

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

Case No. 1:18-cv-23786-MARTINEZ-OTAZO-REYES

CHARLES STEINBERG, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

v.

OPKO HEALTH, INC., PHILLIP FROST,  
ADAM LOGAL, and JUAN RODRIGUEZ,

Defendants.

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

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

גרסה בעברית של הודעה זו זמינה בכתובת  
[www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com)

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by the above-captioned securities class action (the “Action”) pending in the United States District Court for the Southern District of Florida (the “Court”), if you purchased or otherwise acquired the common stock of OPKO Health, Inc. (“OPKO”) during the period from September 26, 2013 through September 7, 2018, inclusive (the “Class Period”), and were damaged thereby.<sup>1</sup>

**NOTICE OF SETTLEMENT:** Please also be advised that the Court-appointed Lead Plaintiff, the Amitim Funds, on behalf of itself and the Settlement Class (as defined in ¶ 23 below), has reached a proposed settlement of the Action for \$16,500,000 in cash.

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

Persons or entities that purchased or acquired OPKO common stock during the period from September 26, 2013 through September 7, 2018, inclusive and who held those shares until at

<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 and Agreement of Settlement dated June 26, 2020 (the “Stipulation”). The Stipulation is available at [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com).

least 1:57 p.m. New York time on September 7, 2018, may be eligible for a payment from the \$16.5 million Settlement, if it is approved.

- **If you purchased shares of OPKO common stock traded on the Tel Aviv Stock Exchange (“TASE”) you do not need to submit a Claim Form to be eligible for a payment.** If the Settlement is approved, the Claims Administrator will distribute the applicable portion of the Net Settlement Fund for these investors through their brokers.
- **If you purchased or acquired shares of OPKO common stock in any manner *other than* on the TASE, including through purchases on any United States stock exchange, including the New York Stock Exchange or Nasdaq, you must submit a Claim Form to be potentially eligible for a payment.** Information on how to submit a Claim Form is available at ¶ 42 below.

**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, Defendants (including OPKO), or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶ 71 below).**

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 OPKO and its Chairman and CEO, Dr. Phillip Frost (“Defendants”) violated United States and Israeli securities laws by making false and misleading statements and material omissions during the Class Period. A more detailed description of the Action is set forth in ¶¶ 11-22 below. The Defendants have denied, and continue to deny, each and every claim and contention alleged in the Action and any wrongdoing whatsoever. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in ¶ 23 below.

2. **Statement of the Settlement Class’s Recovery:** Subject to Court approval, Lead Plaintiff, on behalf of itself and the Settlement Class, has agreed to settle the Action in exchange for \$16,500,000 in cash (the “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 (the “Settlement Fund”) less (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys’ fees awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the “Plan of Allocation”) is set forth in Appendix A at the end of this Notice. The Plan of Allocation will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Lead Plaintiff’s damages expert’s estimate of the number of shares of OPKO 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) is \$0.05 per affected share. Settlement Class Members should note, however, that the foregoing average recovery is only an estimate. Some Settlement Class Members may recover more or less than the estimated amount depending on, among other factors, when and at what prices they purchased or sold their shares, and the total number and value of valid Claim Forms submitted. Distributions to Settlement Class Members will be

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made based on the Plan of Allocation set forth in 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 OPKO common stock that would be recoverable if Lead Plaintiff were to prevail in the Action. Among other things, Defendants vigorously deny 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 alleged conduct.

5. **Attorneys' Fees and Expenses Sought:** Plaintiffs' Counsel, which have been prosecuting the Action on a wholly contingent basis, have not received any payment of attorneys' fees for their representation of the Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in the amount of 20% of the Settlement Fund.<sup>2</sup> In addition, Lead Counsel will apply for payment of Litigation Expenses paid or incurred by Plaintiffs' Counsel in connection with the institution, prosecution, and resolution of the Action in an amount not to exceed \$300,000, which may include an application for payment of the reasonable costs and expenses incurred by Lead Plaintiff directly related to its representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C. § 78(a)(4). 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 for such fees and expenses, if the Court approves Lead Counsel's fee and expense application, is \$0.01 per affected share.

6. **Identification of Attorneys' Representatives:** Lead Plaintiff and the Settlement Class are represented by John Rizio-Hamilton, Esq. of Bernstein Litowitz Berger & Grossmann LLP, 1251 Avenue of the Americas, 44th Floor, New York, NY 10020, 1-800-380-8496, settlements@blbglaw.com.

7. **Reasons for the Settlement:** Lead Plaintiff's principal reason for entering into the Settlement is the substantial and certain recovery for the Settlement Class without the risk or the delays inherent in further litigation. Moreover, the substantial recovery provided under the Settlement must be considered against the significant risk that a smaller recovery—or indeed no recovery at all—might be achieved after 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. Defendants, who deny all allegations of wrongdoing, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

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<sup>2</sup> Plaintiffs' Counsel include Court-appointed Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP ("Lead Counsel"); liaison counsel, Saxena White P.A.; and the Israeli counsel who brought a related class action alleging violations of Israeli securities laws in Israel, the law firms of Kalai-Rosen and Manor-Shemesh, who will assist Lead Counsel with matters related to the distribution of settlement funds to Settlement Class Members who purchased OPKO common stock on the Tel Aviv Stock Exchange.

**YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:**

<p><b>IF YOU PURCHASED OPKO COMMON STOCK ON A U.S. EXCHANGE, SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN JANUARY 26, 2021.</b></p>	<p>The only way to be eligible to receive a payment from the Settlement Fund based on your purchases of OPKO common stock traded on a U.S. stock exchange (including the New York Stock Exchange or Nasdaq), or any other purchases or acquisitions of OPKO common stock by any other means <i>other than</i> on the Tel Aviv Stock Exchange, is to submit a Claim Form postmarked by January 26, 2021.</p> <p>You do <i>not</i> need to submit a Claim Form to be eligible for a payment based on your purchases of OPKO common stock traded on the Tel Aviv Stock Exchange.</p>
<p><b>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN NOVEMBER 24, 2020.</b></p>	<p>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 lawsuit against any of the Defendants or the other Defendants' Releasees concerning the Released Plaintiffs' Claims. However, you should understand that any such claims may be untimely under applicable statutes of limitations and statutes of repose.</p>
<p><b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN NOVEMBER 24, 2020.</b></p>	<p>If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for 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.</p>
<p><b>GO TO A HEARING ON DECEMBER 15, 2020 AT 1:30 P.M. EASTERN TIME, AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN NOVEMBER 24, 2020.</b></p>	<p>Filing a written objection and notice of intention to appear by November 24, 2020 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. In the Court's discretion, the December 15, 2020 hearing may be conducted by telephone or videoconference (<i>see</i> ¶ 59 below). If you submit a written objection, you may (but you do not have to) participate in the hearing and, at the discretion of the Court, speak to the Court about your objection.</p>

<b>DO NOTHING.</b>	<p>If you are a member of the Settlement Class and you take no action, you will 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.</p> <p>In addition, if you do not submit a Claim Form you will not be eligible for any payment from the portion of the Settlement for which you may eligible based on purchases of OPKO common stock traded on U.S. exchanges. (If you are eligible for a portion of the Settlement based on purchases of OPKO common stock on the Tel Aviv Stock Exchange, you may receive this payment without submitting a Claim Form.)</p>
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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 OPKO 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

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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 the motion by Lead Counsel for an award of attorneys' fees and payment of Litigation Expenses (the "Settlement Hearing"). See ¶¶ 59-60 below for details about the Settlement 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 to complete.

### WHAT IS THIS CASE ABOUT?

11. OPKO is a publicly traded Delaware corporation with its principal place of business in Florida. During the Class Period, OPKO common stock traded on both U.S. stock exchanges and the Tel Aviv Stock Exchange.

12. OPKO is a diversified healthcare company. In addition to developing its own products, OPKO frequently acquires or takes significant stakes in smaller healthcare companies that are purportedly focused on developing new products. Throughout the Class Period, OPKO and its Chairman and CEO, Dr. Frost, described OPKO's investments in "early-stage companies" as "strategic" and said those investments were intended to generate growth and therefore value for OPKO shareholders.

13. On September 7, 2018, the United States Securities & Exchange Commission (the "SEC") filed a complaint alleging that OPKO and Dr. Frost, among others, had aided and abetted others' violations of the United States federal securities laws or violated certain of those laws themselves, by allegedly participating in schemes to manipulate the stock prices of two developing healthcare companies.

14. The price of OPKO common stock fell sharply after the SEC complaint was made public at approximately 1:57 p.m. New York time on September 7, 2018. Trading of OPKO common stock on U.S. exchanges was halted at about 2:34 p.m. on September 7, 2018. When trading of OPKO common stock on U.S. exchanges resumed on September 14, 2018, the price of OPKO common stock declined still further.<sup>3</sup>

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<sup>3</sup> Friday September 7, 2018 was not a trading day on the Tel Aviv Stock Exchange. The first day that OPKO common stock traded on the TASE following the disclosure of the SEC complaint was September 13, 2018, and the price of OPKO common stock on the TASE fell sharply that day.

15. On September 14, 2018, the Action was commenced with the filing of a securities class action complaint in the United States District Court for the Southern District of Florida, styled *Steinberg v. OPKO Health, Inc., et al.*, No. 1:18-cv-23786-JEM.

16. By Opinion and Order dated April 10, 2019, the Court appointed the Amitim Funds as Lead Plaintiff for the Action and approved Lead Plaintiff's selection of Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel.

17. On May 3, 2019, Lead Plaintiff filed and served its Consolidated Class Action Complaint (the "Complaint") asserting claims against Defendants under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, against Dr. Frost under Section 20(a) of the Exchange Act, and against Defendants for violation of the Israel Securities Law, 1968, for purchases made on the TASE. These claims were premised on Defendants' allegedly materially false and misleading statements and omitted material information relating to OPKO's investments in early stage companies.

18. In addition, a parallel class action asserting claims under the Israeli Securities Law for purchasers of OPKO common stock on the TASE was filed in Israel, but the case was closed.

19. On June 17, 2019, Defendants served their motion to dismiss the Complaint. On July 19, 2019, Lead Plaintiff filed its papers in opposition and, on August 19, 2019, Defendants served their reply papers. Lead Plaintiff moved for leave to file a sur-reply on August 27, 2019, Defendants served their opposition on August 29, 2019, and Lead Plaintiff served its reply papers on September 5, 2019. The Court granted Lead Plaintiff's Motion for Leave to File a Sur-Reply on February 14, 2020, and Lead Plaintiff filed its sur-reply on February 21, 2020.

20. On December 17, 2019, the Parties attended an all-day mediation, with Jed Melnick of JAMS serving as the mediator. After months of additional discussion and negotiation facilitated by Mr. Melnick, on May 28, 2020, the Parties reached an agreement in principle to settle and release all claims in return for a cash payment of \$16,500,000, subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers.

21. On June 26, 2020, the Parties entered into the Stipulation and Agreement of Settlement, which sets forth the terms and conditions of the Settlement. The Stipulation is available at [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com).

22. On September 4, 2020, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Settlement 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?**

23. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

all persons or entities that purchased or otherwise acquired OPKO common stock during the period from September 26, 2013 through September 7, 2018, inclusive

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(the “Class Period”), including, but not limited to, on either a U.S.-based exchange (including the New York Stock Exchange and Nasdaq), or on the Tel Aviv Stock Exchange, and who were damaged thereby.

