assigns, advisors,  
3 corporate parents and subsidiaries in their capacities as such, shall be deemed to have, and by  
4 operation of law and of the Judgment shall have, fully, finally and forever compromised, settled,  
5 released, resolved, relinquished, waived and discharged each and every Released Plaintiffs' Claim  
6 against the Defendant Releasees, and shall forever be barred and enjoined from prosecuting any or  
7 all of the Released Plaintiffs' Claims against any of the Defendant Releasees.

8 (b) Without further action by anyone, and subject to paragraph 12 below, upon the  
9 Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs,  
10 executors, administrators, predecessors, successors and assigns in their capacities as such, shall be  
11 deemed to have, and by operation of law and of the Judgment shall have, fully, finally and forever  
12 compromised, settled, released, resolved, relinquished, waived and discharged each and every  
13 Released Defendants' Claim against the Plaintiff Releasees, and shall forever be barred and enjoined  
14 from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiff Releasees.

15 12. Notwithstanding paragraphs 11(a) – (b) above, nothing in this Judgment shall bar any  
16 action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

17 13. **Rule 11 Findings** – The Court finds and concludes that the Parties and their respective  
18 counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil  
19 Procedure in connection with the institution, prosecution, defense, and settlement of the Action.

20 14. **No Admissions** – Neither the Stipulation (whether or not consummated), including  
21 the exhibits thereto and the Plan of Allocation contained therein (or any other plan of allocation that  
22 may be approved by the Court), the negotiations leading to the execution of the Stipulation, nor any  
23 proceedings taken pursuant to or in connection with the Stipulation and/or approval of the Settlement  
24 (including any arguments proffered in connection therewith):

25 (a) shall be offered against any of the Defendant Releasees as evidence of, or  
26 construed as, or deemed to be evidence of any presumption, concession, or admission by any of the  
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1 Defendant Releasees with respect to the truth of any fact alleged by Lead Plaintiff or the validity of  
2 any claim that was or could have been asserted or the deficiency of any defense that has been or could  
3 have been asserted in this Action or in any other litigation, or of any liability, negligence, fault, or  
4 other wrongdoing of any kind of any of the Defendant Releasees or in any way referred to for any  
5 other reason as against any of the Defendant Releasees, in any civil, criminal or administrative action  
6 or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the  
7 Stipulation;

8 (b) shall be offered against any of the Plaintiff Releasees, as evidence of, or  
9 construed as, or deemed to be evidence of any presumption, concession or admission by any of the  
10 Plaintiff Releasees that any of their claims are without merit, that any of the Defendant Releasees had  
11 meritorious defenses, or that damages recoverable under the Amended Complaint would not have  
12 exceeded the Settlement Amount or with respect to any liability, negligence, fault or wrongdoing of  
13 any kind, or in any way referred to for any other reason as against any of the Plaintiff Releasees, in  
14 any civil, criminal or administrative action or proceeding, other than such proceedings as may be  
15 necessary to effectuate the provisions of the Stipulation; or

16 (c) shall be construed against any of the Releasees as an admission, concession, or  
17 presumption that the consideration to be given hereunder represents the amount which could be or  
18 would have been recovered after trial;

19 *provided, however,* that if the Stipulation is approved by the Court, the Parties and the Releasees and  
20 their respective counsel may refer to it to effectuate the protections from liability granted hereunder  
21 or otherwise to enforce the terms of the Settlement.

22 15. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any  
23 way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of the  
24 administration, interpretation, implementation and enforcement of the Settlement; (b) the disposition  
25 of the Settlement Fund; (c) any motion for an award of attorneys’ fees and/or Litigation Expenses by  
26 Lead Counsel in the Action that will be paid from the Settlement Fund; (d) any motion to approve  
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1 the Plan of Allocation; (e) any motion to approve the Class Distribution Order; and (f) the Settlement  
2 Class Members for all matters relating to the Action.

3 16. Separate orders shall be entered regarding approval of a plan of allocation and the  
4 motion of Lead Counsel for an award of attorneys’ fees and reimbursement of Litigation Expenses.  
5 Such orders shall in no way affect or delay the finality of this Judgment and shall not affect or delay  
6 the Effective Date of the Settlement.

7 17. **Modification of the Agreement of Settlement** – Without further approval from the  
8 Court, Lead Plaintiff and Defendants are hereby authorized to agree to and adopt such amendments  
9 or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that:  
10 (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of  
11 Settlement Class Members in connection with the Settlement. Without further order of the Court,  
12 Lead Plaintiff and Defendants may agree to reasonable extensions of time to carry out any of the  
13 provisions of the Settlement.

14 18. **Termination of Settlement** – If the Settlement is terminated as provided in the  
15 Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be  
16 vacated, rendered null and void and be of no further force and effect, except as otherwise provided  
17 by the Stipulation, and this Judgment shall be without prejudice to the rights of Lead Plaintiff,  
18 Settlement Class Members and Defendants, and the Parties shall be deemed to have reverted *nunc*  
19 *pro tunc* to their respective positions in the Action as of the date immediately prior to the execution  
20 of the Stipulation. Except as otherwise provided in the Stipulation, in the event the Settlement is  
21 terminated in its entirety or if the Effective Date fails to occur for any reason, the balance of the  
22 Settlement Fund including interest accrued therein, less any Notice and Administration Costs actually  
23 incurred, paid, or payable and less any Taxes and Tax Expenses paid, due or owing, shall be returned  
24 to the parties who contributed to the payment of the Settlement Amount in the same proportions as  
25 their respective contributions as instructed by the Company’s counsel, in accordance with the  
26 Stipulation.

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19. **Entry of Final Judgment** – There is no just reason to delay the entry of this Judgment and immediate entry by the Clerk of the Court is expressly directed.

SO ORDERED this \_\_\_\_\_ day of \_\_\_\_\_, 201\_.

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The Honorable Susan Illston  
United States District Judge

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**EXHIBIT 1**

**List of Persons and Entities Excluded from  
the Settlement Class Pursuant to Request**