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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

IN RE SPECTRUM PHARMACEUTICALS,
INC. SECURITIES LITIGATION

Case No. 2:16-cv-02279-RFB-EJY

STIPULATION AND AGREEMENT OF SETTLEMENT

This stipulation and agreement of settlement (“Stipulation”) is made and entered into by and between Lead Plaintiffs Michael Bestwick (“Bestwick”) and Mark Hawkins (“Hawkins” and together with Bestwick, “Lead Plaintiffs”), on behalf of themselves and the Settlement Class (defined below), on the one hand, and Spectrum Pharmaceuticals, Inc. (“Spectrum” or “Company”), Rajesh C. Shrotriya (“Shrotriya”), Lee F. Allen (“Allen”), and Joseph W. Turgeon (“Turgeon”) (and, together with Plaintiffs, “Parties”), on the other hand.

WHEREAS

A. All words or terms used herein that are capitalized shall have the meaning ascribed to those words or terms as set forth herein and in ¶ 1 hereof entitled “Definitions.”

B. On September 28, 2016, Glen Hartsock filed a Class Action Complaint for Violation of the Federal Securities Laws (“Hartsock Action”). (ECF No. 1). On September 21, 2016, Olutayo Ayeni filed a substantially similar Class Action Complaint for Violation of the Federal Securities Laws in the United States District Court for the Central District of California, Case No. 2:16-cv-07074 (“Ayeni Action”).

C. After the Ayeni Action was transferred to this Court and assigned the case number 2:16-cv-02649, by Order dated October 6, 2017, this Court consolidated the two cases under the Hartsock Action caption, (ECF No. 48), terminating the Ayeni Action pursuant to LR 42.1(b).

D. On November 11, 2017, Lead Plaintiffs filed their Consolidated Amended Complaint for Violations of the Federal Securities Laws (“Complaint”). (ECF No. 52). The Complaint alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 promulgated thereunder by the U.S. Securities and Exchange

1 Commission (“SEC”) on behalf of a class of all purchasers of Spectrum’s securities between
2 January 31, 2013 and September 16, 2016, both dates inclusive.

3 E. By Order dated November 13, 2017, the Court appointed Bestwick and Hawkins as
4 Lead Plaintiffs. (ECF No. 51).

5 F. On January 19, 2018, Defendants¹ moved to dismiss the Complaint. (Dkt. Nos. 56-
6 58). On March 2, 2018, Lead Plaintiffs opposed Defendants’ motion to dismiss (Dkt. No. 61), and
7 on March 30, 2018, Defendants filed their reply memorandum in further support of their motion to
8 dismiss. (ECF No. 63).

9 G. On September 21, 2018, the Court granted in part and denied in part Defendants’
10 motion to dismiss, dismissing all claims with prejudice against Defendants Keller and Gustafson,
11 but otherwise sustaining the Complaint in its entirety against Defendants. (ECF No. 80).

12 H. On October 3, 2018, the Parties submitted proposed discovery plans and schedules.
13 (ECF No. 83). On October 16, 2018, the Court entered a Scheduling Order regarding the proposed
14 discovery plan. (ECF No. 84).

15 I. On October 22, 2018, pursuant to 28 U.S.C. §1292(b), Defendants filed a motion to
16 certify for interlocutory appeal the Court’s Order denying their motion to dismiss (“Section 1292(b)
17 Motion “). (ECF No. 87). That same day, Defendants filed a motion to stay the case, in its entirety,
18 pending resolution of their Section 1292(b) Motion. (ECF No. 88). On November 13, 2018, Lead
19 Plaintiffs opposed both Defendants’ Section 1292(b) Motion, (ECF No. 93), and to their motion to
20 stay. (ECF No. 94). On November 20, 2018, Defendants filed reply briefs in support of both their
21 Section 1292(b) Motion, (ECF No. 95) and their motion to stay. (ECF No. 96).

22 J. On November 30, 2018, Defendants filed their Answer to the Complaint. (ECF No.
23 99).

24 K. On January 25, 2019, Lead Plaintiffs filed their motion for class certification,
25 pursuant to Fed. R. Civ. P. 23. (ECF Nos. 103-104). On April 24, 2019, Defendants opposed Lead
26 Plaintiffs’ motion for class certification. (ECF No. 130).

27
28 ¹ The Complaint also named as Defendants Joseph K. Keller (“Keller”) and Kurt A. Gustafson
 (“Gustafson”).

1 L. On April 10, 2019, the Court granted Defendants’ motion to stay the litigation. (ECF
2 No. 128).

3 M. Defendants and Lead Plaintiffs engaged Jed D. Melnick, Esq. (“Mr. Melnick”), a
4 respected and experienced mediator, to assist them in exploring a potential negotiated resolution of
5 the claims in the Action. After exchanging thorough mediation statements, on June 20, 2019, Lead
6 Plaintiffs, Defendants and representatives from Defendants’ insurers convened a mediation with
7 Mr. Melnick to attempt to reach a settlement.

8 N. Following extended, arm’s-length, and mediated negotiations under the auspices of
9 Mr. Melnick, on July 2, 2019, Defendants and Plaintiffs agreed, in principle, to this Settlement. On
10 July 25, 2019, the Parties executed a Memorandum of Understanding (“MOU”), memorializing the
11 principal terms of this Settlement.

12 O. Lead Plaintiffs, through Lead Counsel, conducted a thorough investigation relating
13 to the claims, defenses, and underlying events and transactions that are the subject of the Action.
14 This process included reviewing and analyzing: (i) documents filed publicly by the Company with
15 the SEC; (ii) publicly available information, including press releases, news articles, and other public
16 statements issued by or concerning the Company and the Defendants; (iii) research reports issued
17 by financial analysts concerning the Company; (iv) other publicly available information and data
18 concerning the Company; (v) public documentation from the United States Food and Drug
19 Administration; and (vi) the applicable law governing the claims and potential defenses. Lead
20 Counsel also identified former Spectrum employees and other persons with relevant knowledge
21 and interviewed several of them and consulted with experts on issues of market efficiency,
22 damages, and loss causation.

23 P. Defendants have denied and continue to deny any wrongdoing or that they have
24 committed any act or omission giving rise to any liability or violation of law, including, but not
25 limited to, the federal securities laws. Among other things, Defendants deny the allegations that
26 they knowingly, or otherwise, made any material misstatements or omissions; that any member of
27 the Class has suffered damages; that the prices of Spectrum securities were artificially inflated by
28 reason of the alleged misrepresentations, omissions or otherwise; or that members of the Class were

1 harmed by the conduct alleged in the Complaint. Defendants have denied and continue to deny
2 each and every one of the claims alleged by Lead Plaintiffs in the Action on behalf of the Settlement
3 Class, including all claims in the Complaint, and maintain that they have meritorious defenses to
4 all claims alleged in the Complaint.

5 Q. This Stipulation, whether or not consummated, any proceedings relating to any
6 settlement, or any of the terms of any settlement, whether or not consummated, shall in no event be
7 construed as, or deemed to be evidence of, an admission or concession on the part of the
8 Defendants, or any of them, with respect to any fact or matter alleged in the Action, or any claim
9 of fault or liability or wrongdoing or damage whatsoever, or any infirmity in any claim or defense
10 that has been or could have been asserted. Defendants are entering into this Settlement solely to
11 eliminate the burden, expense, uncertainty, and distraction of further litigation.

12 R. Lead Plaintiffs believe that the claims asserted in the Action have merit and that the
13 evidence developed to date supports the claims asserted. Lead Plaintiffs and Lead Counsel,
14 however, recognize and acknowledge the expense and length of continued proceedings necessary
15 to prosecute the Action through trial and appeals. Lead Plaintiffs and Lead Counsel have also
16 accounted for the uncertain outcome and the risk of any litigation, especially in complex actions
17 such as the Action, as well as the difficulties and delays inherent in such litigation. Lead Counsel
18 also are mindful of the inherent problems of proof and the possible defenses to the claims alleged
19 in the Action, including a loss causation defense. Based on their evaluation, Lead Plaintiffs and
20 Lead Counsel believe that the Settlement set forth in this Stipulation confers substantial monetary
21 benefits upon the Settlement Class and is in the best interests of Lead Plaintiffs and the Settlement
22 Class.

23 **NOW THEREFORE**, without any concession by Lead Plaintiffs that the Action lacks
24 merit, and without any concession by the Defendants of any liability or wrongdoing or lack of merit
25 in their defenses, it is hereby **STIPULATED AND AGREED**, by and among the Parties to this
26 Stipulation, through their respective attorneys, subject to approval by the Court pursuant to Rule
27 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to the
28 Parties hereto, all Released Claims and all Released Defendants' Claims, as against all Released

1 Parties, shall be fully, finally, and forever compromised, settled, released, discharged, and
2 dismissed with prejudice, and without costs, upon and subject to the following terms and
3 conditions:

4 DEFINITIONS

5 As used in this Stipulation, the following terms shall have the meanings set forth below. In
6 the event of any inconsistency between any definition set forth below and any definition in any
7 other document related to the Settlement, the definition set forth below shall control.

8 1. “Action” means the consolidated securities class actions captioned *In re Spectrum*
9 *Pharmaceuticals, Inc. Securities Litigation* or *Hartsock v. Spectrum Pharmaceuticals, Inc.*, No.
10 2:16-cv-02279-RFB-EJY, pending in the United States District Court for the District of Nevada
11 before the Honorable Richard F. Boulware, II, and includes all actions consolidated therein.

12 2. “Alternative Judgment” means a form of final judgment that may be entered by the
13 Court but in a form other than the form of Judgment provided for in this Stipulation and where none
14 of the Parties hereto elects to terminate this Settlement by reason of such variance.

15 3. “Authorized Claimant” means a Settlement Class Member who timely submits a
16 valid Proof of Claim and Release form to the Claims Administrator that is accepted for payment by
17 the Court.

18 4. “Claims Administrator” means Strategic Claims Services, whom Lead Counsel will
19 retain to provide all Court-approved notices to Settlement Class Members, to process proofs of
20 claim, and generally to administer the Settlement.

21 5. “Class Period” means the period from January 31, 2013 through September 16,
22 2016, both dates inclusive.

23 6. “Defendants” means Spectrum Pharmaceuticals, Inc., Rajesh C. Shrotriya, Joseph
24 W. Turgeon, and Lee F. Allen, and previously dismissed defendants Joseph K. Keller and Kurt A.
25 Gustafson.

26 7. “Defendants’ Counsel” means the law firms of Paul Hastings LLP, Peterson Baker,
27 PLLC, Fenwick & West LLP and Snell & Wilmer, L.L.P.

28 8. “Distribution Order” means an order of the Court approving the Claims

1 Administrator's determinations concerning the acceptance and rejection of the claims submitted
2 and approving any fees and expenses not previously paid, including the fees and expenses of the
3 Claims Administrator, and, if the Effective Date has occurred, directing payment of the Net
4 Settlement Fund to Authorized Claimants.

5 9. "Effective Date" means the date upon which the Settlement shall have become
6 effective, as set forth in ¶ 79 below.

7 10. "Escrow Account" means the separate escrow account designated and controlled by
8 Lead Counsel at one or more national banking institutions into which the Settlement Amount will
9 be deposited for the benefit of the Settlement Class.

10 11. "Escrow Agent" means Lead Counsel.

11 12. "Fee and Expense Application" means Lead Counsel's application, on behalf of
12 Lead Plaintiff's Counsel, for an award of attorneys' fees and payment of litigation expenses
13 incurred in prosecuting the case, including any expenses pursuant to 15 U.S.C. § 78u-4(a)(4) of the
14 Private Securities Litigation Reform Act of 1995 ("PSLRA").