Excluded from the Settlement Class are (i) Defendants; (ii) the Officers and directors of OPKO currently and during the Class Period; (iii) members of the Immediate Family of any such excluded persons; (iv) the legal representatives, heirs, agents, affiliates, successors, or assigns of any such excluded persons or entities; and (v) any entity in which any such excluded party has, or had during the Class Period, a controlling interest. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. *See* “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?” on page 14 below.

**PLEASE NOTE: Receipt of this Notice does not necessarily mean that you are a Settlement Class Member or that you will be entitled to a payment from the Settlement.**

#### WHAT ARE LEAD PLAINTIFF’S REASONS FOR THE SETTLEMENT?

24. Lead Plaintiff and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, that continued litigation of the Action through the pending motion to dismiss, a motion for class certification, a motion for summary judgment, trial, and potential appeals presented a number of substantial risks to establishing liability and damages, as well as risks relating to recovery of a judgment. Lead Plaintiff and Lead Counsel also recognize that continued proceedings would be expensive and lengthy, delaying any potentially recovery for several years.

25. Lead Plaintiff confronted significant risks to establishing liability and proving damages in this Action. Specifically, Lead Plaintiff faced challenges in proving that Defendants made materially false or misleading statements or material omissions, and that Defendants made the misstatements or omissions with fraudulent intent or were reckless in making them. Defendants contend that the SEC complaint that gave rise to this Action identified a different individual as the primary strategist who orchestrated the alleged stock manipulation schemes and contained only sparse allegations about OPKO and Dr. Frost’s involvement, and no allegation that investors in OPKO were misled. Defendants would contend that the SEC complaint’s allegations about OPKO and Dr. Frost’s involvement were factually flawed and that the actual facts would not support Lead Plaintiff’s fraud claims, but would show that Defendants were unaware of the alleged stock manipulation. For example, Defendants could point to the fact that OPKO did not sell any of the stock of the two companies at issue, Dr. Frost did not sell any stock in one of the two companies at issue and sold only small portions of his holdings in the other company, and both Defendants continued to invest heavily in the companies after the purported stock manipulation, and would argue that these facts made it implausible that Defendants were involved in the scheme and undercut any inference they acted with *scienter*. Moreover, OPKO and Dr. Frost resolved the SEC complaint by settling lesser claims that could be established by strict liability or did not include an element of *scienter* (as required for the fraud claims alleged in this Action), and even with respect to those claims, OPKO and Dr. Frost made no admissions of wrongdoing. Finally, Defendants would argue that Lead Plaintiff could not establish loss causation because the SEC complaint contained only unproven allegations and the underlying

facts in the SEC complaint about OPKO and Dr. Frost's investments in the companies whose stocks were allegedly manipulated were already known to the market and thus the SEC complaint could not act as a corrective disclosure of the alleged misstatements.

26. Lead Plaintiff also faced substantial risks of recovering on any judgment substantially larger than the Settlement. OPKO's insurance was limited and was a wasting asset that would have continued to have been reduced if litigation continued. Moreover, there was a publicly disclosed coverage dispute between Defendants and their insurers that, if litigated and decided adversely to OPKO, would have left none of the insurance available to the class in this Action. OPKO itself had only limited cash available to contribute to any settlement or other recovery. If the available insurance was further reduced through the costs of continued litigation or was unavailable as a result of the coverage dispute, the class might recover substantially less than the Settlement or nothing at all. In any event, any such recovery would not be paid to the Settlement Class for several years.

27. In short, Lead Plaintiff confronted risks that the case might be dismissed in whole or in substantial part based on unfavorable court rulings, including on Defendants' motion to dismiss, Lead Plaintiff's motion for class certification, an appeal of a class-certification grant, Defendants' motion for summary judgment, at trial, or on appeal after a verdict. Further, even if Lead Plaintiff had successfully litigated the case to judgment, the risks related to OPKO's wasting insurance might still have limited any eventual recovery, and any recovery would likely not be secured until several years from now.

28. 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 substantial benefit to the Settlement Class, namely \$16,500,000 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 recovery, or no recovery, after summary judgment, trial, and appeals, possibly years in the future.

29. Defendants have vigorously denied and continue to deny each and all of the claims asserted against them in the Action and deny that the Settlement Class was harmed or suffered any damages as a result of the conduct alleged in the Action. Defendants have expressly denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

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

30. If there were no Settlement and Lead Plaintiff failed to establish any essential legal or factual element of its 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?**

31. 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 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 and must serve copies of his or her appearance on the attorneys listed in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” on page 14 below.

32. 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?,” on page 14 below.

33. 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 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?,” on page 14 below.

34. 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 (the “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 heirs, executors, administrators, predecessors, successors, and assigns, in their capacities as such, will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs’ Claim (as defined in ¶ 35 below) against the Defendants’ Releasees (as defined in ¶ 36 below), and will forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees.

35. “Released Plaintiffs’ Claims” means any and all claims, demands, rights, causes of action or liabilities, of every nature and description whatsoever, whether based in law or equity, on federal, state, local, statutory or common law, or any other law, rule or regulation, including without limitation, claims for negligence, gross negligence, breach of duty of care, breach of duty of loyalty, breach of duty of candor, fraud, negligent misrepresentation, or breach of fiduciary duty, including both known claims and Unknown Claims, that have been or could have been asserted in any forum by the Settlement Class Members, or any of them, or the successors or assigns of any of them, whether directly, indirectly, representatively or in any other capacity, against any of the Defendants’ Releasees, which arise out of, are based upon, or relate in any way, directly or indirectly, to (i) the allegations, transactions, facts, events, matters, occurrences, acts, representations or omissions involved, set forth, referred to, or that could have been asserted in this Action, and (ii) the purchase, sale, holding, or acquisition of OPKO common stock by any Settlement Class Member during the Class Period. For the avoidance of doubt, this release does not release or impair (i) any claims asserted in any shareholder derivative action, including

without limitation the claims asserted in the Derivative Actions; or (ii) any claims relating to the enforcement of the Settlement.

