

Administrator, JND has, among other things: (i) mailed the Notice of Proposed Settlement of Class and Derivative Action, Settlement Hearing, and Right to Appear (the “Notice”) and the Proof of Claim form (the “Claim Form” or “Proof of Claim Form” and together with the Notice the “Notice Packet”) to potential Settlement Class Members, brokers, and other nominees; (ii) created and continues to maintain a toll-free telephone helpline for inquiries during the course of the administration; (iii) created and continues to maintain a website for the Settlement (the “Settlement Website”) and posted case-specific documents on it; (iv) caused the Summary Notice to be published; (v) provided, upon request, additional copies of the Notice Packet to potential Settlement Class Members, brokers, and other nominees; and (vi) received and processed each Claim Form received by the Claims Administrator (a “Claim”).

3. On October 12, 2020, the Court granted final approval of the Settlement and entered the Order and Final Judgment (Trans. ID 66014623). JND has completed processing all Claims received through April 20, 2022, in accordance with the terms of the Stipulation and the Court-approved Plan of Allocation set forth in the Notice, and hereby submits its administrative determinations accepting and rejecting the Claims in preparation for a distribution of the Net Cash Settlement Fund to Authorized Claimants. JND also presents this affidavit in support of Plaintiffs’ Unopposed Motion for Administrative Order.

DISSEMINATION OF NOTICE

4. As more fully described in the Affidavit of Luiggy Segura Regarding: (A) Mailing of the Notice and Claim Form; and (B) Publication of the Summary Notice (Trans. ID 65948622) (the “Mailing Decl.”), as of September 23, 2020, JND had mailed 11,707 Notice Packets to potential Settlement Class Members and their nominees. Mailing Decl. ¶ 7. Since that date, 101 additional Notice Packets have been disseminated. In total, JND has disseminated 11,808 Notice Packets to potential Settlement Class Members, brokers, and other nominees.

5. JND established and continues to maintain the Settlement Website (www.TileShopStockholderLitigation.com) and a toll-free telephone helpline (877-313-0184) to assist potential Settlement Class Members. The Settlement Website, which provides access to important documents relevant to the Settlement, and the telephone helpline enable Settlement Class Members to obtain information about the Settlement. In connection with establishing and maintaining the Settlement Website and toll-free telephone helpline, JND, among other things, formulated a system to ensure that proper responses were provided to all telephone and electronic inquiries. That work included training telephone agents to respond to inquiries specific to the Settlement; developing a series of common questions and the answers thereto known as Frequently Asked Questions or “FAQs”; loading key documents onto the

Settlement Website; and programming the Settlement Website to permit the viewing and downloading of those documents.

6. In accordance with paragraph 9(d) of the Scheduling Order, on September 7, 2020, JND caused the Summary Notice to be published in *Investor's Business Daily* and released via *PR Newswire* on September 8, 2020. Mailing Decl.

¶ 8.

PROCEDURES FOLLOWED IN PROCESSING CLAIMS

7. Under the terms of the Scheduling Order and as set forth in the Notice, each Settlement Class Member who wished to be eligible to receive a distribution from the Net Cash Settlement Fund was required to complete and submit to JND a properly executed Claim Form postmarked no later than January 8, 2021, together with adequate supporting documentation for the transactions and holdings reported in the Claim Form. Through April 20, 2022, JND has received and fully processed 1,985 Claims (the "Presented Claims").

8. In preparation for receiving and processing Claims, JND: (i) conferred with Lead Counsel to define the guidelines for processing Claims; (ii) created a unique database to store Claim details, images of Claims, and supporting documentation (the "Settlement Database"); (iii) trained staff in the specifics of the Settlement so that Claims would be properly processed; (iv) formulated a system so that telephone and email inquiries would be properly responded to; (v) developed

various computer programs and screens for entry of Settlement Class Members' identifying information and their transactional information; and (vi) developed a proprietary "calculation module" that would calculate Eligible Shares pursuant to the Court-approved Plan of Allocation of the Net Cash Settlement Fund stated in the Notice.

9. Settlement Class Members seeking to share in the Net Cash Settlement Fund were directed in the Notice to submit their Claims to a post office box address specifically designated for the Settlement. Notice Packets returned by the United States Postal Service as undeliverable were reviewed for updated addresses and, where available, updated addresses were entered into the database and Notice Packets were mailed to the updated addresses. Any correspondence received at the post office box was reviewed and, when necessary, appropriate responses were provided to the senders.

