

**SUPREME COURT FOR THE STATE OF NEW YORK
NEW YORK COUNTY**

JOHN SOLAK, derivatively on behalf of
INTRA-CELLULAR THERAPIES, INC.,

Index No.: 652377/2022

Plaintiff,

-v-

SHARON MATES, Ph.D., JOEL S. MARCUS,
SIR MICHAEL RAWLINS, M.D., RORY B.
RIGGS, E. RENE SALAS, and ROBERT L.
VAN NOSTRAND,

Defendants,

-and-

INTRA-CELLULAR THERAPIES, INC., a
Delaware corporation,

Nominal Defendant.

AMENDED STIPULATION OF COMPROMISE AND SETTLEMENT

This Amended Stipulation of Compromise and Settlement (“Stipulation”), dated March 21, 2023, is entered into, by and through their undersigned attorneys, among and between Plaintiff John Solak (“Plaintiff”); defendants Sharon Mates, Ph.D., Joel S. Marcus, Rory B. Riggs, E. Rene Salas, and Robert L. Van Nostrand (collectively, the “Individual Defendants”); and nominal defendant Intra-Cellular Therapies, Inc. (“Nominal Defendant,” “Intra-Cellular” or the “Company”) (with the Individual Defendants, “Defendants”). Plaintiff and Defendants are collectively referred to herein as the “Settling Parties” and each individually as a “Settling Party.”

This Stipulation is intended by the Settling Parties to fully, finally, and forever compromise, resolve, discharge, and settle all claims in the Released Claims against the Released Persons and dismiss the Action as defined herein with prejudice, upon the terms set forth below,

subject to the approval of the Court pursuant to N.Y. Business Corporation Law § 626 (“Section 626”) and upon notice of the current stockholders of nominal defendant Intra-Cellular.

I. BACKGROUND

WHEREAS, Intra-Cellular is a biopharmaceutical company incorporated in Delaware and headquartered in New York, New York, that is engaged in the identification, development, and commercialization of novel therapeutics for treating diseases of the central nervous system;

WHEREAS, the Individual Defendants are comprised of current members of the Board of Directors (the “Board”) of Intra-Cellular;

WHEREAS, on July 8, 2022, Plaintiff commenced a derivative action captioned *Solak v. Mates et al.*, Index No. 652377/2022 (N.Y. Sup.) (the “Action”) in the Supreme Court for the State of New York, New York County, by filing a Verified Shareholder Derivative Complaint (the “Complaint”);

WHEREAS, the Complaint includes claims for breach of fiduciary duty and unjust enrichment against the Individual Defendants based upon allegations that, since fiscal year 2021, the Board approved and awarded excessive and improper compensation to the non-employee directors of Intra-Cellular as compared to the compensation paid to directors of peer companies during the same years;

WHEREAS, Defendants have denied, and continue to deny, the allegations in the Complaint, including that that they awarded excessive or improper compensation to non-employee directors of Intra-Cellular;

WHEREAS, following the commencement of the Action, counsel for the parties agreed to extend Defendants’ deadline for responding to the Complaint while they discussed a potential resolution.

WHEREAS, on August 1, 2022, the Settling Parties filed a joint stipulation extending the Defendants' time to answer, move, or otherwise respond to the Complaint until September 14, 2022;

WHEREAS, on September 13, 2022, the Settling Parties filed a joint stipulation extending the Defendants' time to answer, move, or otherwise respond to the Complaint until October 31, 2022;

WHEREAS, on October 31, 2022, the Settling Parties filed a joint stipulation extending the Defendants' time to answer, move, or otherwise respond to the Complaint until November 30, 2022;

WHEREAS, on November 29, 2022, the Settling Parties filed a joint stipulation extending the Defendants' time to answer, move, or otherwise respond to the Complaint until January 4, 2023;

WHEREAS, on January 3, 2023, the Settling Parties filed a joint stipulation extending the Defendants' time to answer, move, or otherwise respond to the Complaint until February 3, 2023;

WHEREAS, on February 3, 2023, the Settling Parties filed a joint stipulation extending Defendants' time to answer, move, or otherwise respond to the Complaint until March 31, 2023;