15 13. "Final," with respect to a court order, including, but not limited to the Judgment or
16 Alternative Judgment, means the later of: (i) if there is an appeal from a court order, the date of
17 final affirmance on appeal and the expiration of the time for any further judicial review whether by
18 appeal, reconsideration or a petition for a writ of certiorari and, if certiorari is granted, the date of
19 final affirmance of the order following review pursuant to the grant; or (ii) the date of final dismissal
20 of any appeal from the order or the final dismissal of any proceeding on certiorari to review the
21 order; or (iii) the expiration of the time for the filing or noticing of any appeal or petition for
22 certiorari from the order (or, if the date for taking an appeal or seeking review of the order shall be
23 extended beyond this time by order of the issuing court, by operation of law or otherwise, or if such
24 extension is requested, the date of expiration of any extension if any appeal or review is not sought),
25 without any such filing or noticing being made. However, any appeal or proceeding seeking
26 subsequent judicial review pertaining solely to the Plan of Allocation of the Net Settlement Fund,
27 or to the Court's award of attorneys' fees or expenses, shall not in any way delay or affect the time
28 set forth above for the Judgment or Alternative Judgment to become Final or otherwise preclude

1 the Judgment or Alternative Judgment from becoming Final.

2 14. "Individual Defendants" means Rajesh C. Shrotriya, Joseph W. Turgeon, Lee F.
3 Allen, and previously dismissed defendants Joseph K. Keller and Kurt A. Gustafson.

4 15. "Judgment" means the proposed judgment and order of dismissal with prejudice to
5 be entered by the Court upon approval of the Settlement, substantially in the form attached hereto
6 as Exhibit B.

7 16. "Lead Counsel" means The Rosen Law Firm, P.A. and Bronstein Gewirtz &
8 Grossman, LLC.

9 17. "Lead Plaintiffs" means Michael Bestwick and Mark Hawkins.

10 18. "Local Counsel" means Leverty & Associates Law, Chtd.

11 19. "Mediator" means Jed D. Melnick, Esq.

12 20. "Net Settlement Fund" means the Settlement Fund less: (i) Court-awarded
13 attorneys' fees and expenses; (ii) Notice and Administration Expenses; (iii) Taxes; and (iv) any
14 other fees or expenses approved by the Court.

15 21. "Notice" means the Notice of Pendency of Class Action, Proposed Settlement, and
16 Motion for Attorneys' Fees and Expenses to be sent to Settlement Class Members, which, subject
17 to approval of the Court, shall be substantially in the form attached hereto as Exhibit 1 to Exhibit
18 A hereto.

19 22. "Notice and Administration Expenses" means all costs, fees, and expenses incurred
20 in connection with providing notice to the Settlement Class and the administration of the
21 Settlement, including but not limited to: (i) providing notice of the proposed Settlement by mail,
22 publication, and other means to Settlement Class Members; (ii) receiving and reviewing claims;
23 (iii) applying the Plan of Allocation; (iv) communicating with Persons regarding the proposed
24 Settlement and claims administration process; (v) distributing the proceeds of the Settlement; and
25 (vi) fees related to the Escrow Account and investment of the Settlement Fund.

26 23. "Person(s)" means any individual, corporation (including all divisions and
27 subsidiaries), general or limited partnership, association, joint stock company, joint venture, limited
28 liability company, professional corporation, estate, legal representative, trust, unincorporated

1 association, government or any political subdivision or agency thereof, and any other business or
2 legal entity and his, her or its heirs, predecessors, trustees, successors, representatives, or assignees.

3 24. "Plaintiff's Counsel" means Lead Counsel and Local Counsel and all other legal
4 counsel who, at the direction and under the supervision of Lead Counsel and/or Local Counsel,
5 performed services on behalf of the Settlement Class in the Action.

6 25. "Plan of Allocation" means the proposed Plan of Allocation of Net Settlement Fund,
7 which, subject to the approval of the Court, shall be substantially in the form described in the
8 Notice.

9 26. "Preliminary Approval Order" means the proposed Order Granting Preliminary
10 Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for
11 Hearing on Final Approval of Settlement, which, subject to the approval of the Court, shall be
12 substantially in the form attached hereto as Exhibit A.

13 27. "Proof of Claim" or "Claim Form" means the Proof of Claim and Release form for
14 submitting a claim, which, subject to approval of the Court, shall be substantially in the form
15 attached as Exhibit 2 to Exhibit A hereto.

16 28. "Released Claims" means any and all claims, debts, demands, controversies,
17 obligations, losses, rights or causes of action or liabilities of every nature and description, including
18 both known claims and Unknown Claims (defined below), whether arising under federal, state,
19 common or foreign law, whether fixed or contingent, accrued or unaccrued, liquidated or
20 unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, that
21 Lead Plaintiff or any other Settlement Class Member (i) asserted in the Action; or (ii) could have
22 asserted in the Action, or any other action, or in any forum or proceeding, that arise out of, relate
23 to or are based upon both (a) the facts, matters, allegations, transactions, events, disclosures,
24 representations, statements, acts, or omissions or failures to act that were alleged or that could have
25 been alleged in the Action against the Released Defendant Parties, and (b) the purchase or
26 acquisition by any means, directly or indirectly, of publicly traded Spectrum securities (including
27 through the exercise of warrants, options or other form of issuance) and/or call options, and/or the
28 sale of publicly traded Spectrum put options, by the Settlement Class Member during the Class

1 Period. The Released Claims further include all claims and causes of action of every nature and
2 description, including both known claims and Unknown Claims (as defined below), whether arising
3 under federal, state, common or foreign law, or any other law, that could have been asserted against
4 the Released Defendant Parties that arise out of or relate in any way to the litigation, defense, or
5 settlement of the claims in the Action. For the avoidance of doubt, Released Claims do not include
6 (i) claims relating to the enforcement of the Settlement; or (ii) any governmental or regulatory
7 agency's claims in any criminal or civil action against any of the Released Defendant Parties, or
8 right to recover therefrom.

9 29. "Released Defendant Parties" means Defendants, Defendants' Counsel, and each of
10 their respective past or present subsidiaries, parents, general or limited partnerships, limited liability
11 companies, affiliates, divisions, joint ventures, related or affiliated entities, principals, accountants,
12 advisors, successors and predecessors, assigns, officers, directors, shareholders, trustees, partners,
13 agents, fiduciaries, contractors, employees, attorneys, auditors, insurers, co-insurers, or re-insurers;
14 the spouses, members of the immediate families, representatives, and heirs of the Individual
15 Defendants, as well as any trust of which any Individual Defendant is the settlor or which is for the
16 benefit of any of their immediate family members; any firm, trust, corporation, or entity in which
17 any Defendant has a controlling interest; and any of the legal representatives, heirs, successors in
18 interest or assigns of Defendants.

19 30. "Released Defendants' Claims" means all claims and causes of action of every
20 nature and description, including both known claims and Unknown Claims (as defined below),
21 whether arising under federal, state, common or foreign law, or any other law, that Defendants
22 could have asserted against any of the Released Plaintiff Parties that arise out of or relate in any
23 way to the institution, prosecution, or settlement of the claims in the Action, except for claims
24 relating to the enforcement of the Settlement.

25 31. "Released Parties" means the Released Defendant Parties and the Released Plaintiff
26 Parties.

27 32. "Released Plaintiff Parties" means each and every Settlement Class Member, Lead
28 Plaintiffs, Lead Counsel, Local Counsel, and each of their respective past or present trustees,

1 officers, directors, partners, employees, contractors, auditors, principals, agents, attorneys,
2 accountants, advisors, predecessors, successors, assigns, insurers, parents, divisions, subsidiaries,
3 general or limited partners or partnerships, and limited liability companies; and the spouses,
4 members of the immediate families, representatives, and heirs of any Released Plaintiff Party who
5 is an individual, as well as any trust of which any Released Plaintiff Party is the settlor or which is
6 for the benefit of any of their immediate family members. Released Plaintiff Parties does not
7 include any Person who timely and validly seeks exclusion from the Settlement Class.

8 33. "Settlement" means the resolution of the Action in accordance with the terms and
9 provisions of this Stipulation.

10 34. "Settlement Amount" means the total principal amount of two million nine hundred
11 ninety five thousand U.S. dollars (\$2,995,000) in cash.

12 35. "Settlement Class" or "Settlement Class Member" means all persons and entities
13 that purchased or acquired publicly traded Spectrum securities (including through the exercise of
14 warrants, options or other form of issuance) and/or call options, and/or sold publicly traded
15 Spectrum put options, during the period from January 31, 2013 through September 16, 2016, both
16 dates inclusive, and were allegedly damaged thereby. Excluded from the Settlement Class are: (i)
17 the Defendants; (ii) the officers and directors of Spectrum during the Class Period; (iii) members
18 of the immediate families of the Individual Defendants and the officers and directors of Spectrum
19 during the Class Period; (iv) any entity in which any Defendant has or had a controlling interest;
20 (v) the legal representatives, heirs, successors, assigns, and affiliates of any such excluded party.
21 Also excluded from the Settlement Class will be any person who timely and validly seeks exclusion
22 from the Settlement Class.

23 36. "Settlement Fund" means the Settlement Amount and any interest earned thereon.

24 37. "Settlement Hearing" means the hearing to be held by the Court to determine
25 whether the proposed Settlement is fair, reasonable, and adequate and should be finally approved.

26 38. "Stipulation" means this Stipulation and Agreement of Settlement.

27 39. "Summary Notice" means the Summary Notice of Pendency of Class Action,
28 Proposed Settlement, and Motion for Attorneys' Fees and Expenses for publication, which, subject

1 to approval of the Court, shall be substantially in the form attached as Exhibit 3 to Exhibit A hereto.

2 40. "Taxes" means all federal, state, or local taxes of any kind on any income earned by
3 the Settlement Fund and the expenses and costs incurred in connection with the taxation of the
4 Settlement Fund (including, without limitation, interest, penalties and the reasonable expenses of
5 tax attorneys and accountants).

6 41. "Unknown Claims" means any and all Released Claims that Lead Plaintiff or any
7 other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time
8 of the release of the Released Defendant Parties, and any and all Released Defendants' Claims that
9 any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of
10 the Released Plaintiff Parties, which if known by him, her, or it might have affected his, her, or its
11 decision(s) with respect to the Settlement, including the decision to object to the terms of the
12 Settlement or to exclude himself, herself, or itself from the Settlement Class. With respect to any
13 and all Released Claims and Released Defendants' Claims, the Parties stipulate and agree that,
14 upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each other Settlement
15 Class Member shall be deemed to have, and by operation of the Judgment or Alternative Judgment
16 shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all
17 provisions, rights and benefits conferred by any law of any state or territory of the United States,
18 or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542,
19 which provides:

20 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
21 **THAT THE CREDITOR OR RELEASING PARTY DOES**
22 **NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
23 **FAVOR AT THE TIME OF EXECUTING THE RELEASE**
24 **AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
25 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT**
26 **WITH THE DEBTOR OR RELEASED PARTY.**

27 Lead Plaintiffs, other Settlement Class Members, or Defendants may hereafter discover facts, legal
28 theories, or authorities in addition to or different from those which any of them now knows or

1 believes to be true with respect to the subject matter of the Released Claims and the Released
2 Defendants' Claims, but Lead Plaintiffs and Defendants shall expressly, fully, finally, and forever
3 settle and release, and each Settlement Class Member shall be deemed to have settled and released,
4 and upon the Effective Date and by operation of the Judgment or Alternative Judgment shall have
5 settled and released, fully, finally, and forever, any and all Released Claims and Released
6 Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such
7 different or additional facts, legal theories, or authorities. Lead Plaintiffs and Defendants
8 acknowledge, and other Settlement Class Members by operation of law shall be deemed to have
9 acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims and
10 Released Defendants' Claims was separately bargained for and was a material element of the
11 Settlement.