36. “Defendants’ Releasees” means Defendants and their current and former parents, affiliates, subsidiaries, officers, directors, agents, representatives, successors, predecessors, assigns, assignees, partnerships, partners, principals, employees, trustees, trusts, heirs, executors, administrators, Immediate Family Members, insurers, reinsurers, underwriters, professional advisors, and attorneys, in their capacities as such.

37. “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. 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 other Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

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

Lead Plaintiff and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

38. 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, will have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Defendants’ Claim (as defined in ¶ 39 below) against Lead Plaintiff and the other Plaintiffs’ Releasees (as defined in ¶ 40 below), and will forever be barred and enjoined from prosecuting any or all of the Released Defendants’ Claims against any of the Plaintiffs’ Releasees.

39. “Released Defendants’ Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action against Defendants. Released Defendants’ Claims do not include: (i) any claims relating to the enforcement of the Settlement; (ii) any claims against any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court; or (iii) any claims by Defendants against their insurers.

40. “Plaintiffs’ Releasees” means Lead Plaintiff, all other plaintiffs in the Action, and all other Settlement Class Members, and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, representatives, successors, predecessors, assigns,

assignees, partnerships, partners, principals, officers, employees, trustees, trusts, heirs, executors, administrators, Immediate Family Members, insurers, reinsurers, professional advisors, and attorneys, in their capacities as such.

### HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

41. The method for Settlement Class Members to participate in the Settlement depends on whether the Settlement Class Member purchased his, her, or its OPKO common shares on a U.S. stock exchange, or on the Tel Aviv Stock Exchange (“TASE”), in any other manner other than through a purchase on the TASE, or on a combination of the foregoing.

42. **If you purchased or acquired OPKO common stock during the Class Period on a United States stock exchange (including the New York Stock Exchange or Nasdaq) or in any other manner *other than* through a purchase on the TASE, you must complete and return the Claim Form with adequate supporting documentation *postmarked no later than January 26, 2021* to be potentially eligible for a payment from the applicable portion of the Settlement.** 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.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com). You may also request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-888-383-0345 or by emailing the Claims Administrator at [info@OPKOHealthSecuritiesLitigation.com](mailto:info@OPKOHealthSecuritiesLitigation.com). Please retain all records of your ownership of and transactions in OPKO common stock, as they will be needed to document your Claim. The Parties and Claims Administrator do not have information about your transactions in OPKO common stock if they were traded on a U.S. exchange.

43. **If you purchased OPKO common stock traded on the Tel Aviv Stock Exchange (“TASE”) during the Class Period, you do not need to submit a Claim Form to be eligible for a payment.** If the Settlement is approved, the Claims Administrator will distribute the applicable portion of the Net Settlement Fund for these investors through their brokers, as further described in the Plan of Allocation set forth in Appendix A at the end of this Notice.

44. If you purchased OPKO common stock on **both** the TASE and a U.S. exchange or in any other manner *other than* through a purchase on the TASE during the Class Period, you must submit a Claim Form with respect to the shares you purchased on the U.S. exchange(s) or in any other manner other than through a purchase on the TASE to be eligible for a portion of the Settlement based on those purchases. You should only include information about your purchases of OPKO common stock traded on a U.S. exchange or in any other manner other than through a purchase on the TASE in your Claim Form.

45. If you request exclusion from the Settlement Class, you will not be eligible to share in the Net Settlement Fund and should not submit a Claim Form.

### HOW MUCH WILL MY PAYMENT BE?

46. 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.

47. Pursuant to the Settlement, Defendants have agreed to pay or caused to be paid a total of \$16,500,000 in cash (the “Settlement Amount”). The Settlement Amount will be deposited into

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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) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys’ fees awarded by the Court; and (v) any other costs or fees approved 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.

48. 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.

49. 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, any actions of the Escrow Agent, or the Plan of Allocation.

50. 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.

51. Only members of the Settlement Class 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 for a payment.

**52. Appendix A to this Notice sets forth the Plan of Allocation for allocating the Net Settlement Fund among Authorized Claimants, as proposed by Lead Plaintiff. At the Settlement 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?**

53. Plaintiffs’ Counsel have not received any payment for their services in pursuing claims against Defendants on behalf of the Settlement Class, nor have Plaintiffs’ Counsel been paid for their litigation expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys’ fees for all Plaintiffs’ Counsel in the amount of 20% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for payment of Litigation Expenses paid or incurred by Plaintiffs’ Counsel in an amount not to exceed \$300,000, which may include an application for the reasonable costs and expenses incurred by Lead Plaintiff directly related to its representation of the Settlement Class, pursuant to 15 U.S.C. § 78(a)(4) of the PSLRA. The Court will determine the amount of any award of attorneys’ fees or 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?**

54. 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 from the Settlement Class, addressed to *OPKO Health Securities Litigation*, EXCLUSIONS, c/o JND Legal Administration, P.O. Box 91360, Seattle, WA 98111. The Request for Exclusion must be **received no later than November 24, 2020**. 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 *Steinberg v. OPKO Health, Inc.*, Case No. 1:18-cv-23786 (S.D. Fla.)”; (iii) state the number of shares of OPKO common stock that the person or entity requesting exclusion (A) owned as of the opening of trading on September 26, 2013 and (B) purchased/acquired and/or sold during the Class Period (*i.e.*, from September 26, 2013 through September 7, 2018), as well as the dates and prices of each such purchase/acquisition and 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. If you exclude yourself from the Settlement Class, you should understand that Defendants and the other Defendants’ Releasees will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including, without limitation, the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose.

55. 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 Defendants’ Releasees.

56. 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.