WHEREAS, after multiple rounds of arm's length negotiations between the Settling Parties, the Settling Parties reached an agreement in principle providing for the settlement of Plaintiff's claims that were or could have been asserted against the Individual Defendants in the Action upon the terms and subject to the conditions set forth in this Stipulation (the "Settlement"), subject to Plaintiff's receipt of confirmatory discovery, and on December 8, 2022, executed a term sheet memorializing such agreement in principle;

WHEREAS, Defendants thereafter produced to Plaintiff all minutes of the Board and compensation committee of the Board and presentations to the Board (including materials provided by compensation consultants) concerning the Company's non-employee director compensation for the last twelve (12) months (the "Confirmatory Discovery");

WHEREAS, following receipt and review of the Confirmatory Discovery, Plaintiff and Plaintiff's counsel confirmed that in their view the settlement agreement in principle as negotiated was fair and adequate to the Company and its stockholders, and that it was appropriate and reasonable to pursue Court approval of the Settlement based on the terms and procedures set forth herein;

WHEREAS, Plaintiff and Defendants did not discuss the appropriateness or amount of attorneys' fees and expenses at any time prior to reaching agreement on the terms of the Settlement and Plaintiff's confirmation of the fairness of the settlement to the Company and its stockholders, and the Settling Parties understood at all times that the Settlement was not contingent upon agreement or payment of any attorneys' fees and expenses to Plaintiff's counsel;

WHEREAS, following confirmation by Plaintiff and Plaintiff's counsel that in their view the settlement terms negotiated by the parties were fair and adequate to the Company and its counsel, Plaintiff's counsel and Defendants separately negotiated and reached agreement regarding the amount of attorneys' fees and expenses to be paid to Plaintiff's counsel;

WHEREAS, on March 6, 2023, the Parties filed a joint motion for preliminary approval of settlement (NYSCEF Nos. 11-16);

WHEREAS, on March 13, 2023, Individual Defendants' counsel learned that Sir Michael Rawlins, M.D. had passed away;

WHEREAS, on March 17, 2023, Plaintiff's counsel filed a Notice of Voluntary Discontinuance pursuant to CPLR 3217(a)(1) as to Mr. Rawlins (NYSCEF No. 20);

WHEREAS, the Parties still wish to enter into a settlement on the same terms as to the remaining five Individual Defendants, and, as such, file this Amended Stipulation of Compromise and Settlement and an Amended Notice of Pendency;

WHEREAS, Plaintiff commenced the Action in good faith and continues to believe that his derivative claims have legal merit, and the entry by Plaintiff into this Stipulation is not an admission as to a lack of any merit of any derivative claims asserted or that could be asserted in the Action;

WHEREAS, Plaintiff and Plaintiff's counsel also recognize and acknowledge the significant risk, expense, and length of continued proceedings necessary to prosecute the Action through trial and possible appeal, and have taken into account the uncertain outcome of any litigation, especially in complex cases such as the Action, as well as the difficulties inherent in such litigation and possible defenses to the claims alleged in the Action;

WHEREAS, based upon Plaintiff's counsel's evaluation, Plaintiff has determined that in his view the Settlement is fair, reasonable, adequate and in the best interests of Intra-Cellular and Intra-Cellular's stockholders and has agreed to settle the Actions upon the terms and subject to the conditions set forth herein;

WHEREAS, the Defendants have denied, and continue to deny, the allegations in the Complaint, including that they have committed any breach of fiduciary duty or any other duty owed to Intra-Cellular or its stockholders, that they were unjustly enriched as a result of any breach of fiduciary duty or any other act, omission, or conduct, or that they committed any violations of

law or wrongdoing whatsoever or that Intra-Cellular or Intra-Cellular's stockholders suffered any damage or harm as a result of any act, omission, or conduct alleged in the Action or otherwise;

WHEREAS, the Defendants have further asserted, and continue to assert, that at all relevant times, they have acted in good faith and in a manner that they believed to be in the best interests of Intra-Cellular and its stockholders, and that they are entering into this Stipulation and the Settlement solely to eliminate the uncertainty, distraction, disruption, burden, expense, and risk inherent in further litigation; and

WHEREAS, neither this Stipulation, nor any of its terms or provisions, nor entry of the Final Judgment, nor any document or exhibit attached to or referred to in the Stipulation, nor any action taken to carry out this Stipulation, may be construed as, or may be used as evidence of the validity of any of the Released Claims or an admission by or against Defendants of any fault, wrongdoing or concession of liability whatsoever in the Action or any other action or proceeding.

II. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiff (on behalf of himself and derivatively on behalf of Intra-Cellular) and Defendants, including Nominal Defendant, each by and through their respective counsel, that, subject to the approval of the Court pursuant to Section 626, that in exchange for the good and valuable consideration set forth herein, the Released Claims shall be and hereby are fully and finally compromised, settled, and released, and the Action shall be dismissed on the merits and with prejudice as to Defendants, upon the terms and subject to the conditions set forth herein:

I. DEFINITIONS

As used in this Stipulation, and in addition to the terms defined elsewhere in this Stipulation, the following terms have the meanings specified below:

1.1. “Effective Date” means the date on which all of the events and conditions specified in Section II.6.1 have been met and have occurred.

1.2. “Final” when referring to the Final Judgment, means (1) entry of the Final Judgment or (2) if there is an objection to the Settlement, the expiration of any time for appeal or review of the Final Judgment, or, if any appeal is filed and not dismissed or withdrawn, issuance of a decision upholding the Final Judgment on appeal in all material respects, which is no longer subject to review upon appeal, reargument, or other review, and the expiration of the time for the filing of any petition for reargument, appeal, or review of the Final Judgment or any order affirming the Final Judgment; provided, however, that any disputes or appeals relating solely to the amount, payment, or allocation of attorneys’ fees, costs and expenses shall have no effect on finality for purposes of determining the date on which the Final Judgment becomes Final and shall not otherwise prevent, limit or otherwise affect the Final Judgment, or prevent, limit, delay, or hinder entry of the Final Judgment.

1.3. “Final Judgment” means the Order and Final Judgment entered by the Court dismissing this Action with prejudice, substantially in the form annexed hereto as Exhibit C.

1.4. “Notice” means the Notice of Pendency of Settlement of Action, substantially in the form annexed hereto as Exhibit B.

1.5. “Person” means a natural person, individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, joint stock company, estate, legal representative, trust, unincorporated association, government, or any political subdivision or agency thereof, any business or legal entity, and any spouse, heir, legatee, executor, administrator, predecessor, successor, representative, or assign of any of the foregoing.

1.6. “Plaintiff’s Counsel” means the law firm of Newman Ferrara LLP.

1.7. “Released Claims” means and includes any and all manner of claims, causes of action, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, penalties, or sanctions of any kind, nature, or description whatsoever, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including Unknown Claims (as defined herein), whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule, that have been or could have been asserted by Plaintiff, or any other Intra-Cellular stockholder or any other Person acting or purporting to act on behalf of Intra-Cellular against the Released Persons in the Action or in any other court, tribunal, or proceeding arising out of, based upon, or relating in any way to the allegations, actions, transactions, occurrences, statements, omissions, disclosures, facts, practices, events, or claims alleged or referred to in the Complaint, including without limitation, (i) any compensation paid by Intra-Cellular to its non-employee directors from January 1, 2021 through the Effective Date; (ii) any non-employee director compensation plan, policies or guidelines in effect at Intra-Cellular from January 1, 2021 through the Effective Date; and (iii) any decision of the Company’s officers or directors related to the foregoing; provided, however, that it is understood that “Released Claims” and any release provided by this Settlement shall not include: (a) any claims to enforce the Settlement, and (b) any claims by Defendants or any insured to enforce their rights under any contract or insurance policy.

1.8. “Released Persons” shall mean each of Individual Defendants and Intra-Cellular and their parents, subsidiaries, affiliates, predecessors, successors, and controlling persons, and each of their respective past or present officers, directors, employees, stockholders, family

members, spouses, heirs, trusts, trustees, executors, beneficiaries, agents, representatives, partners, members, advisors, consultants, representatives, accountants, attorneys, insurers, and associates.