PROCESSING CLAIMS

A. Paper Claims

10. Of the 1,985 Presented Claims, 842 are paper Claims. Once received, the paper Claims were opened and prepared for scanning. This process included unfolding documents, removing staples, copying nonconforming-sized documents, and sorting documents. This manual task of preparing the paper Claims is very laborious and time intensive. Once prepared, paper Claims were scanned into the

Settlement Database together with all submitted documentation. Each paper Claim was assigned a unique Claim number. Once scanned, the information from each Claim Form, including the Claimant's name, address, and account number/information from the supporting documentation, and the Claimant's purchase/acquisition transactions, sale transactions, and holdings listed on the Claim Form, was entered into the Settlement Database. Each Claim was then reviewed to verify that all required information had been provided. The documentation provided by the Claimant in support of the Claim was reviewed for authenticity and compared to the information provided in the Claim to verify the Claimant's identity and the purchase/acquisition transactions, sale transactions, and holdings listed on the Claim Form.

11. To process the transactions detailed in the Claims, JND utilized internal messages to identify and classify deficiency or ineligibility conditions existing within those Claims. Appropriate messages were assigned to the Claims as they were processed. For example, where a Claim was submitted by a Claimant who did not own Tile Shop common stock during the relevant time period (e.g., the Claimant sold all Tile Shop common stock prior to October 18, 2018), that Claim would receive a "Claim-level" message that denoted ineligibility. Similar Claim-level ineligible messages were used to denote other ineligible conditions, such as duplicate Claims. These messages would indicate to JND that the Claimant was not eligible to

receive any payment from the Net Cash Settlement Fund with respect to that Claim unless the deficiency was cured in its entirety. Examples of Claim-level messages are as follows:

- Inadequate Documentation Submitted for Entire Claim
- No Supporting Documentation Submitted for Entire Claim
- No Holdings in the Relevant Time Period

12. Because a Claim may be deficient only in part, but otherwise acceptable, JND utilized messages that were applied only to specific transactions within a Claim. For example, if a Claimant submitted a Claim with supporting documentation for all but one purchase transaction, that one transaction would receive a “transaction-level” message. The message indicated that although the transaction was deficient, the Claim was otherwise eligible for payment if other transactions in the Claim calculated to an Eligible Share according to the Court-approved Plan of Allocation. Thus, even if the transaction-level deficiency were never cured, the Claim could still be partially accepted. Examples of transaction-level messages are as follows:

- No Supporting Documentation for Specific Transaction/Position
- Inadequate Documentation for Specific Transaction/Position
- Illegible Documentation for Specific Transaction/Position

B. Electronic Claims

13. Of the 1,985 Presented Claims, 1,143 were submitted electronically (“Electronic Claims”). Electronic Claims are typically submitted by institutional investors (“Electronic Claim Filers” or “E-Claim Filers”) who may have hundreds or thousands of transactions during the relevant time period. Rather than provide reams of paper requiring data entry, the E-Claim Filers either mail a computer disc or electronically submit a file to JND so that JND can upload all transactions to the Settlement Database.

14. JND maintains an electronic filing operations team (the “Electronic Filing Team”) to coordinate and supervise the receipt and handling of all Electronic Claims. In this case, the Electronic Filing Team reviewed and analyzed each electronic file to ensure that it was formatted in accordance with JND’s required format and to identify any potential data issues or inconsistencies within the file. If any issues or inconsistencies arose, JND notified the filer. If the electronic file was deemed to be in an acceptable format, it was then loaded into the Settlement Database.

15. Once each electronic file was loaded, the Electronic Claims were coded with messages to denote any deficient or ineligible conditions that existed within them. These messages are similar to those applied to paper Claims. In lieu of manually applying messages, the Electronic Filing Team performed programmatic

reviews on Electronic Claims to identify deficient and ineligible conditions (such as, but not limited to, transactions/positions outside the relevant time period, etc.). The output was thoroughly verified and confirmed as accurate.