57. Defendants have 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 Defendants.

**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?**

58. **Settlement Class Members do not need to attend the Settlement 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. You can participate in the Settlement without attending the Settlement Hearing.**

59. Please Note: The date and time of the Settlement Hearing may change without further written notice to the Settlement Class. In addition, the COVID-19 pandemic is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Hearing by video or

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telephonic conference, or otherwise allow Settlement Class Members to appear at the hearing by phone, without further written notice to the Settlement Class. **In order to determine whether the date and time of the Settlement Hearing have changed, or whether Settlement Class Members must or may participate by phone or video, it is important that you monitor the Court's docket and the Settlement website, [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com), before making any plans to attend the Settlement Hearing.** Any updates regarding the Settlement Hearing, including any changes to the date or time of the hearing or updates regarding in-person or telephonic appearances at the hearing, will be posted to the Settlement website, [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com). Also, if the Court requires or allows Settlement Class Members to participate in the Settlement Hearing by telephone, the phone number for accessing the telephonic conference will be posted to the Settlement website, [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com).

60. The Settlement Hearing will be held on **December 15, 2020 at 1:30 p.m. Eastern time**, before the Honorable Jose E. Martinez either in person at the United States District Court for the Southern District of Florida, Courtroom 10-1, Wilkie D. Ferguson, Jr. United States Courthouse, 400 North Miami Avenue, Miami, Florida 33128, or by telephone or videoconference (in the discretion of the Court), to determine, among other things, (i) whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Settlement Class, and should be finally approved by the Court; (ii) whether, for purposes of the Settlement only, the Action should be certified as a class action on behalf of the Settlement Class, Lead Plaintiff should be certified as Class Representative for the Settlement Class, and Lead Counsel should be appointed as Class Counsel for the Settlement Class; (iii) whether the Action should be dismissed with prejudice against Defendants and the Releases specified and described in the Stipulation (and in this Notice) should be granted; (iv) whether the proposed Plan of Allocation should be approved as fair and reasonable; (v) whether Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses should be approved; and (vi) any other matters that may properly be brought before the Court in connection with the Settlement. The Court reserves the right to certify the Settlement Class; approve the Settlement, the Plan of Allocation, and Lead Counsel's motion for attorneys' fees and Litigation Expenses, and/or consider any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Settlement Class.

61. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Southern District of Florida at the address set forth below **on or before November 24, 2020**. You must also serve the papers on Lead Counsel and on Representative Defendants' Counsel at the addresses set forth below so that the papers are *received* **on or before November 24, 2020** and you must email a copy of your objection to [settlements@blbglaw.com](mailto:settlements@blbglaw.com) and [brian.miller@akerman.com](mailto:brian.miller@akerman.com) by **November 24, 2020**.

Clerk's Office	Lead Counsel	Representative Defendants' Counsel
United States District Court Southern District of Florida Wilkie D. Ferguson, Jr. United States Courthouse, 400 North Miami Avenue, Miami, FL 33128	<b>Bernstein Litowitz Berger &amp; Grossmann LLP</b> John Rizio-Hamilton, Esq. 1251 Avenue of the Americas, 44th Floor New York, NY 10020	<b>Akerman LLP</b> Brian P. Miller, Esq. Three Brickell City Centre 98 Southeast Seventh Street, Suite 1100 Miami, FL 33131

62. Any objection must (i) identify the case name and docket number, *Steinberg v. OPKO Health, Inc.*, Case No. 1:18-cv-23786; (ii) state the name, address, and telephone number of the person or entity objecting and must be signed by the objector; (iii) state with specificity the grounds for the Settlement Class Member's objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention and whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class; and (iv) include documents sufficient to prove membership in the Settlement Class, including documents showing the number of shares of OPKO common stock that the objecting Settlement Class Member (A) owned as of the opening of trading on September 26, 2013 and (B) purchased/acquired and/or sold during the Class Period (*i.e.*, from September 26, 2013 through September 7, 2018, inclusive), as well as the dates and prices of each such purchase/acquisition and sale. 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. You may not object to the Settlement, the 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.

63. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

64. 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, assuming you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and on Representative Defendants' Counsel at the addresses set forth in ¶ 61 above so that it is **received on or before November 24, 2020**. Persons who intend to object and desire to present evidence at the Settlement 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.

65. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it

on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶ 61 above so that the notice is *received on or before November 24, 2020*.

66. The Settlement Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you plan to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

**67. 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 Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

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

68. If you purchased or otherwise acquired OPKO common stock during the period from September 26, 2013 through September 7, 2018, 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, addresses, and email addresses (if available) of all such beneficial owners to *OPKO Health Securities Litigation*, c/o JND Legal Administration, P.O. Box 91360, Seattle, WA 98111.

69. If you choose the first option, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the list of names and addresses for use in connection with any possible future notice to the Settlement Class. If you choose the second option, the Claims Administrator will send a copy of the Notice Packet to the beneficial owners.

70. 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.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com), by calling the Claims Administrator toll-free at 1-888-383-0345, or by emailing the Claims Administrator at [info@OPKOHealthSecuritiesLitigation.com](mailto:info@OPKOHealthSecuritiesLitigation.com).

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

71. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Southern District of Florida, Wilkie D. Ferguson, Jr. United States Courthouse, 400 North Miami Avenue, Miami, Florida

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33128. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the Settlement website, [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com).

All inquiries concerning this Notice and the Claim Form should be directed to:

*OPKO Health Securities Litigation*

c/o JND Legal Administration

P.O. Box 91360

Seattle, WA 98111

1-888-383-0345

[info@OPKOHealthSecuritiesLitigation.com](mailto:info@OPKOHealthSecuritiesLitigation.com)

[www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com)

**and/or**

John Rizio-Hamilton, Esq.