1.9. “Releasing Persons” means Plaintiff (both individually and derivatively on behalf of Intra-Cellular), any other Intra-Cellular stockholder acting or purporting to act on behalf of Intra-Cellular, and Intra-Cellular. “Releasing Person” means, individually, any of the Releasing Persons.

1.10. “Scheduling Order” means an order scheduling a hearing on the Stipulation and approving the form of Notice and method of giving notice, substantially in the form annexed hereto as Exhibit A.

1.11. “Settlement Hearing” means the hearing set by the Court to consider final approval of the Settlement.

1.12. “Unknown Claims” means any Released Claim(s) which Plaintiff or Defendants do not know of or suspect to exist in his, her, or its favor at the time of the release of the Released Claims, including without limitation those which, if known, might have affected the decision to enter into the Settlement. With respect to any and all Released Claims, the Settling Parties agree that upon the Effective Date, the Settling Parties expressly and all Releasing Persons shall be deemed to have waived the provisions, rights, and benefits conferred by or under California Civil Code section 1542, or any other law of the United States or any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Settling Parties acknowledge that they may hereafter discover facts in addition to or different from those now known or believed to be true by them, with respect to the subject matter of the Released Claims, but it is the intention of the Settling Parties to completely, fully, finally, and forever compromise, settle, release, discharge, and extinguish any and all Released Claims, known or unknown, suspect or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which do now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. The Settling Parties acknowledge that the foregoing waiver was separately bargained for and is a key element of this Stipulation of which this release is a part, and was relied upon by each and all of the Defendants in entering into the Settlement.

II. TERMS OF SETTLEMENT

2.1. Within sixty (60) business days of the Effective Date, the Board shall amend its current compensation policies in place for its non-employee directors and the Board shall adopt an amended compensation plan effective for 2023 (the “2023 Plan”).

2.2. The 2023 Plan adopted by the Board will remain in effect for no fewer than four (4) years.

2.3. Under the 2023 Plan:

2.3.1. Base cash compensation provided to each non-employee director will be set at no more than \$50,000 per year, with additional compensation available for service on committees or in leadership roles, consistent with the current compensation plan. Equity compensation provided to each non-employee directors will not exceed the 75th percentile annual equity grant for Intra-Cellular’s then-applicable peer group (“Peer Group”), as such Peer Group is

approved by the Compensation Committee of the Board (“Compensation Committee”), based on the total grant date fair value of equity awards.

2.3.2. The Company will assess its peer group annually and will select peers using the criteria already in place, as described in the Company’s shareholder disclosures. That is, the Company will select publicly traded, national and regional companies in the biopharmaceutical industries: (a) whose number of employees, stage of development, and relative complexity of clinical trials are similar to the Company’s; (b) that are pre-revenue or had a recent commercial product launch; (c) with market values of approximately 0.25 times to four times the Company’s market capitalization at the time; (d) against which the Company believes it competes for executive talent; and (e) whose compensation and financial data are available in proxy statements or through widely available compensation surveys. The Compensation Committee will retain an independent compensation consultant each year and make a determination as to its independence. The independent compensation consultant will assist in the identification of the Company’s peer group and will provide an annual update on recent developments and best practices concerning non-employee director and executive compensation matters to the Compensation Committee.

2.3.3. For their first year of service, newly appointed directors may receive up to one and three quarters times (1.75x) the compensation provided to incumbent directors.

2.3.4. Equity grants will be issued in terms of value rather than a fixed-share amount, using the grant-date fair value calculated in accordance with the Black-Scholes option valuation methodology or such other methodology as the Board reasonably selects.

2.3.5. Within four years, the Company will convert the entire equity portion of its non-employee director compensation from option grants to RSU grants.

2.4. The details of the 2023 Plan will be disclosed to shareholders, consistent with the Company's current extensive disclosure practices.

2.5. The Company will maintain its current non-employee director stock ownership guidelines, which require directors to achieve and maintain ownership of shares valued at three times their annual cash retainer within five years of the adoption of the policy (which was in 2021) or election to the Board, whichever is later.

2.6. The Company will continue to grant annual equity awards to non-employee directors on a different date than annual equity awards to executive officers. Further, any final deliberations or voting on the compensation of non-employee directors (including any changes to the annual compensation package) shall be made at a different Board (or committee) meeting than any final deliberations or voting on the compensation of executive officers (including any changes to the annual compensation package).