16. The review process also included message coding any Electronic Claims that were not accompanied by a signed Claim Form, which serves as a “Master Proof of Claim Form” for all Claims referenced on the electronic file submitted. This process was reviewed by JND’s Electronic Filing Team and, when appropriate, JND contacted the E-Claim Filers whose submissions were missing information. This ensured that only fully completed Claims, submitted by properly authorized representatives of the Claimants, were considered eligible to participate in the Settlement.

17. Finally, at the end of the process, JND performed various targeted reviews of Electronic Claims. Specifically, JND used criteria such as the calculated Eligible Shares and other identified criteria to message code and reach out to a selection of E-Claim Filers and request that various sample purchases, sales, and holdings selected by JND be documented by providing confirmation slips or other transaction-specific supporting documentation. These targeted reviews help to ensure that electronic data supplied by Claimants does not contain inaccurate information.

EXCLUDED PERSONS

18. JND also reviewed all Claims to ensure that they were not submitted by or on behalf of “Excluded Persons” to the extent that the identities of such persons or entities were known to JND through the list of Defendants and other excluded persons and entities set forth in the Stipulation and the Notice and from the Claimants’ certifications on the Claim Forms. JND also reviewed all Claims against the list of persons who were excluded from the Settlement Class pursuant to request.

THE DEFICIENCY PROCESS

A. Paper Claims

19. Approximately 16% of the paper Claims, i.e., 138 of the 842 paper Claims, were incomplete or had one or more defects or conditions of ineligibility, such as the Claim not being signed, not being properly documented, or indicating no eligible holdings of Tile Shop common stock during the relevant time period. The “Deficiency Process,” which primarily involved mailing letters and sending emails to Claimants and responding to communications from Claimants by email and/or telephone, was intended to assist Claimants in properly completing their otherwise deficient submissions so that they could be eligible to participate in the Settlement.

20. If paper Claims were determined to be defective, a Notice of Deficient/Ineligible Claim Submission (“Deficiency Letter”) was sent to the Claimants describing the defect(s) in the Claims and what steps, if any, were necessary to cure the defect(s) in these Claims. The Deficiency Letter advised

Claimants that submission of appropriate information and/or documentary evidence to complete the Claim had to be sent within twenty (20) days from the date of the Deficiency Letter or the Claim would be recommended for rejection to the extent that the deficiency or condition of ineligibility was not cured. The Deficiency Letter also advised Claimants of their right to contest these administrative determinations, and that Claimants were required to submit written statements to JND requesting Court review of their Claims and setting forth the basis for such requests. JND sent a total of 138 Deficiency Letters to Claimants who submitted paper Claims that JND determined to be defective. Attached hereto as Exhibit A are examples of two Deficiency Letters.

21. Claimants' responses to Deficiency Letters were scanned into the Settlement Database and associated with the corresponding Claims. The responses were then carefully reviewed and evaluated by JND's team of processors. If a Claimant's response corrected the defect(s) in a Claim, JND manually updated the Settlement Database to reflect the changes in the status of the Claim.

B. Electronic Claims

22. For Electronic Claims, JND used the following process to contact the banks, brokers, nominees, and other E-Claim Filers to confirm receipt of their submissions and to notify the Electronic Claim Filers of any deficiencies or Electronic Claims that were ineligible. Each E-Claim Filer was sent an email to the

email address included with the Claim Form(s) (a “Deficiency Email”) with an attached report containing detailed information associated with the Claim(s) and indicating which Claim(s) within the filing were deficient and/or rejected (a “Deficiency Spreadsheet”).

23. The Deficiency Email sent to the email address of record provided with the Electronic Claim:

- (a) Notified E-Claim Filers that any Claim(s) with deficiencies not corrected within twenty (20) days from the date of the Deficiency Email may be rejected;
- (b) Advised the E-Claim Filer of the right to contest the rejection of the Claim(s) and request this Court’s review of JND’s administrative determination within twenty (20) days from the date of the Deficiency Email; and
- (c) Provided instructions for how to submit corrections.

24. The Deficiency Spreadsheet attached to the Deficiency Email identified each of the individual Claims that were found to be deficient or ineligible and the basis for that deficiency or condition of ineligibility.

25. JND emailed a Deficiency Email and Deficiency Spreadsheet(s) to 25 E-Claim Filers. Examples of a Deficiency Email and Deficiency Spreadsheet are attached hereto as Exhibits B and C, respectively.