Bernstein Litowitz Berger

& Grossmann LLP

1251 Avenue of the Americas, 44th Floor

New York, NY 10020

1-800-380-8496

[settlements@blbglaw.com](mailto:settlements@blbglaw.com)

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: September 28, 2020

By Order of the Court  
United States District Court  
Southern District of Florida

## APPENDIX A

### PROPOSED PLAN OF ALLOCATION

1. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund to those Settlement Class Members who suffered economic losses as a result of the alleged violations of United States and Israeli securities laws. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation 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 Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

2. The Net Settlement Fund consists of the \$16.5 million Settlement Amount, plus any accrued interest, less (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys' fees awarded by the Court; and (v) any other costs or fees approved by the Court.

3. The Net Settlement Fund shall be divided into the **US Net Settlement Fund**, which will be distributed based on Settlement Class Members' purchases of OPKO common stock traded on U.S. exchanges, and the **TASE Net Settlement Fund**, which will be distributed based on Settlement Class Members' purchases of OPKO common stock traded on the Tel Aviv Stock Exchange ("TASE").

(a) The allocation of the Net Settlement Fund between the US Net Settlement Fund and the TASE Net Settlement Fund is based on an analysis by Lead Plaintiff's damage expert of the respective total trading volume of OPKO common stock on U.S. exchanges and the TASE during the Class Period.

(b) According to the expert's opinion:

(i) The **US Net Settlement Fund** shall be **90.8%** of the Net Settlement Fund. The US Net Settlement Fund will be distributed to eligible Settlement Class Members based on their purchases of OPKO common stock traded on U.S. exchanges, including the New York Stock Exchange or Nasdaq, during the Class Period or in any other manner *other than* through a purchase on the TASE.

To be eligible for a distribution from the US Net Settlement Fund, Settlement Class Members must submit a Claim Form setting forth the required information about purchases or acquisitions, sales, and holdings of OPKO common stock traded on U.S. exchanges, with adequate supporting documentation, by January 26, 2021.

(ii) The **TASE Net Settlement Fund** shall be **9.2%** of the Net Settlement Fund. The TASE Net Settlement Fund will be distributed to eligible Settlement Class Members based on their purchases of OPKO common stock traded on the TASE during the Class Period.

Settlement Class Members who purchased shares of OPKO common stock on the TASE do not need to submit a Claim Form to be eligible for a

distribution from the TASE Net Settlement Fund. The Claims Administrator will obtain information from the TASE Clearing House and TASE member brokers that will allow it to distribute the TASE Net Settlement Fund to eligible Settlement Class Members on a *pro rata* basis without requiring submission of a claim form by individual Settlement Class Members.

- (c) If a Settlement Class Member purchased shares on both U.S. exchange(s) and the TASE, he, she, or it may be eligible for distributions from both the US Net Settlement Fund and the TASE Net Settlement Fund, but must submit a Claim Form to be potentially eligible to receive a payment from the US Net Settlement Fund.

4. In developing the Plan of Allocation, Lead Plaintiff's damages expert calculated the estimated amount of artificial inflation in the price of OPKO common stock allegedly caused by Defendants' alleged false and misleading statements and material omissions (which Defendants have denied, and continue to deny). In calculating the estimated artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Lead Plaintiff's damages expert considered price changes in the stock in reaction to the public disclosures allegedly revealing the truth concerning Defendants' alleged misrepresentations and material omissions, adjusting for price changes on that day that were attributable to market or industry forces.

5. For losses to be compensable damages under the applicable laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the OPKO common stock. In this case, Lead Plaintiff alleges that Defendants made false statements and omitted material facts during the period from September 26, 2013 through September 7, 2018, inclusive, which had the effect of artificially inflating the price of OPKO common stock. Lead Plaintiff further alleges that corrective information was released to the market on September 7, 2018 at 1:57 p.m. Eastern time (New York time), which removed the artificial inflation from the price of OPKO common stock on shares traded on U.S. exchanges on September 7, 2018 and September 14, 2018 and on the TASE on September 13, 2018.<sup>4</sup>

6. Recognized Loss Amounts for transactions in OPKO common stock are calculated under the Plan of Allocation based primarily on the difference in the amount of alleged artificial inflation in the price of OPKO common stock at the time of purchase and the time of sale. In order to have a Recognized Loss Amount, a Settlement Class Member who purchased OPKO common stock during the Class Period must have held his, her, or its shares through 1:57 p.m. New York time on September 7, 2018.

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<sup>4</sup> Trading of OPKO common stock on U.S. exchanges was halted at approximately 2:34 p.m. Eastern time on Friday, September 7, 2018, and resumed at 1:15 p.m. Eastern time on Friday, September 14, 2018. Friday September 7, 2018 was not a trading day on the TASE. The next day that OPKO traded on the TASE following the September 7, 2018 disclosure was September 13, 2018.

**Calculation of Claims for OPKO Common Stock Traded on a  
United States Stock Exchange (New York Stock Exchange or Nasdaq)  
or In Any Other Manner *other than* Through a Purchase on the TASE**

7. Based on the formula stated below, a **US Recognized Loss Amount** will be calculated for each purchase of OPKO common stock traded on a U.S. exchange, including the NYSE or Nasdaq, or in any other manner other than through a purchase on the TASE during the Class Period that is listed on the Claim Form and for which adequate documentation is provided.<sup>5</sup> If a US Recognized Loss Amount calculates to a negative number or zero under the formula below, the US Recognized Loss Amount for that transaction will be zero.