III. SCHEDULING ORDER, NOTICE, AND APPROVAL

3.1. Promptly after execution of this Stipulation, Plaintiff shall submit this Stipulation together with its exhibits to the Court and shall apply for entry of the proposed Scheduling Order, substantially in the form of Exhibit A attached hereto, requesting: (i) the approval of the manner of notice to Intra-Cellular stockholders substantially in the form attached hereto as Exhibit B; (ii) the Court's consideration of the proposed Settlement and Plaintiff's application for attorneys' fees and expenses; and (iii) a date for the Settlement Hearing.

3.2. Notice to Intra-Cellular stockholders shall consist of the Notice, substantially in the form attached hereto as Exhibit B, and shall be provided to Intra-Cellular stockholders as follows:

3.2.1. within ten (10) business days after the entry of the Scheduling Order, Intra-Cellular shall mail or cause to be mailed the Notice to all record Intra-Cellular stockholders at their

respective addresses currently set forth in Intra-Cellular's stock records. All record holders of Intra-Cellular common stock who are not also the beneficial owners of the shares held by them of record shall be asked to forward the Notice to the beneficial owners of those shares. The Company shall use reasonable efforts to give notice to such beneficial owners by: (i) making additional copies of the Notice available to any record holder who, prior to the Settlement Hearing, requests the same for distribution to beneficial owners, or (ii) mailing or causing to be mailed additional copies of the Notice to beneficial owners as reasonably requested by record holders who provide names and addresses for such beneficial holders.

3.2.2. within ten (10) business days after entry of this order, Newman Ferrara LLP shall post copies of the Notice and the Stipulation on its website (www.nflp.com).

3.3. At least ten (10) business days prior to the Settlement Hearing, Defendants' counsel shall serve on counsel in the Action and file with the Court an appropriate affidavit with respect to the preparation and mailing of the Notice in the manner set forth in Section II.3.2.1, and Plaintiff's Counsel shall serve on counsel in the Action and file with the Court an appropriate affidavit with respect to posting of the Notice and Stipulation in the manner set forth in Section II.3.2.2.

3.4. The Defendants and/or their insurers shall be responsible for all costs associated with the mailing and public disclosure of the Notice. If additional notice is required by the Court, then the cost and administration of such additional notice will be borne by the Defendants and/or their insurers .

3.5. The Settling Parties believe the content and manner of notice constitutes adequate and reasonable notice to Intra-Cellular stockholders pursuant to applicable law and due process.

3.6. Pending the Court's determination as to final approval of the Settlement, Plaintiff agrees to stay this proceeding and not to initiate any and all other proceedings other than those incident to the Settlement itself.

3.7. The Settling Parties will request the Court to order (in the Scheduling Order) that, pending final determination of whether the Settlement should be approved, Plaintiff in the Action and all Intra-Cellular stockholders are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Released Claim against Defendants or any of the Released Persons.

3.8. The Settling Parties and their attorneys agree to use their individual and collective best efforts to obtain Court approval of the Stipulation. The Settling Parties and their attorneys further agree to use their individual and collective best efforts to effect, take, or cause to be taken all actions, and to do, or cause to be done, all things reasonably necessary, proper, or advisable under applicable laws, regulations, and agreements to consummate and make effective, as promptly as practicable, the Stipulation provided for hereunder and the dismissal of the Action.

IV. ATTORNEYS' FEES AND EXPENSES

4.1. Defendants acknowledge and agree that Plaintiff's Counsel is entitled to a fee award in connection with the Action. Subject to the terms and conditions of this Stipulation and subject to final approval of the Settlement and any Order of the Court, Intra-Cellular and/or its insurance carriers have agreed to pay attorneys' fees and expenses to Plaintiff's Counsel of \$375,000 or any lesser amount permitted by the Court or the New York Court of Appeals (the "Fee and Expense Amount"). The Fee and Expense Amount shall be paid by the Defendants and/or their insurers. Plaintiff's Counsel may apply for attorneys' fees and expenses only in the Supreme Court for the State of New York, New York County, and shall make no application for attorneys' fees or