26. The E-Claim Filers' responses were reviewed by the Electronic Filing Team, scanned and/or loaded into the Settlement Database, and associated with the corresponding Electronic Claims. If a response corrected the defect(s) or affected an Electronic Claim's status, JND manually and/or programmatically updated the database to reflect such change in status of the Electronic Claim.

C. Outreach Campaign to Claimants Who Did Not Cure Deficiencies

27. After responses to the Deficiency Letters and Deficiency Emails were received and evaluated, and the Claims updated, JND called all Claimants with still-deficient Claims to provide them with a final opportunity to cure the deficiencies in their Claims.

28. During this calling campaign, JND's agents explained to contacted Claimants that their Claims remained deficient, advised Claimants of the steps required to cure the deficiencies, and provided assistance to Claimants where possible, depending on the nature of the deficiency. For example, if a Claimant needed additional supporting documentation, JND explained the types of documentation that would render the Claim eligible and how the Claimant could obtain the necessary documentation. JND also provided some Claimants with direct phone numbers and email addresses so that Claimants could receive continued personalized attention and assistance.

29. If JND could not reach a Claimant to speak one-on-one, JND left a voice message, when possible, requesting a return call. JND explained in the voice message that it was calling to assist the Claimant in remedying outstanding deficiencies in the Claim. JND also reached out to Claimants via email if a valid email address was provided in their Claim submission.

30. If, in response to a telephone call or email, a Claimant cured the deficiency in a Claim by providing the appropriate information and/or supporting documentation, JND updated the Settlement Database to reflect the change in the status of the Claim.

NO DISPUTED CLAIMS

31. As noted above, Claimants were advised that they had the right to contest JND's administrative determination of deficiencies or ineligibility within twenty (20) days from the date of notification and that they could request that the dispute be submitted to the Court for review. More specifically, Claimants were advised in the Deficiency Letter and Deficiency Email that, if they disputed JND's determination, they had to provide a statement of reasons indicating the grounds for contesting the determination, along with supporting documentation, and if the dispute concerning the Claim could not otherwise be resolved, Lead Counsel would thereafter present the request for review to the Court for a final determination.

32. JND received no requests for Court review and there are, therefore, no disputed Claims requiring Court review.

LATE BUT OTHERWISE ELIGIBLE CLAIMS

33. Of the 1,985 Presented Claims, 77 Claims were received or postmarked after January 8, 2021, the Claim submission deadline established by the Court. JND processed all late Claims received through April 20, 2022, and 32 Claims have been found to be otherwise eligible in whole or in part (the “Late But Otherwise Eligible Claims”). JND has not rejected any Claim received through April 20, 2022, solely based on its late submission, and JND believes no delay has resulted from the provisional acceptance of these Late But Otherwise Eligible Claims. To the extent they are eligible but for the fact that they were late, they are recommended for payment.

34. However, there must be a final cut-off date after which no more Claims will be accepted so that there may be a proportional allocation of the Net Cash Settlement Fund and the distribution may be accomplished. Acceptance of additional Claims or responses received during the finalization of the administration and the preparation of this affidavit would necessarily require a delay in the distribution. Accordingly, JND also respectfully requests that this Court order that no Claim received after April 20, 2022, or Claim cured or adjusted after April 20, 2022, be eligible for payment for any reason whatsoever.

QUALITY ASSURANCE

35. An integral part of the claims administration process is the Quality Assurance review. Throughout the administration process, JND's Quality Assurance personnel worked to verify that Claims were processed properly by ensuring that information was entered correctly into the database, deficiency and/or rejection message codes were assigned accurately, and deficiency and/or rejection notifications were sent appropriately. After all Claims were processed, deficiency and/or rejection notifications were sent, and Claimants' responses to the deficiency and/or rejection notifications were reviewed and processed, JND's Quality Assurance personnel performed additional Quality Assurance reviews. These final Quality Assurance reviews further ensured the correctness and completeness of all Claims processed prior to preparing this affidavit and all JND's final documents in support of distribution of the Net Cash Settlement Fund. As part of the Quality Assurance reviews, JND:

- (a) Verified that all Claim Forms had signatures of authorized individuals;
- (b) Verified that true duplicate Claims were identified, verified, and rejected;