12 **SCOPE AND EFFECT OF SETTLEMENT**

13 42. The obligations incurred pursuant to this Stipulation are (a) subject to approval by
14 the Court and the Judgment, or Alternative Judgment, reflecting such approval becoming Final;
15 and (b) in full and final disposition of the Action with respect to the Released Parties and any and
16 all Released Claims and Released Defendants' Claims.

17 43. For purposes of this Settlement only, the Parties agree to: (a) certification of the
18 Action as a class action, pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3), on behalf of the Settlement
19 Class as defined above in ¶ 35; (b) the appointment of Plaintiffs as Class Representatives for the
20 Settlement Class; and (c) the appointment of Lead Counsel as Class Counsel for the Settlement
21 Class pursuant to Federal Rule of Civil Procedure 23(g).

22 44. Upon the Effective Date, Plaintiffs and each and every other Settlement Class
23 Member (whether or not such Settlement Class Member receives the Notice, executes and delivers
24 a valid Proof of Claim, or receives proceeds from the Settlement Fund), and the heirs,
25 representatives, attorneys, affiliates, executors, trustees, administrators, predecessors, successors,
26 and assigns of each of them, in their capacity as such, shall be deemed to have, and by operation of
27 the Judgment or Alternative Judgment shall have, fully, finally, and forever waived, released,
28 discharged, and dismissed each and every one of the Released Claims against each and every one

1 of the Released Defendant Parties.

2 45. Upon the Effective Date, Lead Plaintiffs and each and every other Settlement Class
3 Member (whether or not such Settlement Class Member receives the Notice, executes and delivers
4 a valid Proof of Claim, or receives proceeds from the Settlement Fund), and the heirs,
5 representatives, attorneys, affiliates, executors, trustees, administrators, predecessors, successors,
6 and assigns of each of them, in their capacity as such, shall forever be barred and enjoined from the
7 assertion, institution, maintenance, prosecution, or enforcement of any and all Released Claims
8 against each and every one of the Released Defendant Parties, in any state or federal court or arbitral
9 forum, or in the court of any foreign jurisdiction, administrative forum or other forum of any kind,
10 either directly or indirectly, on their own behalf or on behalf of any class or other person.

11 46. Upon the Effective Date, Defendants, and the heirs, representatives, attorneys,
12 affiliates, executors, trustees, administrators, predecessors, successors, and assigns of each of them,
13 in their capacity as such, shall be deemed to have, and by operation of the Judgment or Alternative
14 Judgment shall have, fully, finally, and forever waived, released, discharged, and dismissed each
15 and every one of the Released Defendants' Claims against each and every one of the Released
16 Plaintiff Parties and shall forever be barred and enjoined from the assertion, institution,
17 maintenance, prosecution, or enforcement in any state or federal court or arbitral forum, or in the
18 court of any foreign jurisdiction, administrative forum or other forum of any kind, of any and all of
19 the Released Defendants' Claims against any and all of the Released Plaintiff Parties.

20 **THE SETTLEMENT CONSIDERATION**

21 47. In full settlement of the claims asserted in the Action against Defendants and in
22 consideration of the releases specified above in ¶¶ 44-46, all of which the Parties agree are good
23 and valuable consideration, Defendants shall cause the Settlement Amount to be paid into the
24 Escrow Account within twenty (20) business days after both (i) entry of the Preliminary Approval
25 Order and (ii) Lead Counsel provides to Christopher H. McGrath of Paul Hastings, LLP,
26 information necessary to effectuate a transfer of funds to the Escrow Account, including but not
27 limited to, wire transfer instructions, payment address, and a complete and executed Form W-9 for
28 the Settlement Fund that reflects a valid tax identification number.

1 48. With the sole exception of Defendants' obligation to cause the payment of the
2 Settlement Amount into the Escrow Account as provided for in ¶ 47 and Spectrum's obligation
3 pursuant to ¶ 77, Released Defendant Parties shall have no responsibility for, interest in, or liability
4 whatsoever with respect to: (i) any act, omission, or determination by Lead Counsel or the Claims
5 Administrator, or any of their respective designees or agents, in connection with the administration
6 of the Settlement or otherwise; (ii) the management, investment, or distribution of the Settlement
7 Fund; (iii) the Plan of Allocation; (iv) the determination, administration, calculation, or payment of
8 any claims asserted against the Settlement Fund; (v) any loss suffered by, or fluctuation in value
9 of, the Settlement Fund; or (vi) the payment or withholding of any Taxes, expenses, and/or costs
10 incurred in connection with the taxation of the Settlement Fund, distributions or other payments
11 from the Escrow Account, or the filing of any federal, state, or local returns.

12 49. Other than the obligation of Defendants to cause the payment of the Settlement
13 Amount pursuant to ¶ 47, Released Defendant Parties shall have no obligation to make any other
14 payments into the Escrow Account, to Lead Plaintiff, or to any other Settlement Class Member
15 pursuant to this Stipulation.

16 **USE AND TAX TREATMENT OF SETTLEMENT FUND**

17 50. The Settlement Fund shall be used: (i) to pay any Taxes; (ii) to pay Notice and
18 Administration Expenses; (iii) to pay any attorneys' fees and expenses awarded by the Court; (iv)
19 to pay any costs and expenses allowed by the PSLRA and awarded to Lead Plaintiff by the Court;
20 (v) to pay any other fees and expenses awarded by the Court; and (vi) to pay the claims of
21 Authorized Claimants.

22 51. The Net Settlement Fund shall be distributed to Authorized Claimants as provided
23 in ¶¶ 63-75 hereof. The Net Settlement Fund shall remain in the Escrow Account prior to the
24 Effective Date. All funds held in the Escrow Account, and all earnings thereon, shall be deemed to
25 be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such
26 time as the funds shall have been disbursed or returned, pursuant to the terms of this Stipulation,
27 and/or further order of the Court. The Escrow Agent shall invest funds in the Escrow Account in
28 instruments backed by the full faith and credit of the United States Government (or a mutual fund

1 invested solely in such instruments), or deposit some or all of the funds in non-interest-bearing
2 transaction account(s) that are fully insured by the Federal Deposit Insurance Corporation (“FDIC”)
3 in amounts that are up to the limit of FDIC insurance. Released Defendant Parties shall have no
4 responsibility for, interest in, or liability whatsoever with respect to investment decisions executed
5 by the Escrow Agent. All risks related to the investment of the Settlement Fund shall be borne
6 solely by the Settlement Fund.

7 52. After the Settlement Amount has been paid into the Escrow Account, the Parties
8 agree to treat the Settlement Fund as a “qualified settlement fund” within the meaning of Treas.
9 Reg. § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made, such elections
10 as necessary or advisable to carry out the provisions of this paragraph 52, including the “relation-
11 back election” (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such
12 election shall be made in compliance with the procedures and requirements contained in such
13 regulations. It shall be the responsibility of Lead Counsel to timely and properly prepare and
14 deliver, or cause to be prepared and delivered, the necessary documentation for signature by all
15 necessary parties, and thereafter take all such actions as may be necessary or appropriate to cause
16 the appropriate filing(s) to occur. Consistent with the foregoing:

17 a. For the purposes of Section 468B of the Internal Revenue Code of 1986, as
18 amended, and Treas. Reg. § 1.468B promulgated thereunder, the “administrator”
19 shall be Lead Counsel or its successors, who shall timely and properly file, or cause
20 to be filed, all federal, state, or local tax returns and information returns (together,
21 “Tax Returns”) necessary or advisable with respect to the earnings on the funds
22 deposited in the Escrow Account (including without limitation the returns described
23 in Treas. Reg. § 1.468B-2(k)). Such Tax Returns (as well as the election described
24 above) shall be consistent with this subparagraph and in all events shall reflect that
25 all Taxes (including any estimated taxes, earnings, or penalties) on the income
26 earned on the funds deposited in the Escrow Account shall be paid out of such funds
27 as provided in subparagraphs (b) and (c) of this paragraph 52.

28 b. All Taxes shall be paid out of the Settlement Fund. In all events, Released

1 Defendant Parties shall have no liability or responsibility whatsoever for the Taxes
2 or the filing of any tax return or other document with the Internal Revenue Service
3 or any other state or local taxing authority. In the event any Taxes are owed by any
4 of the Defendants on any earnings on the funds on deposit in the Escrow Account,
5 such amounts shall also be paid out of the Settlement Fund. Any Taxes or Tax
6 expenses owed on any earnings on the Settlement Amount prior to its transfer to the
7 Escrow Account shall be the sole responsibility of the entities that make the deposit.

8 c. Taxes shall be treated as, and considered to be, a cost of administration of
9 the Settlement and shall be timely paid, or caused to be paid, by Lead Counsel out
10 of the Settlement Fund without prior order from the Court or approval by
11 Defendants, and Lead Counsel shall be obligated (notwithstanding anything herein
12 to the contrary) to withhold from distribution to Authorized Claimants any funds
13 necessary to pay such amounts (as well as any amounts that may be required to be
14 withheld under Treas. Reg. § 1.468B-2(1)(2)). The Parties agree to cooperate with
15 Lead Counsel, each other, and their tax attorneys and accountants to the extent
16 reasonably necessary to carry out the provisions of this paragraph 52.

17 53. This is not a claims-made settlement. As of the Effective Date, Defendants, and/or
18 any other Person funding the Settlement on a Defendant's behalf, shall not have any right to the
19 return of the Settlement Fund or any portion thereof for any reason.

20 **ATTORNEYS' FEES AND EXPENSES**

21 54. Lead Counsel, on behalf of Plaintiff's Counsel, will apply to the Court for an award
22 from the Settlement Fund of attorneys' fees and payment of litigation expenses incurred in
23 prosecuting the Action, including any earnings on such amounts at the same rate and for the same
24 periods as earned by the Settlement Fund. Defendants shall take no position with respect to the Fee
25 and Expense Application as long as the amount sought is consistent with Ninth Circuit guidelines.

26 55. The amount of attorneys' fees and expenses awarded by the Court is within the sole
27 discretion of the Court. Any attorneys' fees and expenses awarded by the Court shall be paid from
28 the Settlement Fund to Lead Counsel immediately after entry of the order awarding such attorneys'

1 fees and expenses, notwithstanding the existence of any timely filed objections thereto or to the
2 Settlement, or potential for appeal therefrom, or collateral attack on the Fee and Expense
3 Application, the Settlement, or any part thereof. Lead Counsel shall allocate any Court- awarded
4 attorneys' fees and expenses among Plaintiff's Counsel.

5 56. Any payment of attorneys' fees and expenses pursuant to ¶¶ 54-55 above shall be
6 subject to Lead Counsel's obligation to make refunds or repayments to the Settlement Fund of any
7 paid amounts, plus accrued earnings at the same net rate as is earned by the Settlement Fund, if the
8 Settlement is terminated pursuant to the terms of this Stipulation or fails to become effective for
9 any reason, or if, as a result of any appeal or further proceedings on remand or successful collateral
10 attack, the award of attorneys' fees and/or expenses is reduced or reversed by Final non-appealable
11 court order. Lead Counsel shall make the appropriate refund or repayment in full no later than
12 fifteen (15) business days after receiving notice of the termination of the Settlement pursuant to
13 this Stipulation, notice from a court of appropriate jurisdiction of the disapproval of the Settlement
14 by Final non-appealable court order, or notice of any reduction or reversal of the award of attorneys'
15 fees and/or expenses by Final non-appealable court order.