expenses in any other jurisdiction. Plaintiff's Counsel will not seek fees or expenses from the Court in excess of the agreed-to amount, and Defendants will not oppose the fee application for the agreed-to amount. If approved by the Court, the Fee and Expense Amount shall be paid to Plaintiff's counsel, within ten business days after the Court enters the Final Judgment, subject to Plaintiff's Counsel's timely provision of the requisite payment information, including wire instructions and a completed Form W-9, and obligation to refund that amount within ten business days if the Settlement is reversed or modified on appeal or by collateral attack. Except as otherwise provided herein, each of the Settling Parties shall bear his, her, or its own fees and costs, and neither Intra-Cellular nor any other Released Person shall have any obligations with respect to Plaintiff's Counsel's fees and/or expenses beyond the Fee and Expense Amount.

4.2. Any failure of the Court to approve a request for attorneys' fees and expenses in whole or in part shall not affect the remainder of the Settlement.

4.3. No fees or expenses shall be paid to Plaintiff's Counsel pursuant to the Settlement in the absence of approval by the Court of a complete release of all Released Persons, substantially in the form of paragraph 5.1 herein. This paragraph shall be immediately binding on the Settling Parties.

4.4. Except as provided in section 4 of this Stipulation, Defendants shall have no obligation to pay or reimburse any fees, expenses, costs or damages alleged or incurred by Plaintiffs, by Intra-Cellular stockholders or by their attorneys, experts, advisors, or representatives with respect to the Released Claims.

V. RELEASES

5.1. Upon the Effective Date, the Releasing Persons shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled, released, discharged,

extinguished, and dismissed with prejudice the Released Claims (including Unknown Claims) against the Individual Defendants and each of the Released Persons; provided, however, that such release shall not affect any rights of any Settling Party to enforce the terms of this Stipulation.

5.2. Upon the Effective Date, the Released Persons and Intra-Cellular shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled, released, discharged, extinguished, and dismissed with prejudice all claims (including Unknown Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Action against Plaintiff and Plaintiff's Counsel; provided, however, that such release shall not affect any rights of any Settling Party to enforce the terms of this Stipulation.

VI. CONDITIONS OF SETTLEMENT, EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION

6.1. The Settlement shall be conditioned on the occurrence of all of the following events:

6.1.1. Court approval of the Settlement following notice to Intra-Cellular stockholders and the Settlement Hearing;

6.1.2. entry of the Final Judgment in the Action approving the proposed Settlement and providing for the dismissal with prejudice of the Action and approving the grant of the release of the Released Claims;

6.1.3. the dismissal with prejudice of the Action without the award of any damages, costs, fees, or the grant of any further relief, except as provided in paragraph 4.1 of this Stipulation; and

6.1.4. the passing of the date upon which the Final Judgment becomes Final.

6.2. If any of the conditions listed in paragraph 6.1 are not met, this Stipulation and any Settlement documentation shall be null and void and of no force and effect. In the event that any of the conditions listed in paragraph 6.1 are not met, the Settling Parties shall be restored to their positions on the date immediately prior to the execution date of this Stipulation, this Stipulation shall not be deemed to constitute an admission of fact by any Settling Party, and neither the existence of this Stipulation, nor its contents, shall be admissible in evidence or be referred to for any purposes in the Action or in any litigation or judicial proceeding. Also, this Stipulation shall not be deemed to entitle any party to the recovery of costs and expenses incurred in connection with the intended implementation of the Settlement, except as provided in paragraph 4.1 of this Stipulation. Further, all releases delivered in connection with this Stipulation shall be null and void.

6.3. Each of the Defendants shall have the right to withdraw from the Settlement in the event that any claims related to the subject matter of the Action are commenced or prosecuted against any of the Released Persons in any court prior to final approval of the Settlement and (following a motion by the Defendants) such claims are not dismissed with prejudice or stayed in contemplation of dismissal. In the event such claims are commenced, the Settling Parties agree to cooperate and use their reasonable best efforts to secure the dismissal (or a stay in contemplation of dismissal following final approval of the Settlement) thereof.