8. For each share of OPKO common stock traded on a U.S. exchange, or in any other manner other than through a purchase on the TASE, that was purchased or otherwise acquired during the period from September 26, 2013 until 1:57 p.m. Eastern time on September 7, 2018,<sup>6</sup> and

- a) sold before 1:57 p.m. Eastern time on September 7, 2018, the US Recognized Loss Amount is zero;
- b) sold at or after 1:57 p.m. on September 7, 2018 through September 13, 2018, the US Recognized Loss Amount is ***the least of:*** (i) \$0.98; (ii) the purchase/acquisition price per share *less* the sales price per share; or (iii) the purchase/acquisition price per share *less* the average closing price per share applicable to the date of sale as found in Table A at the end of this Notice;
- c) sold from September 14, 2018 through the close of trading on December 4, 2018, the US Recognized Loss Amount is ***the least of:*** (i) \$1.67; (ii) the purchase/acquisition price per share *less* the sales price per share, or (iii) the purchase/acquisition price per share *less* the average closing price per share applicable to the date of sale as found in Table A at the end of this Notice; or
- d) held at the end of trading on December 4, 2018, the US Recognized Loss Amount is equal to ***the lesser of:*** (i) \$1.67 per share; or (ii) the purchase price per share *less* \$3.64.<sup>7</sup>

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<sup>5</sup> A US Recognized Loss Amount will also be calculated, using the same formula, for any other purchases or acquisitions of OPKO common stock during the Class Period through any other means for which adequate documentation is provided, other than purchases of shares traded on the Tel Aviv Stock Exchange.

<sup>6</sup> For purposes of this Plan of Allocation, the Claims Administrator will assume that any shares of OPKO common stock purchased/acquired or sold on a U.S. exchange on September 7, 2018 at any price less than \$5.32 per share occurred after the allegedly corrective information was absorbed by the market, and that any shares purchased/acquired or sold on September 7, 2018 at any price equal to or greater than \$5.32 per share occurred before the allegedly corrective information was absorbed by the market. If a Claimant provides documentation with the time stamp for the trade on September 7, 2018, any trade made prior to 1:57 p.m. Eastern time will be considered as having occurred before the information was disclosed to the market, and any trade at or after 1:57 p.m. Eastern time will be considered to have occurred after the information was disclosed to the market.

9. For each share of OPKO common stock traded on a U.S. exchange that was purchased or otherwise acquired at or after 1:57 p.m. Eastern time on September 7, 2018, the US Recognized Loss Amount is zero.

10. **FIFO Matching:** If a Settlement Class Member made more than one purchase/acquisition or sale of OPKO common stock during the Class Period that was traded on a U.S. exchange (or by any other means other than purchases of shares traded on the TASE), those purchases/acquisitions and sales will be matched on a First In, First Out (“FIFO”) basis. Class Period sales will be matched first against any holdings of OPKO common stock 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.

11. **US Recognized Claim:** A Claimant’s **US Recognized Claim** will be the sum of his, her, or its US Recognized Loss Amounts as calculated above with respect to all purchases of OPKO common stock traded on a U.S. exchange during the Class Period (or any other eligible purchases or acquisitions *other than* purchases of shares traded on the TASE).

12. **Determination of US Distribution Amount:** The US Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their US Recognized Claims. Specifically, a **US Distribution Amount** will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s US Recognized Claim divided by the total US Recognized Claims of all Authorized Claimants, multiplied by the total amount in the US Net Settlement Fund. Distribution will be made in checks made to the order of Claimants or wire to Claimant’s designated bank account.

13. If an Authorized Claimant’s **US 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.

14. After the initial distribution of the US Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants who received a distribution to cash their distribution checks. To the extent any monies remain in the US Net Settlement Fund 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, no less than seven (7) months after the initial distribution, 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 of the US Net Settlement Fund and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would

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<sup>7</sup> Pursuant to Section 21(D)(e)(1) of the Exchange Act, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” The average (mean) closing price of OPKO common stock traded on Nasdaq during the 90-day look-back period from September 7, 2018 through December 4, 2018, inclusive, was \$3.64.

receive at least \$10.00 on such additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance will be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s), to be recommended by Lead Counsel and approved by the Court.

**Calculation of Claims for OPKO Common Stock  
Traded on the Tel Aviv Stock Exchange (“TASE”)**

15. Based on the formula stated below, a **TASE Recognized Loss Amount** will be calculated for each purchase of OPKO common stock on the TASE during the Class Period.

16. For each share of OPKO common stock purchased on the TASE during the period from September 26, 2013 through the close of trading on the TASE on September 6, 2018, and

- a) sold before the close of trading of the TASE on September 6, 2018, the TASE Recognized Loss Amount is zero;
- b) held<sup>8</sup> at the close of trading of the TASE on September 6, 2018, the Recognized Loss Amount is 7.20 New Israeli Shekels.

17. **TASE Recognized Claim:** A Claimant’s **TASE Recognized Claim** will be the sum of his, her, or its TASE Recognized Loss Amounts as calculated above with respect to all purchases of OPKO common stock traded on the TASE during the Class Period.

18. **Determination of TASE Distribution Amount:** The TASE Net Settlement Fund will be distributed to Settlement Class Members who had purchases on the TASE on a *pro rata* basis based on each such Settlement Class Member’s proportion relative to the total TASE Net Settlement Fund. Specifically, the TASE Clearing House will advise the Claims Administrator of the number of shares held by each TASE member broker in its accounts eligible for compensation as per ¶ 16(b) above. An aggregate **TASE Distribution Amount** will then be calculated for each TASE member broker, which shall be that broker’s aggregate TASE Recognized Claim for all of its client accounts divided by the total TASE Recognized Claims of all TASE member brokers, multiplied by the total amount in the TASE Net Settlement Fund.