16 57. With the sole exception of Defendants' obligation to pay the Settlement Amount
17 into the Escrow Account as provided for in ¶ 47, the Released Defendant Parties shall have no
18 responsibility for, and no liability whatsoever with respect to, any payment whatsoever to Plaintiff's
19 Counsel in the Action that may occur at any time.

20 58. The Released Defendant Parties shall have no responsibility for, and no liability
21 whatsoever with respect to, any allocation of any attorneys' fees or expenses among Plaintiff's
22 Counsel in the Action, or to any other Person who may assert some claim thereto, or any fee or
23 expense awards the Court may make in the Action.

24 59. The Released Defendant Parties shall have no responsibility for, and no liability
25 whatsoever with respect to, any attorneys' fees, costs, or expenses incurred by or on behalf of
26 Settlement Class Members, whether or not paid from the Escrow Account. The Settlement Fund
27 will be the sole source of payment from Defendants for any award of attorneys' fees and expenses
28 ordered by the Court.

1 60. The procedure for and the allowance or disallowance by the Court of any Fee and
2 Expense Application are not part of the Settlement set forth in this Stipulation, and are separate
3 from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set
4 forth in the Stipulation, and any order or proceeding relating to any Fee and Expense Application,
5 including an award of attorneys' fees or expenses in an amount less than the amount requested by
6 Lead Counsel, or any appeal from any order relating thereto or reversal or modification thereof,
7 shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment
8 or Alternative Judgment approving the Stipulation and the Settlement set forth herein, including,
9 but not limited to, the release, discharge, and relinquishment of the Released Claims against the
10 Released Defendant Parties, or any other orders entered pursuant to the Stipulation. Lead Plaintiff
11 and Lead Counsel may not cancel or terminate the Stipulation or the Settlement in accordance with
12 ¶ 80 or otherwise based on the Court's or any appellate court's ruling with respect to fees and
13 expenses in the Action.

14 **NOTICE AND ADMINISTRATION EXPENSES**

15 61. Except as otherwise provided herein, the Net Settlement Fund shall be held in the
16 Escrow Account until the Effective Date.

17 62. Prior to the Effective Date, without further approval from Defendants or further
18 order of the Court, Lead Counsel may expend up to \$250,000 from the Settlement Fund to pay
19 Notice and Administration Expenses actually incurred. Additional sums for this purpose prior to
20 the Effective Date may be paid from the Settlement Fund upon agreement of the Parties or order of
21 the Court. Taxes and fees related to the Escrow Account and investment of the Settlement Fund
22 may be paid as incurred, without further approval of Defendants or further order of the Court. After
23 the Effective Date, without approval of Defendants or further order of the Court, Notice and
24 Administration Expenses may be paid as incurred.

25 **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

26 63. Lead Counsel will apply to the Court for a Distribution Order, on notice to
27 Defendants' Counsel, approving the Claims Administrator's determinations concerning the
28 acceptance and rejection of the claims submitted herein, and, if the Effective Date has occurred,

1 directing the payment of the Net Settlement Fund to Authorized Claimants.

2 64. The Claims Administrator shall administer the Settlement under Lead Counsel's
3 supervision in accordance with the terms of this Stipulation and subject to the jurisdiction of the
4 Court. The Released Defendant Parties shall have no responsibility for (except as stated in ¶¶ 47
5 and 77 hereof), interest in, or liability whatsoever with respect to the administration of the
6 Settlement or the actions or decisions of the Claims Administrator, and shall have no liability to the
7 Settlement Class in connection with such administration.

8 65. The Claims Administrator shall determine each Authorized Claimant's *pro rata*
9 share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Loss, as
10 defined in the Plan of Allocation included in the Notice, or in such other plan of allocation as the
11 Court may approve.

12 66. Defendants have no role in the development of, and will take no position with
13 respect to, the Plan of Allocation. The Plan of Allocation is a matter separate and apart from the
14 proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not
15 affect the validity or finality of the proposed Settlement. The Plan of Allocation is not a necessary
16 term of this Stipulation and it is not a condition of this Stipulation that any particular plan of
17 allocation be approved by the Court. Lead Plaintiff and Lead Counsel may not cancel or terminate
18 the Stipulation or the Settlement in accordance with ¶ 80 or otherwise based on the Court's or any
19 appellate court's ruling with respect to the Plan of Allocation or any plan of allocation in the Action.
20 The Released Defendant Parties shall have no responsibility or liability for reviewing or
21 challenging claims, the allocation of the Net Settlement Fund, or the distribution of the Net
22 Settlement Fund.

23 67. If there is any balance remaining in the Net Settlement Fund (whether by reason of
24 tax refunds, uncashed checks or otherwise) after at least six (6) months from the date of initial
25 distribution of the Net Settlement Fund, Lead Counsel shall, if feasible and economical, redistribute
26 such balance among Authorized Claimants who have cashed their checks in an equitable and
27 economic fashion. Any balance that still remains in the Net Settlement Fund after re-distribution(s),
28 which is not feasible or economical to reallocate, after payment of Notice and Administration

1 Expenses, Taxes, and attorneys' fees and expenses, shall be contributed to non- sectarian, not-for-
2 profit charitable organization(s) serving the public interest, designated by Lead Plaintiffs and
3 approved by the Court.

4 **ADMINISTRATION OF THE SETTLEMENT**

5 68. Any Settlement Class Member who fails timely to submit a valid Proof of Claim
6 (substantially in the form of Exhibit 2 to Exhibit A) will not be entitled to receive any of the
7 proceeds from the Net Settlement Fund, except as otherwise ordered by the Court, but will
8 otherwise be bound by all of the terms of this Stipulation and the Settlement, including the terms
9 of the Judgment or Alternative Judgment to be entered in the Action and all releases provided for
10 herein, and shall forever be barred and enjoined from the assertion, institution, maintenance,
11 prosecution, or enforcement of any and all Released Claims against each and every one of the
12 Released Defendant Parties.

13 69. Lead Counsel shall be responsible for supervising the administration of the
14 Settlement and disbursement of the Net Settlement Fund by the Claims Administrator. Lead
15 Counsel shall have the right, but not the obligation, to advise the Claims Administrator to waive
16 what Lead Counsel deems to be de minimis or formal or technical defects in any Proof of Claim
17 submitted. The Released Defendant Parties shall have no liability, obligation or responsibility for
18 the administration of the Settlement, the allocation of the Net Settlement Fund, or the reviewing or
19 challenging of claims of Settlement Class Members. Lead Counsel shall be solely responsible for
20 designating the Claims Administrator, subject to approval by the Court.

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

23 a. Each Settlement Class Member shall be required to submit a Proof of Claim,
24 substantially in the form attached hereto as Exhibit 2 to Exhibit A, supported by
25 such documents as are designated therein, including proof of the claimant's loss, or
26 such other documents or proof as the Claims Administrator or Lead Counsel, in their
27 discretion, may deem acceptable;

28 b. All Proofs of Claim must be submitted by the date set by the Court in the

1 Preliminary Approval Order and specified in the Notice, unless such deadline is
2 extended by Lead Counsel in its discretion or by Order of the Court. Any Settlement
3 Class Member who fails to submit a Proof of Claim by such date shall be barred
4 from receiving any distribution from the Net Settlement Fund or payment pursuant
5 to this Stipulation (unless, by Order of the Court or the discretion of Lead Counsel,
6 late-filed Proofs of Claim are accepted), but shall in all other respects be bound by
7 all of the terms of this Stipulation and the Settlement, including the terms of the
8 Judgment or Alternative Judgment and all releases provided for herein, and shall
9 forever be barred and enjoined from the assertion, institution, maintenance,
10 prosecution, or enforcement of any and all Released Claims against each and every
11 one of the Released Defendant Parties. Provided that it is received before the motion
12 for the Distribution Order is filed, a Proof of Claim shall be deemed to be submitted
13 when mailed, if received with a postmark on the envelope and if mailed by first-
14 class or overnight U.S. Mail and addressed in accordance with the instructions
15 thereon. In all other cases, the Proof of Claim shall be deemed to have been
16 submitted when actually received by the Claims Administrator;

17 c. Each Proof of Claim shall be submitted to and reviewed by the Claims
18 Administrator, under the supervision of Lead Counsel, who shall determine in
19 accordance with this Stipulation the extent, if any, to which each claim shall be
20 allowed, subject to review by the Court;

21 d. Proofs of Claim that do not meet the submission requirements may be
22 rejected. Prior to rejecting a Proof of Claim in whole or in part, the Claims
23 Administrator shall communicate with the claimant in writing to give the claimant
24 the chance to remedy any curable deficiencies in the Proof of Claim submitted. The
25 Claims Administrator, under supervision of Lead Counsel, shall notify, in a timely
26 fashion and in writing, all claimants whose claims the Claims Administrator
27 proposes to reject in whole or in part for curable deficiencies, setting forth the
28 reasons therefor, and shall indicate in such notice that the claimant whose claim is

1 to be rejected has the right to a review by the Court if the claimant so desires and
2 complies with the requirements of subparagraph (e) below;

3 e. If any claimant whose timely claim has been rejected in whole or in part for
4 curable deficiency desires to contest such rejection, the claimant must, within twenty
5 (20) calendar days after the date of mailing of the notice required in subparagraph
6 (d) above, or a lesser period of time if the claim was untimely, serve upon the Claims
7 Administrator a notice and statement of reasons indicating the claimant's grounds
8 for contesting the rejection along with any supporting documentation, and
9 requesting a review thereof by the Court. If a dispute concerning a claim cannot be
10 otherwise resolved, Lead Counsel shall thereafter present the request for review to
11 the Court; and

12 f. The determinations of the Claims Administrator accepting or rejecting
13 disputed claims shall be presented to the Court, on notice to Defendants' Counsel,
14 for approval by the Court in the Distribution Order.

15 71. Each claimant who submits a Proof of Claim shall be deemed to have submitted to
16 the jurisdiction of the Court with respect to the claimant's claim, including but not limited to, all
17 releases provided for herein and in the Judgment or Alternative Judgment, and the claim will be
18 subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that
19 such investigation and discovery shall be limited to the claimant's status as a Settlement Class
20 Member and the validity and amount of the claimant's claim. In connection with processing the
21 Proofs of Claim, no discovery shall be allowed on the merits of the Action or the Settlement.

22 72. Payment pursuant to the Distribution Order shall be deemed final and conclusive
23 against any and all Settlement Class Members. All Settlement Class Members whose claims are
24 not approved by the Court shall be barred from participating in distributions from the Net
25 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the
26 Settlement, including the terms of the Judgment or Alternative Judgment to be entered in the Action
27 and the releases provided for herein and therein, and shall forever be barred and enjoined from the
28 assertion, institution, maintenance, prosecution, or enforcement of any and all Released Claims

1 against each and every one of the Released Defendant Parties.

2 73. All proceedings with respect to the administration, processing and determination of
3 claims described by this Stipulation and the determination of all controversies relating thereto,
4 including disputed questions of law and fact with respect to the validity of claims, shall be subject
5 to the jurisdiction of the Court, but shall not in any event delay or affect the finality of the Judgment
6 or Alternative Judgment.

7 74. No Person shall have any claim of any kind against the Released Defendant Parties
8 with respect to the matters set forth in this section (i.e., ¶¶ 68-75) or any of its subsections, or
9 otherwise related in any way to the administration of the Settlement, including without limitation
10 the processing of claims and distributions.