- (c) Verified that persons and entities excluded from the Settlement Class did not file Claims or their Claims were rejected upon review;
- (d) Performed a final Quality Assurance audit of Claims and all supporting documentation to ensure completeness of Claims;
- (e) Determined that all Claimants requiring deficiency and/or rejection notifications were sent such notification;
- (f) Performed an audit of deficient Claims;
- (g) Performed additional review of Claims with a large number of Eligible Shares;
- (h) Audited Claims that were designated ineligible;
- (i) Audited Claims with an Eligible Share equal to zero;
- (j) Performed other auditing based on Claims completion requirements and the approved calculation specifications based on the Court-approved Plan of Allocation; and
- (k) Re-tested the accuracy of the Eligible Share calculation program.

36. In support of the work described above, JND's computer staff designed and implemented, and the project team tested, the following programs for this administration: (i) data entry screens that store Claim information, including all transactional data included on each Claim, and attach messages and, where

necessary, text to denote conditions existing within the Claim; (ii) programs to load and analyze transactional data submitted electronically for all Electronic Claims; (iii) a program to compare the claimed transaction prices against the reported market prices to confirm that the claimed transactions were within an acceptable range of the reported market prices; (iv) a calculation program to analyze the transactional data for all Claims, and calculate each Claimant's Eligible Share based on the Court-approved Plan of Allocation; and (v) programs to generate various reports throughout and at the conclusion of the administration, including lists of all eligible and ineligible Claims.

37. JND also used a variety of fraud protection controls throughout the administration process to identify potential fraudulent Claims. Duplicate Claim searches, high value reviews, spot reviews, and other standard audit reports that examined the information in a variety of ways were used during the Claim review process.

38. As part of its due diligence in processing the Claims, JND reviewed and compared the entire Settlement Database against the “watch list” of known questionable filers that JND has developed throughout its years of experience as a claims administrator. JND has worked closely with law enforcement to update that watch list with the latest information available. JND performs searches based on names, aliases, addresses, and city/zip codes. In addition, JND’s claim processors

are trained to identify any potentially inauthentic documentation when processing claims, including Claims submitted by Claimants not previously captured in the “watch list.” Processors are instructed to message code any Claim that matches to a record on the “watch list” and escalate them to management for review. JND’s Fraud Protection procedures did not identify any potentially fraudulent Claims that were submitted by someone on the “watch list,” or necessitated further review and verification.

RECOMMENDATIONS FOR APPROVAL AND REJECTION

39. As noted above, the number of Presented Claims in this motion is 1,985

A. Timely Submitted and Valid Claims

40. A total of 1,908 Claims were received or postmarked on or before January 8, 2021, the Court-approved Claim submission deadline, of which 1,160 Claims were determined by JND to be eligible to participate in the Settlement and are recommended for approval (“Timely Eligible Claims”). The total Eligible Shares for these Timely Eligible Claims is 21,844,237.14.

B. Late But Otherwise Eligible Claims

41. A total of 77 Claims were received or postmarked after January 8, 2021, the Court-approved Claim submission deadline, but received on or before April 20, 2022. Of those 77 late Claims, 32 were determined by JND to be otherwise eligible

and are recommended for approval (“Late But Otherwise Eligible Claims”). The total Eligible Shares for these Late But Otherwise Eligible Claims is 414,463.60.

C. Rejected Claims

42. After the responses to Deficiency Letters and Deficiency Emails were processed, a total of 793 Claims remain recommended for rejection by the Court (“Rejected Claims”) for the following reasons:

- (a) 442 Claims did not fit the definition of the Settlement Class;
- (b) 312 Deficient Claims were never cured;
- (c) 22 Claims were duplicates or replaced; and
- (d) 17 Claims were withdrawn.

D. Lists of All Presented Claims

43. Attached hereto as Exhibits D through F are listings of all the Presented Claims:

- (a) Exhibit D lists the Timely Eligible Claims and shows each Claimant’s Eligible Share;
- (b) Exhibit E lists the Late But Otherwise Eligible Claims and shows each Claimant’s Eligible Share; and
- (c) Exhibit F lists the Rejected Claims and the reasons for rejection.