19. The TASE Net Settlement Fund will be distributed to eligible Settlement Class Members through a process in which Lead Counsel or the Claims Administrator will obtain from the TASE Clearing House and TASE member brokers the data from which the *pro rata* calculations above shall be determined. The TASE Net Settlement Fund will be distributed to these eligible Settlement Class Members through their brokers. Following the distribution, the TASE member brokers will report back to the Claims Administrator on the distribution to eligible Settlement Class Members and indicate any amounts not distributed due to errors or untraceable Settlement Class Members. The Claims Administrator will take reasonable efforts to find updated

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<sup>8</sup> The number of shares held as of this date will be determined by taking the number of shares purchased on the TASE during the Class Period *less* the number of shares sold on the TASE during the Class Period.

information and attempt to send payments to any Settlement Class Members eligible for a payment from the TASE Net Settlement Fund for whom the TASE member brokers are initially unable to direct payment.

### **ADDITIONAL PROVISIONS**

20. **“Purchase/Sale” Dates:** Purchases and sales of OPKO common stock will 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 OPKO common stock during the Class Period shall not be deemed a purchase or sale for the calculation of a Claimant’s claim under this Plan of Allocation, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/sale of the stock unless (i) the donor or decedent purchased the OPKO common stock during the Class Period; (ii) the instrument of gift or assignment specifically provides that it is intended to transfer such rights; and (iii) no Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to those shares.

21. **Short Sales:** The date of covering a “short sale” is deemed to be the date of purchase of the OPKO common stock. The date of a “short sale” is deemed to be the date of sale of the OPKO common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on any “short sales” and the purchases covering “short sales” is zero.

22. In the event that a Claimant has an opening short position in OPKO common stock, the earliest purchases or acquisitions of OPKO common stock during the Class Period will be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

23. **Shares Purchased/Sold Through the Exercise of Options:** Option contracts are not securities eligible to participate in the Settlement. With respect to shares of OPKO common stock purchased or sold through the exercise of an option, the purchase/sale date of the OPKO common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

24. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, will be conclusive against all Claimants. No person or entity shall have any claim against Lead Plaintiff, Lead Counsel, the Claims Administrator, or any other agent designated by Lead Counsel, or Defendants’ Releasees and/or their respective counsel, arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or any order of the Court. Lead Plaintiff and Defendants, and their respective counsel, and all other Releasees shall have no liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any claim or nonperformance of the Claims Administrator, the payment or withholding of taxes (including interest and penalties) owed by the Settlement Fund, or any losses incurred in connection therewith.

25. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Lead Plaintiff after consultation with its damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the case website, [www.OPKOHealthSecuritiesLitigation.com](http://www.OPKOHealthSecuritiesLitigation.com).

**TABLE A**

**OPKO Common Stock Closing Price and Average Closing Price  
September 7, 2018<sup>9</sup> – December 4, 2018<sup>10</sup>**

<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price between September 7, 2018 and Date Shown</b>	<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price between September 7, 2018 and Date Shown</b>
9/7/2018	\$4.58	\$4.58	10/24/2018	\$3.10	\$3.76
9/14/2018	\$3.90	\$4.24	10/25/2018	\$3.42	\$3.75
9/17/2018	\$4.49	\$4.32	10/26/2018	\$3.34	\$3.74
9/18/2018	\$4.22	\$4.30	10/29/2018	\$3.39	\$3.73
9/19/2018	\$4.44	\$4.33	10/30/2018	\$3.41	\$3.72
9/20/2018	\$4.32	\$4.32	10/31/2018	\$3.38	\$3.71
9/21/2018	\$4.32	\$4.32	11/1/2018	\$3.66	\$3.71
9/24/2018	\$4.13	\$4.30	11/2/2018	\$3.77	\$3.71
9/25/2018	\$3.99	\$4.27	11/5/2018	\$3.55	\$3.70
9/26/2018	\$3.72	\$4.21	11/6/2018	\$3.72	\$3.70
9/27/2018	\$3.29	\$4.13	11/7/2018	\$3.86	\$3.71
9/28/2018	\$3.46	\$4.07	11/8/2018	\$3.49	\$3.70
10/1/2018	\$3.43	\$4.02	11/9/2018	\$3.09	\$3.69
10/2/2018	\$3.40	\$3.98	11/12/2018	\$3.73	\$3.69
10/3/2018	\$3.64	\$3.96	11/13/2018	\$3.49	\$3.68
10/4/2018	\$3.48	\$3.93	11/14/2018	\$3.23	\$3.67
10/5/2018	\$3.45	\$3.90	11/15/2018	\$3.53	\$3.67
10/8/2018	\$3.67	\$3.88	11/16/2018	\$3.56	\$3.67
10/9/2018	\$3.47	\$3.86	11/19/2018	\$3.45	\$3.66
10/10/2018	\$3.48	\$3.84	11/20/2018	\$3.54	\$3.66
10/11/2018	\$3.54	\$3.83	11/21/2018	\$3.55	\$3.66
10/12/2018	\$3.65	\$3.82	11/23/2018	\$3.44	\$3.65
10/15/2018	\$3.68	\$3.82	11/26/2018	\$3.48	\$3.65
10/16/2018	\$3.87	\$3.82	11/27/2018	\$3.26	\$3.64
10/17/2018	\$3.80	\$3.82	11/28/2018	\$3.46	\$3.64
10/18/2018	\$3.67	\$3.81	11/29/2018	\$3.63	\$3.64
10/19/2018	\$3.59	\$3.80	11/30/2018	\$3.74	\$3.64
10/22/2018	\$3.58	\$3.79	12/3/2018	\$3.77	\$3.64
10/23/2018	\$3.44	\$3.78	12/4/2018	\$3.49	\$3.64

<sup>9</sup> Trading of OPKO common stock on US exchanges was halted at approximately 2:34 PM Eastern time on Friday, September 7, 2018, and resumed at 1:15 PM Eastern time on Friday, September 14, 2018.

<sup>10</sup> The 90th calendar day of the 90-day lookback period was Wednesday, December 5, 2018, which was not a trading day. (U.S. markets were closed to memorialize the death of former U.S. President George Bush.) Therefore, **Table A** displays closing and average prices through Tuesday, December 4, 2018.