11 75. No Person shall have any claim against Lead Plaintiff, Lead Counsel, or the Claims
12 Administrator, or other agent designated by Lead Counsel, based on the distributions made
13 substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of
14 Allocation, or further order(s) of the Court.

15 **TERMS OF THE PRELIMINARY APPROVAL ORDER**

16 76. Concurrently with their application for preliminary approval by the Court of the
17 Settlement contemplated by this Stipulation and promptly upon execution of this Stipulation, and
18 no later than five (5) business days after the execution of the Stipulation, Lead Counsel shall apply
19 to the Court for entry of the Preliminary Approval Order, which shall be substantially in the form
20 annexed hereto as Exhibit A. The Preliminary Approval Order will, inter alia, preliminarily approve
21 the Settlement, set the date for the Settlement Hearing, approve the form of notice, and prescribe
22 the method for giving notice of the Settlement to the Settlement Class.

23 77. Spectrum shall provide, or cause to be provided, to Lead Counsel or the Claims
24 Administrator, at no cost to Lead Plaintiff or the Settlement Class, within five (5) business days of
25 entry of the Preliminary Approval Order, a list in electronic searchable form, such as Excel,
26 containing the names and addresses of Persons who purchased or acquired the common stock of
27 Spectrum during the Class Period, as identified in the records maintained by Spectrum's transfer
28 agent. Lead Counsel, other Plaintiff's Counsel and the Claims Administrator shall use such transfer

1 records solely to effectuate this Settlement and shall in all events keep the transfer records
2 confidential.

3 **TERMS OF THE FINAL ORDER AND JUDGMENT**

4 78. If the Court approves the Settlement this Stipulation memorializes, Lead Counsel
5 and Defendants' Counsel shall jointly request that the Court enter a Judgment substantially in the
6 form annexed hereto as Exhibit B

7 **EFFECTIVE DATE OF THE SETTLEMENT**

8 79. The Effective Date of this Settlement shall be the first business day on which all of
9 the following shall have occurred or been waived:

- 10 a. entry of the Preliminary Approval Order, which shall be in all material
11 respects substantially in the form set forth in Exhibit A annexed hereto;
- 12 b. payment of the Settlement Amount into the Escrow Account;
- 13 c. no Party has exercised its right to terminate the Settlement;
- 14 d. approval by the Court of the Settlement, following notice to the Settlement
15 Class and the Settlement Hearing, as prescribed by Rule 23 of the Federal Rules of
16 Civil Procedure; and
- 17 e. a Judgment, which shall be in all material respects substantially in the form
18 set forth in Exhibit B annexed hereto, will have been entered by the Court and will
19 have become Final; or in the event that an Alternative Judgment will have been
20 entered, the Alternative Judgment will have become Final.

21 **WAIVER OR TERMINATION**

22 80. Defendants and Lead Plaintiffs shall have the right to terminate the Settlement and
23 this Stipulation by providing written notice of their election to do so ("Termination Notice"),
24 through counsel, to all other Parties hereto within fourteen (14) calendar days of: (i) the Court's
25 Final refusal to enter the Preliminary Approval Order in any material respect; (ii) the Court's Final
26 refusal to approve this Stipulation or any material part of it; (iii) the Court's Final refusal to enter
27 the Judgment or an Alternative Judgment; or (iv) the date upon which the Judgment or Alternative
28 Judgment is modified or reversed in any material respect by a Final order of the Court, the United

1 States Court of Appeals, or the Supreme Court of the United States. For the avoidance of doubt,
2 Lead Plaintiff shall not have the right to terminate the Settlement due to any decision, ruling, or
3 order respecting the Fee and Expense Application or any plan of allocation.

4 81. In addition to the foregoing, Spectrum shall also have the option to terminate the
5 Settlement and render this Stipulation null and void as to all Parties if the aggregate number of
6 allegedly damaged shares of Spectrum publicly traded common stock purchased or acquired during
7 the Class Period by Persons who would otherwise be entitled to participate as members of the
8 Settlement Class, but who timely and validly request exclusion from the Settlement Class, exceeds
9 the sum specified in a separate confidential Supplemental Agreement Regarding Requests for
10 Exclusion between Lead Counsel and Defendants' Counsel ("Supplemental Agreement"). The
11 Parties agree to maintain the confidentiality of the Supplemental Agreement, which shall not be
12 filed with the Court unless a dispute arises as to its terms, or as otherwise ordered by the Court, nor
13 shall the Supplemental Agreement otherwise be disclosed unless ordered by the Court. If
14 submission of the Supplemental Agreement is required for resolution of a dispute or is otherwise
15 ordered by the Court, the Parties will undertake to have the Termination Threshold submitted to
16 the Court in camera or under seal. In the event of a termination of this Settlement pursuant to the
17 Supplemental Agreement, this Stipulation shall become null and void and of no further force and
18 effect, with the exception of the provisions of ¶¶ 87-89 which shall continue to apply.

19 82. The Preliminary Approval Order, attached hereto as Exhibit A, shall provide that
20 requests for exclusion shall be received no later than twenty-one (21) calendar days prior to the
21 Settlement Hearing. Upon receiving any request for exclusion pursuant to the Notice, Lead Counsel
22 shall promptly, and certainly no later than five (5) calendar days after receiving a request for
23 exclusion or fifteen (15) calendar days prior to the Settlement Hearing, whichever is earlier, notify
24 Defendants' Counsel of such request for exclusion and provide copies of such request for exclusion
25 and any documentation accompanying it by email.

26 83. In addition to all of the rights and remedies that Lead Plaintiff has under the terms
27 of this Stipulation, Lead Plaintiff shall also have the right to terminate the Settlement in the event
28 that the Settlement Amount has not been paid in the time period provided for in ¶ 47 above, by

1 providing written notice of the election to terminate to all other Parties and, thereafter, there is a
2 failure to pay the Settlement Amount within fourteen (14) calendar days of such written notice.

3 84. If, before the Settlement becomes Final, any Defendant files for protection under
4 the Bankruptcy Code or any similar law or a trustee, receiver, conservator, or other fiduciary is
5 appointed under Bankruptcy, or any similar law, and in the event of the entry of a final order of a
6 court of competent jurisdiction determining the transfer of money or any portion thereof to the
7 Settlement Fund by or on behalf of such Defendant to be a preference, voidable transfer, fraudulent
8 transfer or similar transaction and any portion thereof is required to be returned, and such amount
9 is not promptly deposited into the Settlement Fund by others, then, at the election of Lead Plaintiff,
10 the Parties shall jointly move the Court to vacate and set aside the release given and the Judgment
11 or Alternative Judgment entered in favor of that Defendant and that Defendant and Lead Plaintiff
12 and the members of the Settlement Class shall be restored to their litigation positions immediately
13 prior to July 23, 2019. All releases and the Judgment or Alternative Judgment as to other
14 Defendants shall remain unaffected.

15 85. Spectrum warrants, as to itself and the payments made on its and its current and
16 former officers' behalves, that, at the time of such payment, it will not be insolvent, nor will
17 payment render it insolvent, within the meaning of and/or for the purposes of the United States
18 Bankruptcy Code, including Sections 101 and 547 thereof.

19 86. If an option to terminate this Stipulation and Settlement arises under any of ¶¶ 80-
20 85 above: (i) neither Defendants nor Lead Plaintiff (as the case may be) will be required for any
21 reason or under any circumstance to exercise that option; and (ii) any exercise of that option shall
22 be made in good faith, but in the sole and unfettered discretion of Defendants or Lead Plaintiff, as
23 applicable.

24 87. With the exception of the provisions of ¶¶ 87-89 which shall continue to apply, in
25 the event the Settlement is terminated as set forth herein or cannot become effective for any reason,
26 then the Settlement shall be without prejudice, and none of its terms shall be effective or enforceable
27 except as specifically provided herein; the Parties shall be deemed to have reverted to their
28 respective litigation positions in the Action immediately prior to July 25, 2019; and, except as

1 specifically provided herein, the Parties shall proceed in all respects as if this Stipulation and any
2 related order had not been entered. In such event, this Stipulation, and any aspect of the discussions
3 or negotiations leading to this Stipulation shall not be admissible in this Action and shall not be
4 used against or to the prejudice of Defendants or against or to the prejudice of Lead Plaintiff, in
5 any court filing, deposition, at trial, or otherwise.

6 88. In the event the Settlement is terminated or fails to become effective for any reason,
7 any portion of the Settlement Amount previously paid, together with any earnings thereon, less any
8 Taxes paid or due, less Notice and Administration Expenses actually incurred and paid or payable
9 from the Settlement Amount, shall be returned to the Person(s) that made the deposit(s) within ten
10 (10) business days after written notification of such event in accordance with instructions provided
11 by Defendants' Counsel to Lead Counsel. At the request of Defendants' Counsel, the Escrow Agent
12 or its designees shall apply for any tax refund owed on the amounts in the Escrow Account and pay
13 the proceeds, after any deduction of any fees or expenses incurred in connection with such
14 application(s), of such refund to the Person(s) that made the deposits or as otherwise directed.

15 **NO ADMISSION**

16 89. Except as set forth in ¶ 90, this Stipulation, whether or not consummated, and
17 whether or not approved by the Court, and any discussion, negotiation, proceeding, or agreement
18 relating to the Stipulation, the Settlement, and any matter arising in connection with settlement
19 discussions or negotiations, proceedings, or agreements, shall not be offered or received against or
20 to the prejudice of the Parties or their respective counsel, for any purpose other than in an action to
21 enforce the terms hereof, and in particular:

22 a. do not constitute, and shall not be offered or received against or to the
23 prejudice of Defendants as evidence of, or construed as, or deemed to be evidence
24 of any presumption, concession, or admission by Defendants with respect to the
25 truth of any allegation by Lead Plaintiff and the Settlement Class, or the validity of
26 any claim that has been or could have been asserted in the Action or in any litigation,
27 including but not limited to the Released Claims, or of any liability, damages,
28 negligence, fault or wrongdoing of Defendants or any person or entity whatsoever;

1 b. do not constitute, and shall not be offered or received against or to the
2 prejudice of Defendants as evidence of a presumption, concession, or admission of
3 any fault, misrepresentation, or omission with respect to any statement or written
4 document approved or made by Defendants, or against or to the prejudice of Lead
5 Plaintiff, or any other member of the Settlement Class as evidence of any infirmity
6 in the claims of Lead Plaintiff, or the other members of the Settlement Class;

7 c. do not constitute, and shall not be offered or received against or to the
8 prejudice of Defendants, Lead Plaintiff, any other member of the Settlement Class,
9 or their respective counsel, as evidence of a presumption, concession, or admission
10 with respect to any liability, damages, negligence, fault, infirmity, or wrongdoing,
11 or in any way referred to for any other reason against or to the prejudice of any of
12 the Defendants, Lead Plaintiff, other members of the Settlement Class, or their
13 respective counsel, in any other civil, criminal, or administrative action or
14 proceeding, other than such proceedings as may be necessary to effectuate the
15 provisions of this Stipulation;

16 d. do not constitute, and shall not be construed against Defendants, Lead
17 Plaintiff, or any other member of the Settlement Class, as an admission or
18 concession that the consideration to be given hereunder represents the amount that
19 could be or would have been recovered after trial; and

20 e. do not constitute, and shall not be construed as or received in evidence as an
21 admission, concession, or presumption against Lead Plaintiff, or any other member
22 of the Settlement Class, that any of their claims are without merit or infirm or that
23 damages recoverable under the Complaint would not have exceeded the Settlement
24 Amount.