FEES AND DISBURSEMENTS

44. JND agreed to be the Claims Administrator in exchange for payment of its fees and out-of-pocket expenses. As stated in paragraph 9 of the Stipulation, all

costs related to noticing the Settlement Class shall be directed to the Defendants. As such, JND sent Defense Counsel an invoice for the costs related to noticing the Settlement Class. Lead Counsel received reports on and invoices for the work JND performed with respect to the administration of the Settlement. Attached hereto as Exhibit G are copies of JND's invoices for its work performed on behalf of the Settlement Class (excluding the invoice sent to Defense Counsel) as well as an estimate for the work that will be performed and the costs that will be incurred in connection with the initial distribution of the Net Cash Settlement Fund. Should the estimate of fees and expenses to conduct the initial distribution of the Net Cash Settlement Fund exceed the actual cost, the excess will be returned to the Net Cash Settlement Fund and will be available for subsequent distribution to Authorized Claimants. As set forth in these invoices, JND's total fees and expenses for this matter through January 31, 2022, are \$159,689.36. JND anticipates that its fees and expenses for the work performed in conjunction with the initial distribution of the Net Cash Settlement Fund are \$17,273.74. To date JND has not received any payment for its fees and expenses. Accordingly, there is an outstanding balance of \$176,963.10 payable to JND, which includes the estimate for completing the initial distribution of the Net Cash Settlement Fund.

DISTRIBUTION PLAN FOR THE NET CASH SETTLEMENT FUND

45. Should the Court concur with JND's determinations concerning the provisionally accepted and rejected Claims, including the Late But Otherwise Eligible Claims, JND recommends the following distribution plan (the "Distribution Plan"):

- (a) JND will conduct an initial distribution (the "Initial Distribution") of the Net Cash Settlement Fund, after eliminating Authorized Claimants whose allocated payment from the Net Cash Settlement Fund calculates to less than \$5.00 (*see* Notice ¶ 47(A)), while maintaining a 5% reserve to address any tax liability and claims administration-related contingencies that may arise, as follows:
 - (1) JND will calculate the Net Cash Settlement Fund, which will be the remaining balance of the Cash Settlement Fund after deducting (i) any Taxes; (ii) any Administration Costs; and (iii) any Cash Settlement Fund Award. *See* Notice ¶ 46(A)(1).
 - (2) JND will calculate the total "Shares," which will be the total number of Eligible Shares based on the valid Claims submitted by Authorized Claimants. *See id.* ¶ 46(A)(2).

- (3) JND will calculate the “Per-Share Payout,” which will be calculated by dividing the Net Cash Settlement Fund by the total number of Shares. *See id.* ¶ 46(A)(3).
- (4) Since the Per-Share Payout equals less than \$1.44 per share, the entire Net Cash Settlement Fund will be distributed to Authorized Claimants and there will be no remaining funds to allocate among Authorized Claimants. Each Authorized Claimant will receive a *pro rata* distribution from the Net Cash Settlement Fund equal to the product of (i) the Per-Share Payout; and (ii) the Claimant’s total number of Eligible Shares, subject to the \$5.00 minimum payment threshold for payments from the Net Cash Settlement Fund. *See id.* ¶ 46(A)(4).
- (b) To encourage Authorized Claimants to deposit their payments promptly, all distribution checks will bear a notation: “CASH PROMPTLY. VOID AND SUBJECT TO REDISTRIBUTION IF NOT CASHED BY [DATE 90 DAYS AFTER ISSUE DATE].” For Authorized Claimants whose checks are returned as undeliverable, JND will endeavor to locate new addresses through reasonable methods. Where a new address is located,

JND will update the Settlement Database accordingly and reissue a distribution check to the Authorized Claimant at the new address. In the event a distribution check is lost or damaged or otherwise requires reissuance, JND will issue replacements. Distribution reissues will be undertaken only upon written instructions from the Authorized Claimant, provided that the Authorized Claimant returns the previous check where appropriate. For all checks, JND will void the initial payment prior to reissuing a payment. In order not to delay further distributions to Authorized Claimants who have timely cashed their checks, JND's outreach program shall end thirty (30) days after the initial void date. Authorized Claimants will be informed that, if they do not cash their Initial Distribution checks within ninety (90) days of the mail date, or they do not cash check reissues within thirty (30) days of the mailing of such reissued check, their check will lapse, their entitlement to recovery will be irrevocably forfeited, and the funds will be reallocated to other Authorized Claimants. Reissue requests for lost or damaged checks will be granted after the void date on the checks as long as the request for the reissue is received no later than forty-five

(45) days prior to the next planned distribution. Requests for reissued checks in connection with any subsequent distributions (should such distributions occur) will be handled in the same manner.