VII. DISMISSAL OF ACTION

7.1. If the Court approves the Stipulation, the Settling Parties shall promptly request the Court to enter the proposed Final Judgment, substantially in the form annexed hereto as Exhibit C.

VIII. THE STIPULATION IS NOT AN ADMISSION

8.1. This Stipulation reflects, among other things, the compromise and settlement of disputed claims among the Settling Parties hereto, and neither this Stipulation nor the releases given herein, nor any consideration, nor any actions taken to carry out this Stipulation are intended to be, nor may they be deemed or construed to be, an admission or concession of liability (or lack thereof), or the validity of any claim, or defense, or of any point of fact or law on the part of any Party hereto regarding those facts that have been or might have been alleged in the Action or in any other proceeding. Defendants and the Released Persons may file the Stipulation and/or Final Judgment in any action that has been or may be brought against them in order to support a claim or defense based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

IX. MISCELLANEOUS PROVISIONS

9.1. The Settling Parties acknowledge that it is their intent to consummate the terms and conditions of this Stipulation and agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the terms and conditions of the Stipulation expeditiously.

9.2. The Settling Parties agree that the terms of the Settlement were negotiated in good faith by the Settling Parties and reflect a Settlement that was reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Action was brought or defended in bad faith or without a reasonable basis.

9.3. This Stipulation shall be deemed to have been mutually prepared by the Settling Parties hereto and shall not be construed against any of them by reason of authorship.

9.4. This Stipulation may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. Any signature to the Stipulation by means of facsimile or electronically scanned and sent via email shall be treated in all manner and respects as an original signature and shall be considered to have the same binding legal effect as if it were the original signed version thereof.

9.5. All Persons executing this Stipulation thereby represent that they have been authorized and empowered to do so.

9.6. Plaintiff and Plaintiff's Counsel represent and warrant that none of Plaintiff's claims referred to in this Stipulation or that could have been alleged in the Action has been assigned, encumbered, or in any manner transferred in whole or in part.

9.7. This Stipulation embodies and represents the full agreement of the Settling Parties and supersedes any and all prior agreements and understandings relating to the subject matter hereof between or among any of the Settling Parties hereto. This Stipulation shall not be modified or amended, nor shall any provision of this Stipulation be deemed waived, unless such modification, amendment, or waiver is in writing and executed by or on behalf of the Settling Parties. The waiver by any Party of any provision or the breach of this Stipulation shall not be deemed a waiver of any other provision or breach of this Stipulation.

9.8. If any provision of this Stipulation is held to be unlawful, invalid, or unenforceable: (i) such provision will be fully severable; (ii) this Stipulation will be construed and enforced as if such unlawful, invalid, or unenforceable provision had never comprised a part of this Stipulation; and (iii) the remaining provisions of this Stipulation will remain in full force and effect and will

not be affected by the unlawful, invalid, or unenforceable provision or by its severance from this Stipulation, except that in no event will this Stipulation or any part thereof be enforceable if any of Sections 1.7, 1.8, 1.9, 1.12, 5.1 or 5.2 are found to be unlawful, invalid or unenforceable.

9.9. The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties hereto.

9.10. Notwithstanding the entry of the Judgment, the Court shall retain jurisdiction with respect to the implementation, enforcement, and interpretation of the terms of the Stipulation, and all Settling Parties submit to the jurisdiction of the Court (or any other state or federal court in the State of New York should the Court lack subject matter jurisdiction) for purposes of implementing, enforcing, and interpreting the Stipulation.

9.11. The construction and interpretation of this Stipulation shall be governed by and construed in accordance with the laws of the State of New York and without regard to the laws that might otherwise govern under principles of conflicts of law applicable hereto.

9.12. Without further order of the Court, the Settling Parties hereto may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

9.13. The following exhibits are annexed hereto and incorporated herein by reference:

- (a) Exhibit A: Preliminary Approval Order
- (b) Exhibit B: Notice of Pendency of Settlement of Action
- (c) Exhibit C: Final Order and Judgment

IN WITNESS WHEREOF, IT IS HEREBY AGREED by the undersigned as of the date noted above.

Dated: New York, New York
March 21, 2023

NEWMAN FERRARA LLP

/s/ Benjamin D. Baker

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