25 90. Notwithstanding ¶ 89 above, the Parties, and their respective counsel, may file this
26 Stipulation and/or the Judgment or Alternative Judgment in any action that may be brought against
27 them in order to support a defense or counterclaim based on principles of res judicata, collateral
28 estoppel, release, statute of limitations, statute of repose, good-faith settlement, judgment bar or

1 reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim,
2 or to effectuate any liability protection granted them under any applicable insurance policy. The
3 Parties may file this Stipulation and/or the Judgment or Alternative Judgment in any action that
4 may be brought to enforce the terms of this Stipulation and/or the Judgment or Alternative
5 Judgment. All Parties submit to the jurisdiction of the Court for purposes of implementing and
6 enforcing the Settlement.

7 **MISCELLANEOUS PROVISIONS**

8 91. All of the exhibits to the Stipulation (except any plan of allocation to the extent
9 incorporated in those exhibits) and the Supplemental Agreement are material and integral parts
10 hereof and are fully incorporated herein by this reference.

11 92. The Parties intend the Settlement to be the full, final, and complete resolution of all
12 claims asserted or that could have been asserted by the Parties with respect to the Released Claims
13 and Released Defendants' Claims. Accordingly, the Parties agree not to assert in any forum that
14 the Action was brought, prosecuted, or defended in bad faith or without a reasonable basis. The
15 Parties and their respective counsel agree that each has complied fully with Rule 11 of the Federal
16 Rules of Civil Procedure in connection with the maintenance, prosecution, defense, and settlement
17 of the Action and shall not make any application for sanctions, pursuant to Rule 11 or other court
18 rule or statute, with respect to any claim or defense in this Action. The Parties agree that the amount
19 paid and the other terms of the Settlement were negotiated at arm's-length and in good faith by the
20 Parties and their respective counsel and reflect a settlement that was reached voluntarily based upon
21 adequate information and after consultation with experienced legal counsel.

22 93. This Stipulation, along with its exhibits and the Supplemental Agreement may not
23 be modified or amended, nor may any of its provisions be waived, except by a writing signed by
24 counsel for the Parties hereto, or their successors, that are materially and adversely affected by the
25 modification, amendment, or waiver.

26 94. The headings herein are used for the purpose of convenience only and are not meant
27 to have legal effect.

28 95. The administration and consummation of the Settlement as embodied in this

1 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the
2 purpose of entering orders providing for awards of attorneys' fees and any expenses, and
3 implementing and enforcing the terms of this Stipulation.

4 96. The waiver by one Party of any breach of this Stipulation by any other Party shall
5 not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

6 97. This Stipulation, its exhibits, and the Supplemental Agreement constitute the entire
7 agreement among the Parties concerning the Settlement as against the Defendants, and no
8 representation, warranty, or inducement has been made by any Party concerning this Stipulation
9 and its exhibits other than those contained and memorialized in such documents.

10 98. Nothing in the Stipulation, or the negotiations relating thereto, is intended to or shall
11 be deemed to constitute a waiver of any applicable privilege or immunity, including, without
12 limitation, attorney-client privilege, joint defense privilege, or work product protection.

13 99. Without further order of the Court, the Parties may agree to reasonable extensions
14 of time to carry out any of the provisions of this Stipulation.

15 100. Pending final approval by the Court of the Stipulation and its attached exhibits, all
16 proceedings in the Action shall remain stayed unless modified by Court order.

17 101. All designations and agreements made, or orders entered during the course of the
18 Action relating to the confidentiality of documents or information shall survive this Stipulation.

19 102. This Stipulation may be executed in one or more counterparts. All executed
20 counterparts and each of them shall be deemed to be one and the same instrument. Signatures sent
21 by facsimile or via e-mail in pdf format shall be deemed originals.

22 103. This Stipulation shall be binding upon, and inure to the benefit of, the successors
23 and assigns of the Parties.

24 104. The construction, interpretation, operation, effect, and validity of this Stipulation,
25 and all documents necessary to effectuate it, shall be governed by the laws of the State of Nevada
26 without regard to conflicts of laws, except to the extent that federal law requires that federal law
27 govern.

28 105. This Stipulation shall not be construed more strictly against one Party than another

1 merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of
2 the Parties, it being recognized that it is the result of arm's-length negotiations among the Parties,
3 and all Parties have contributed substantially and materially to the preparation of this Stipulation.

4 106. All counsel and any other person executing this Stipulation and any of the exhibits
5 hereto, or any related Settlement document, warrant and represent that they have the full authority
6 to do so, and that they have the authority to take appropriate action required or permitted to be taken
7 pursuant to the Stipulation to effectuate its terms.

8 107. The Parties and their respective counsel agree to cooperate fully with one another in
9 promptly applying for preliminary approval by the Court of the Settlement and for the scheduling
10 of a hearing for consideration of Final approval of the Settlement and Lead Counsel's Fee and
11 Expense Application, and to agree promptly upon and execute all such other documentation as
12 reasonably may be required to obtain Final approval by the Court of the Settlement.

13 108. Except as otherwise provided herein, each Party shall bear its own costs.

14 **IN WITNESS WHEREOF**, the Parties have caused this Stipulation to be executed, by
15 their duly authorized attorneys, as of October 21, 2019.

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Attorneys for Defendant Dr. Raj Shrotriya

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

IN RE SPECTRUM PHARMACEUTICALS,
INC. SECURITIES LITIGATION

Case No. 2:16-cv-02279-RFB-EJY

**[PROPOSED] ORDER GRANTING LEAD PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

WHEREAS, Lead Plaintiffs Michael Bestwick (“Bestwick”) and Mark Hawkins (“Hawkins” and together with Bestwick, “Lead Plaintiffs”), on behalf of themselves and the Settlement Class, and Defendants Spectrum Pharmaceuticals, Inc. (“Spectrum” or “Company”), Rajesh C. Shrotriya (“Shrotriya”), Lee F. Allen (“Allen”), and Joseph W. Turgeon (“Turgeon”) (collectively, “Defendants”), have entered into the Stipulation and Agreement of Settlement, dated November 6, 2019 (the “Settlement Stipulation”), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits annexed thereto, sets forth the terms and conditions for the proposed settlement and dismissal of the class action pending before the Court entitled, *In re Spectrum Pharmaceuticals, Inc. Sec. Litig.*, 2:16-cv-02279 (D. Nev.) (the “Action”); and the Court having read and considered the Settlement Stipulation and the exhibits thereto and submissions made relating thereto, and finding that substantial and sufficient grounds exist for entering this Order; and the Settling Parties having consented to the entry of this Order;

NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of _____, 20__, that:

1. Capitalized terms used herein have the meanings defined in the Settlement Stipulation.
2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for the purposes of the Settlement only, the Action is hereby preliminarily certified as a class action on behalf of all Persons (including, without limitation, their beneficiaries) and entities, other than Defendants and their affiliates, who purchased or acquired Spectrum common stock (including through the exercise of warrants or options, or other form of issuance or options) and/or call options, and/or sold Spectrum put options, during the period from January 31, 2013 through

September 16, 2016, both dates inclusive. Excluded from the Class are Defendants and their immediate families, the officers and directors of Spectrum during the Class Period, their legal representatives, heirs, affiliates, successors or assigns, and any entity in which Defendants have or had a controlling interest. Also excluded from the Settlement Class are those persons who file valid and timely requests for exclusion in accordance with this Preliminary Approval Order.

3. This Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members of the Settlement Class is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of Lead Plaintiffs are typical of the claims of the Settlement Class they seek to represent; (d) Lead Plaintiffs fairly and adequately represent the interests of the Settlement Class; (e) questions of law and fact common to the Class predominate over any questions affecting only individual members of the Settlement Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the Action.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, preliminarily and for the purposes of this Settlement only, Lead Plaintiffs are certified as the class representatives on behalf of the Settlement Class (“Class Representatives”) and Lead Counsel, previously selected by Lead Plaintiffs and appointed by the Court, are hereby appointed as Lead Counsel for the Settlement Class (“Class Counsel”).

5. The Court finds that (a) the Settlement Stipulation resulted from good faith, arm’s length negotiations, and (b) the Settlement Stipulation is sufficiently fair, reasonable and adequate to the Settlement Class Members to warrant providing notice of the Settlement to Settlement Class Members and holding a Settlement Hearing.

6. The Court hereby preliminarily approves the Settlement, subject to further consideration at a hearing (the “Settlement Hearing”) pursuant to Federal Rule of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on _____ 2020 at __:___ .m. for the following purposes:

(a) to determine finally whether the applicable prerequisites for class action treatment under Federal Rules of Civil Procedure 23(a) and (b) are satisfied;

(b) to determine finally whether the Settlement is fair, reasonable, and adequate, and should be approved by the Court;

(c) to determine finally whether the Order and Final Judgment as provided under the Settlement Stipulation should be entered, dismissing the Action on the merits and with prejudice, and to determine whether the release by the Releasing Parties of the Released Claims against the Released Parties, as set forth in the Settlement Stipulation, should be ordered, along with a permanent injunction barring efforts to prosecute or attempt to prosecute any Released Claims extinguished by the release against any of the Released Parties, as also set forth in the Settlement Stipulation;

(d) to determine finally whether the proposed Plan of Allocation for the distribution of the Net Settlement Fund is fair and reasonable and should be approved by the Court;

(e) to consider the application of Class Counsel for an award of attorneys’ fees with interest and expenses and an award to the Class Representatives;

(f) to consider Settlement Class Members’ objections to the Settlement, if any, whether submitted previously in writing or presented orally at the Settlement Hearing by

Settlement Class Members (or by counsel on their behalf) provided that they gave proper notice that they intend to appear at the Settlement Hearing; and

(g) to rule upon such other matters as the Court may deem appropriate.

7. The Court reserves the right to adjourn the Settlement Hearing to a later date and to approve the Settlement without modification, or with such modifications as may be agreed to by the Settling Parties, and with or without further notice of any kind. The Court further reserves the right to enter its Order and Final Judgment approving the Settlement and dismissing the Action, on the merits and with prejudice, regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses.

8. The Court approves the form, substance and requirements of (a) the Notice, (b) the Summary Notice and (c) the Proof of Claim and Release Form, all of which are exhibits to the Settlement Stipulation.

9. Class Counsel have the authority to enter into the Settlement on behalf of the Settlement Class and have the authority to act on behalf of the Settlement Class with respect to all acts or consents required by or that may be given pursuant to the Settlement Stipulation or such other acts that are reasonably necessary to consummate the Settlement.

10. For settlement purposes only, Strategic Claims Services is appointed and approved as the Claims Administrator to supervise and administer the notice procedure as well as the processing of claims.

11. Class Counsel, through the Claims Administrator, shall cause the Notice and the Proof of Claim and Release Form, substantially in the forms annexed to the Settlement Stipulation, to be mailed, by first class mail, postage prepaid, within sixteen (16) calendar days of the entry of

this Order, to all Settlement Class Members who can be identified with reasonable effort by Class Counsel, through the Claims Administrator.

12. Escrow Agent may, at any time after entry of this Order and without further approval from Defendants or the Court, disburse at the direction of Class Counsel up to \$250,000 (Two Hundred Fifty Thousand Dollars) from the Settlement Fund prior to the Effective Date to pay Administrative Costs. After the Effective Date, additional amounts, up to \$100,000.00 (One Hundred Thousand Dollars), may be transferred from the Settlement Fund to pay for any necessary additional Administrative Costs without further order of the Court.