- (c) Authorized Claimants who do not cash their Initial Distribution checks within the time allotted or on the conditions set forth above will irrevocably forfeit all recovery from the Settlement. *See id.* ¶ 46(C)(1). The funds allocated to all such stale-dated checks will be available for distribution to other Authorized Claimants in the second distribution. *See id.* Similarly, Authorized Claimants who do not cash their second or subsequent distribution checks, should such distributions occur, within the time allotted or on the conditions set forth above will irrevocably forfeit any further recovery from the Net Cash Settlement Fund. *See id.*
- (d) Consistent with the Court-approved Plan of Allocation, after JND has made reasonable and diligent efforts to have Authorized Claimants cash their Initial Distribution checks, which efforts shall consist of the follow-up efforts described above, but not earlier than six (6) months after the Initial Distribution, JND will,

after consulting with Lead Counsel, conduct a second distribution of the Net Cash Settlement Fund (the “Second Distribution”). Any amounts remaining in the Net Cash Settlement Fund after the Initial Distribution, including from the Reserve and the funds allocated for all void stale-dated checks, after deducting JND’s unpaid fees and expenses incurred in connection with administering the Settlement, including JND’s estimated costs of the Second Distribution, and after deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns, any escrow fees, and appropriate reserves, will be distributed to all Authorized Claimants in the Initial Distribution who cashed their first distribution check and who would receive at least \$5.00 from such distribution based on their *pro rata* share of the remaining funds. *See id.* Additional distributions, after deduction of costs and expenses as described above and subject to the same conditions, may occur thereafter in six (6)-month intervals until Lead Counsel, in consultation with JND, determines that further distribution is not cost-effective. *See id.*

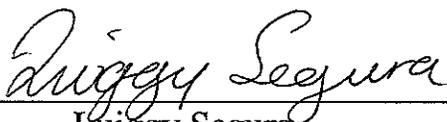
- (e) At such time as Lead Counsel, in consultation with JND, determines that further distribution of the funds remaining in the Net Cash Settlement Fund is not cost-effective, the remaining balance of the Net Cash Settlement Fund, after payment of any unpaid fees or expenses incurred in connection with administering the Net Cash Settlement Fund and after the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, shall be deemed a recovery with respect to Plaintiffs' derivative claims and will be paid to the Company. *See id.*
- (f) No new Claims may be accepted after April 20, 2022, and no further adjustments made to Claims received on or before April 20, 2022.
- (g) Unless otherwise ordered by the Court, JND may destroy the paper copies of the Claims and all supporting documentation one (1) year after the Initial Distribution, and one (1) year after all funds have been distributed may destroy the electronic copies of the same.

CONCLUSION

46. JND respectfully requests that the Court enter the Administrative Order approving its administrative determinations accepting and rejecting the Claims submitted herein and approving the proposed Distribution Plan. JND further submits that its unpaid fees and expenses, as reflected on the invoices attached hereto as Exhibit G, should be approved for payment from the Settlement Fund.

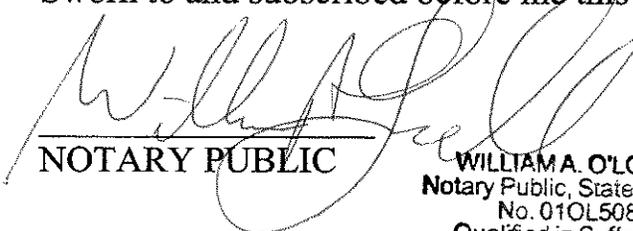
I declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct to the best of my knowledge.

Executed in New Hyde Park, New York, on April 22, 2022.



Luiggy Segura

Sworn to and subscribed before me this 22nd day of April 2022.



NOTARY PUBLIC

WILLIAM A. O'LOUGHLIN
Notary Public, State of New York
No. 01OL5084336
Qualified in Suffolk County
Commission Expires SEPTEMBER 2, 2025

My commission expires: SEPTEMBER 2, 2025