13. No later than seven (7) calendar days after the date of this Order, the Company shall provide and/or cause its transfer agent to provide to Class Counsel a list of the record owners of Spectrum common stock during the Class Period in a usable electronic format, such as an excel spreadsheet. This information will be kept confidential and not used for any purpose other than to provide the notice contemplated by this Order.

14. Class Counsel, through the Claims Administrator, shall make all reasonable efforts to give notice to nominees or custodians who held Spectrum common stock during the Class Period as record owners but not as beneficial owners. Such nominees or custodians shall, within ten (10) calendar days of receipt of notice, either: (i) request copies of the Notice and Proof of Claim and Release Form sufficient to send to all beneficial owners for whom they are nominee or custodian, and within ten (10) calendar days after receipt thereof send copies to such beneficial owners; or (ii) provide the Claims Administrator with lists of the names, last known addresses and email addresses (to the extent known) of such beneficial owners, in which event the Claims Administrator shall promptly deliver the Notice and Proof of Claim and Release Form to such beneficial owners. Nominees or custodians who elect to send the Notice and Proof of Claim and

Release Form to their beneficial owners shall send a written certification to the Claims Administrator confirming that the mailing has been made as directed. Copies of the Notice and Proof of Claim shall be made available to any nominee or custodian requesting same for the purpose of distribution to beneficial owners. The Claims Administrator shall, if requested, reimburse nominees or custodians out of the Settlement Fund solely for their reasonable out-of-pocket expenses, in an amount not to exceed \$0.15 plus postage at the current pre-sort rate used by the Claims Administrator per Notice and Proof of Claim and Release Form; \$0.05 per Notice and Proof of Claim and Release Form transmitted by email; or \$0.05 per name, address, and/or email address provided to the Claims Administrator, which expenses would not have been incurred except for the sending of such notice, and subject to further order of this Court with respect to any dispute concerning such reimbursement. Such expenses must be properly documented supporting the expenses for which reimbursement is sought.

15. Class Counsel shall, at least seven (7) calendar days before the Settlement Hearing, serve upon counsel for Defendants and file with the Court proof of the mailing of the Notice and Proof of Claim and Release Form as required by this Order.

16. Class Counsel, through the Claims Administrator, shall cause the Settlement Stipulation and its exhibits, this Order, and a copy of the Notice and Proof of Claim and Release Form to be posted on the Claims Administrator's website within sixteen (16) calendar days after entry of this Order.

17. Class Counsel, through the Claims Administrator, shall cause the Summary Notice to be published electronically once on the *GlobeNewswire* and in print once in the *Investor's Business Daily* within sixteen (16) calendar days after the entry of this Order. Class Counsel shall,

at least seven (7) calendar days before the Settlement Hearing, serve upon counsel for Defendants and file with the Court proof of publication of the Summary Notice.

18. The forms and methods set forth herein of notifying the Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange Act, 15 U.S.C. 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all persons and entities entitled thereto. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided for therein, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

19. In order to be entitled to participate in recovery from the Net Settlement Fund after the Effective Date, each Settlement Class Member shall take the following action and be subject to the following conditions:

(a) A properly completed and executed Proof of Claim and Release Form must be submitted to the Claims Administrator, at the Post Office Box indicated in the Notice, postmarked no later than _____, 2020 (forty-four (44) calendar days prior to the Settlement Hearing). Such deadline may be further extended by Order of the Court. Each Proof of Claim and Release Form shall be deemed to have been submitted when legibly postmarked (if properly addressed and mailed by first class mail) provided such Proof of Claim and Release Form is actually received before the filing of a motion for an Order of the Court approving distribution of the Net Settlement Fund. Any Proof of Claim and Release Form submitted in any other manner shall be deemed to have been submitted when

it was actually received by the Claims Administrator at the address designated in the Notice.

(b) The Proof of Claim and Release Form submitted by each Settlement Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator or Class Counsel; (iii) if the person executing the Proof of Claim and Release Form is acting in a representative capacity, a certification of his current authority to act on behalf of the Settlement Class Member must be provided with the Proof of Claim and Release Form; and (iv) the Proof of Claim and Release Form must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) Once the Claims Administrator has considered a timely submitted Proof of Claim and Release Form, it shall determine whether such claim is valid, deficient or rejected. For each claim determined to be either deficient or rejected, the Claims Administrator shall send a deficiency letter or rejection letter as appropriate, describing the basis on which the claim was so determined. Persons who timely submit a Proof of Claim and Release Form that is deficient or otherwise rejected shall be afforded a reasonable time (at least ten (10) calendar days) to cure such deficiency if it shall appear that such deficiency may be cured. If any Claimant whose claim has been rejected in whole or in part

wishes to contest such rejection, the Claimant must, within ten (10) calendar days after the date of mailing of the notice, serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's ground for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If an issue concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court.

(d) As part of the Proof of Claim and Release Form, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall, upon the Effective Date, release all claims as provided in the Settlement Stipulation. No discovery shall be allowed on the merits of the Action or the Settlement in connection with processing of the Proof of Claim and Release Forms, nor shall any discovery from or of Defendants be allowed on any topic.

20. All Settlement Class Members who do not submit valid and timely Proof of Claim and Release Forms will be forever barred from receiving any payments from the Net Settlement Fund but will in all other respects be subject to and bound by the provisions of the Settlement Stipulation and the Order and Final Judgment, if entered.

21. Settlement Class Members shall be bound by all determinations and judgments in this Action whether favorable or unfavorable, unless such Persons request exclusion from the Settlement Class in a timely and proper manner, as hereinafter provided. A Settlement Class Member wishing to make such request for exclusion shall mail it, in written form, by first class mail, postage prepaid, or otherwise deliver it, so that it is received no later than _____, 2020 (twenty-one (21) calendar days prior to the Settlement Hearing) (the "Exclusion Deadline"), to the addresses listed in the Notice. In order to be valid, such request for exclusion (A) must

clearly indicate the name and address and phone number and e-mail contact information (if any) of the Person seeking exclusion, and state that the sender specifically “requests to be excluded from the Settlement Class in *In re Spectrum Pharmaceuticals, Inc. Sec. Litig.*, 2:16-cv-02279 (D. Nev.)” and (B) state the date, number of shares and dollar amount of each Spectrum common stock purchase or acquisition (including through the exercise of warrants or options or other form of issuance) and/or call option and/or sold Spectrum put option during the Class Period, and any sale transactions as well as the number of shares of Spectrum common stock, call options, or put options held by the Person as of January 31, 2013 through September 16, 2016. In order to be valid, such request for exclusion must be submitted with documentary proof: (i) of each purchase or acquisition and, if applicable, sale transaction of Spectrum common stock, call option, or put option during the Class Period; and (ii) demonstrating the Person’s status as a beneficial owner of the Spectrum common stock, call option, or put option. Any such request for exclusion must be signed and submitted by the beneficial owner under penalty of perjury. The request for exclusion shall not be effective unless it provides the required information, is legible, and is made within the time stated above, or the exclusion is otherwise accepted by the Court. Class Counsel may contact any Person filing a request for exclusion, or their attorney if one is designated, to discuss the exclusion.

22. The Claims Administrator shall provide all requests for exclusion and supporting documentation submitted therewith (including untimely requests and revocations of requests) to counsel for the Settling Parties as soon as possible and no later than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion Deadline). The Settlement Class will not include any Person who delivers a valid and timely request for exclusion.

23. Any Person that submits a request for exclusion may thereafter submit to the Claims Administrator a written revocation of that request for exclusion, provided that it is received no later than two (2) Business Days before the Settlement Hearing, in which event that Person will be included in the Settlement Class.

24. All Persons who submit a valid, timely and unrevoked request for exclusion will be forever barred from receiving any payments from the Net Settlement Fund.

25. The Court will consider comments and/or objections to the Settlement, the Plan of Allocation, or the Fee and Expense Application, provided, however, that no Settlement Class Member or other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement or, if approved, the Order and Final Judgment, or any other order relating thereto, unless that Person has served copies of any objections, papers and briefs to each of the following counsel at least twenty-one (21) calendar days prior to the Settlement Hearing Date:

LEAD COUNSEL:

THE ROSEN LAW FIRM, P.A.
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BRONSTEIN GEWIRTZ & GROSSMAN, LLC
Peretz Bronstein
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COUNSEL FOR DEFENDANTS:

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Christopher H. McGrath
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FENWICK & WEST LLP
Kevin P. Muck
555 California Street
San Francisco, CA 94104

and that Person has (at least twenty-one (21) calendar days prior to the Settlement Hearing date) filed said objections, papers and briefs, showing due proof of service upon counsel identified above, with the Clerk of the Court, U.S. District Court, District of Nevada, 333 South Las Vegas Boulevard, Las Vegas, NV 89101. To be valid, any such objection must contain the Settlement Class Member's: (1) name, address, and telephone number; (2) a list of all purchases and sales of Spectrum common stock, call options, or publicly traded put options during the Class Period in order to show membership in the Settlement Class; (3) all grounds for the objection, including any legal support known to the Settlement Class Member and/or his, her, or its counsel; (4) the name, address and telephone number of all counsel who represent the Settlement Class Member, including former or current counsel who may be entitled to compensation in connection with the objection; and (5) the number of times the Settlement Class Member and/or his, her, or its counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary but Persons wishing to be heard orally in opposition to the approval of the Settlement Stipulation, the Plan of Allocation, and/or the Fee and Expense Application are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and after instruction pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend

to introduce into evidence at the Settlement Hearing. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

26. Any Settlement Class Member who does not object in the manner prescribed above shall be deemed to have waived all such objections and shall forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the Settlement, the Order and Final Judgment to be entered approving the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless otherwise ordered by the Court; shall be bound by all the terms and provisions of the Settlement Stipulation and by all proceedings, orders and judgments in the Action; and shall also be foreclosed from appealing from any judgment or order entered in this Action.

27. The Court reserves the right to adjourn the Settlement Hearing without any further notice other than entry of an Order on the Court's docket, and to approve the Settlement without further notice to the Settlement Class.

28. All papers in support of the Settlement, the Plan of Allocation and/or the Fee and Expense Application shall be filed and served no later than twenty-eight (28) calendar days before the Settlement Hearing.

29. Any submissions filed in response to any objections or in further support of the Settlement, the Plan of Allocation and/or the Fee and Expense Application shall be filed no later than seven (7) calendar days prior to the Settlement Hearing.

30. Defendants, their counsel, their Insurers and other Released Parties shall have no responsibility for, or liability with respect to, the Plan of Allocation or any application for attorneys' fees and interest, or expenses or payments to the Class Representative submitted by

Class Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

31. Pending final determination of whether the Settlement should be approved, all Releasing Parties shall be enjoined from commencing, prosecuting, or attempting to prosecute any Released Claims against any Released Party in any court or tribunal or proceeding. Unless and until the Settlement Stipulation is cancelled and terminated pursuant to the Settlement Stipulation, all proceedings in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement Stipulation, are hereby stayed and suspended until further order of the Court.

32. All funds held by the Escrow Agent shall be deemed and considered to be in the custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed or returned pursuant to the Settlement Stipulation and Plan of Allocation and/or further order(s) of the Court.

33. Neither the Settlement Stipulation, nor any of its terms or provision, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by Defendants, their counsel, their Insurers or any of the other Released Parties of the truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing or any kind and shall not be construed as, or deemed to be evidence of or an admission or concession that Class Representative or any Settlement Class Members have suffered any damages, harm, or loss. Further, neither the Settlement Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, nor this Order shall be construed as an admission or concession by the Class Representative of the validity of any factual or legal defense or of the infirmity of any of the claims or facts alleged in this Action.

34. In the event the Settlement is not consummated in accordance with the terms of the Settlement Stipulation, then the Settlement Stipulation and this Order (including any amendment(s) thereof, and except as expressly provided in the Settlement Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Settling Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed prior to July 23, 2019, pursuant to the terms of the Settlement Stipulation.

35. The Court reserves the right to alter the time or the date of the Settlement Hearing without further notice to the Class Members, provided that the time or the date of the Settlement Hearing shall not be set at a time or date earlier than the time and date set forth in ¶ 6 above. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of, or relating to, the Settlement Stipulation, including by way of illustration and not limitation, any dispute concerning any Proof of Claim and Release Form submitted and any future requests by one or more of the Parties that the Order and Final Judgment, the releases and/or the permanent injunction set forth in the Settlement Stipulation be enforced.

Dated: _____, 20__

HON. RICHARD F. BOULWARE
UNITED STATES DISTRICT JUDGE

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

IN RE SPECTRUM PHARMACEUTICALS,
INC. SECURITIES LITIGATION

Case No. 2:16-cv-02279-RFB-EJY

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

If you purchased or acquired (including through the exercise of warrants or options, or other form of issuance) common stock and/or call options, and/or sold put options of Spectrum Pharmaceuticals, Inc. (“Spectrum” or the “Company”) during the period from January 31, 2013 and September 16, 2016, both dates inclusive (the “Class Period”), you could get a payment from a class action settlement (the “Settlement”).

Under law, a federal court has authorized this Notice. This is not attorney advertising.

- If approved by the Court, the Settlement will provide two million nine hundred ninety five thousand dollars (\$2,995,000) (the “Settlement Amount”) gross, plus interest as it accrues, minus attorneys’ fees, costs, administrative expenses, and net of any taxes on interest, to pay claims of investors who purchased Spectrum common stock and/or call options, and/or sold put options during the Class Period.
- The Settlement represents an estimated average recovery of \$0.05 per share of Spectrum for the approximately 59,400,000 shares outstanding at the end of the Class Period. This is not an estimate of the actual recovery per share you should expect. Your actual recovery will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold Spectrum stock, and the total number of claims filed.
- Attorneys for Lead Plaintiff (“Lead Counsel”) will ask the Court to award them fees of up to \$998,333 (one-third of the Settlement Amount) plus interest, reimbursement of no more than \$160,000 in litigation expenses, and an Award to Lead Plaintiffs not to exceed \$5,000 each. If approved by the Court, these amounts (totaling an average of \$0.02 per Spectrum common stock) will be paid from the Settlement Fund.
- The average approximate recovery, after deduction of attorneys’ fees and interest and expenses approved by the Court, is \$0.03 per outstanding share of Spectrum common stock. This estimate is based on the assumptions set forth in the preceding paragraphs. Your actual recovery, if any, will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold Spectrum common stock, call options, or put options, the purchase and sales prices, and the total number and amount of claims filed.

- The Settlement resolves the Action concerning whether Spectrum and certain of its officers and directors, Rajesh C. Shrotriya, Lee F. Allen, and Joseph W. Turgeon (collectively “Defendants”) violated federal securities laws by allegedly making misrepresentations and/or omissions of material fact in various public statements to the investing public concerning its financial statements including the amount of revenue and losses. Defendants have denied and continue to deny each, any and all allegations of wrongdoing, fault, liability or damage whatsoever asserted by Lead Plaintiffs. Defendants have also denied, *inter alia*, the allegations that Lead Plaintiffs or the Settlement Class have suffered damages or that Lead Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Action. Defendants continue to believe the claims asserted against them in the Action are without merit.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Submit a Claim Form	Fill out the attached Proof of Claim and Release form and submit it postmarked no later than _____. This is the only way to get a payment.
Exclude Yourself from the Class	Submit a request for exclusion no later than _____. This is the only way you can ever be part of any other lawsuit against the Defendants or the other Released Parties about the legal claims in this case. If you exclude yourself, you will receive no payment and cannot object or speak at the hearing.
Object	Write to the Court no later than _____ about why you do not like the Settlement. You can still submit a claim form. If the Court approves the Settlement, you will be bound by it.
Go To The Hearing on _____, 2020 and request to speak at the Settlement Hearing by _____, 2020	Ask to speak in Court about the fairness of the Settlement at the hearing on _____. You can still submit a claim form. If the Court approves the Settlement, you will be bound by it.

Do Nothing	Get no payment AND give up your right to bring your own individual action.
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INQUIRIES

Please do not contact the Court regarding this Notice. All inquiries concerning this Notice, the Proof of Claim and Release Form, or the Settlement should be directed to:

Spectrum Pharmaceuticals, Inc. Securities Litigation c/o Strategic Claims Services P.O. Box 230 600 N. Jackson St., Ste. 205 Media, PA 19063 Tel.: 866-274-4004 Fax: 610-565-7985 info@strategicclaims.net	or	Jacob A. Goldberg, Esq. THE ROSEN LAW FIRM, P.A. 101 Greenwood Avenue, Suite 440 Jenkintown, PA 19046 Tel.: 215-600-2817 Fax: 212-202-3827 info@rosenlegal.com
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DEFINITIONS

All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement, executed November 8, 2019 (the “Settlement Stipulation”).

COMMON QUESTIONS AND ANSWERS CONCERNING THE SETTLEMENT

1. Why did I get this Notice?

You or someone in your family may have purchased or acquired common stock or call options and/or sold publicly traded put options of Spectrum from January 31, 2013 through September 16, 2016, both dates inclusive.

2. What is this lawsuit about?

The case is known as *In re Spectrum Pharmaceuticals, Inc. Securities Litigation*, 2:16-cv-02279 (D. Nev.). (the “Action”). The Court in charge of the case is the United States District Court for the District of Nevada.

The Action involves allegations that Defendants violated certain federal securities laws by making misrepresentations or omissions of material fact concerning the approval process for apaziquone, a drug that Spectrum was developing. The complaint alleges that the misstatements or omissions artificially inflated the price of Spectrum’s stock, and that the stock prices dropped in response to certain subsequent disclosures. Defendants have denied and continue to deny each, any and all allegations of wrongdoing, fault, liability or damage

whatsoever asserted in the Action. The Settlement shall in no event be construed as, or deemed to be evidence of, liability, fault, wrongdoing, injury or damages, or of any wrongful conduct, acts or omissions on the part of any of the Released Parties, or of any infirmity of any defense, or of any damages to the Plaintiffs or any other Settlement Class Member. The Settlement resolves all of the claims in the Action, as well as certain other claims or potential claims, whether known or unknown.

3. Why is this a class action?

In a class action, one or more persons and/or entities, called plaintiffs, sue on behalf of all persons and/or entities who have similar claims. All of these persons and/or entities are referred to collectively as a class, and these individual persons and/or entities are known as class members. One court resolves all of the issues for all class members, except for those class members who exclude themselves from the class.

4. Why is there a Settlement?

Lead Plaintiffs and Defendants do not agree regarding the merits of Lead Plaintiffs' allegations and Defendants' defenses with respect to liability or the average amount of damages per share, if any, that would be recoverable if Lead Plaintiffs were to prevail at trial on each claim. The issues on which Lead Plaintiffs and Defendants disagree include: (1) whether the challenged statements were materially false or misleading or otherwise actionable under the federal securities laws; (2) whether Defendants acted with scienter; (3) whether the alleged disclosures were corrective disclosures; (4) the causes of the loss in the value of the common stock; and (5) the amount of alleged damages, if any, that could be recovered at trial.

This matter has not gone to trial and the Court has not decided in favor of either Lead Plaintiffs or Defendants. Instead, Lead Plaintiffs and Defendants have agreed to settle the case. Lead Plaintiffs and Lead Counsel believe the Settlement is best for all Settlement Class Members because of the risks associated with continued litigation and the nature of the defenses raised by Defendants. Among the reasons that Lead Plaintiffs and Lead Counsel believe the Settlement is fair is the fact that there is uncertainty about whether they will be able to prove that any challenged statement was false or misleading, that the alleged misstatements and omissions actually caused the Settlement Class any damages, and the amount of damages, if any.

Even if Lead Plaintiffs were to win at trial, and also prevail on any on appeal, Lead Plaintiffs might not be able to collect some, or all, of any judgment they are awarded. Moreover, while litigation of this type is usually expensive, it appears that, even if Lead Plaintiffs' allegations were found to be true, the total amount of damages to which Settlement Class Members would be entitled could be substantially reduced.

5. How do I know if I am part of the Settlement?

The Settlement Class consists of all persons and entities, other than Defendants and their affiliates, who purchased or otherwise acquired publicly traded Spectrum Pharmaceuticals, Inc. common stock, call options, and/or sold publicly traded put options, from January 31,

2013 through September 16, 2016, both dates inclusive. Excluded from the Class are Defendants and their immediate families, the officers and directors of Spectrum during the Class Period, their legal representatives, heirs, affiliates, successors or assigns, and any entity in which Defendants have or had a controlling interest.

6. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are Defendants and their immediate families, the officers and directors of the Company during the Class Period, their legal representatives, heirs, affiliates, successors or assigns, and any entity in which Defendants have or had a controlling interest. You are also excluded from the Class if you have a net profit in purchases and sales of Spectrum common stock, put options, or call options or otherwise suffered no compensable damages during the Class Period. You may choose to be excluded from the Settlement Class by filing a valid and timely request for exclusion as described below in the response to question 11.

7. I am still not sure whether I am included.

If you are still not sure whether you are included, you can ask for free help. For more information, you can contact the Claims Administrator, Strategic Claims Services, by phone at (866) 274-4004 or by facsimile at (610) 565-7985, visit the website www.strategicclaims.net, or fill out and return the Proof of Claim and Release Form described in Question 9, to see if you qualify.

8. What does the Settlement provide?

a. What is the Settlement Fund?

The proposed Settlement provides for Defendants' insurers to pay two million nine hundred ninety five thousand dollars (\$2,995,000) into a settlement fund (the "Settlement Fund"). The Settlement is subject to Court approval. Also, subject to the Court's approval, a portion of the Settlement Fund will be used to pay attorneys' fees [with interest] and reasonable litigation expenses to Lead Counsel, and any Award to Lead Plaintiffs. A portion of the Settlement Fund also will be used to pay taxes due on interest earned by the Settlement Fund, if necessary, and the costs of the claims administration, including the costs of printing and mailing this Notice and the costs of publishing notice. After the foregoing deductions from the Settlement Fund have been made, the amount remaining (the "Net Settlement Fund") will be distributed to Settlement Class Members who submit timely, valid claims, according to the Plan of Allocation to be approved by the Court.

b. What can you expect to receive under the proposed Settlement?

Your share of the Net Settlement Fund will or may depend on: (i) the number of claims filed by all Class Members; (ii) the dates you purchased and sold Spectrum securities; (iii) the prices of your purchases and sales; (iv) the amount of administrative costs, including the costs of notice; and (v) the amount awarded by the Court to Lead Counsel for attorneys' fees, costs, and expenses and to the Lead Plaintiffs.

The Claims Administrator will determine each Settlement Class Member's *pro rata* share of the Net Settlement Fund based upon each Settlement Class Member's valid "Recognized Loss." The Recognized Loss formula is not intended to be an estimate of the amount that a Settlement Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Settlement Class Members pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Settlement Class Members with valid claims.

The Net Settlement Fund will be distributed to Settlement Class Members who submit a Proof of Claim and Release Form and whose claims for recovery are allowed by the Claims Administrator pursuant to the terms of the Settlement Stipulation or by order of the Court under the below Plan of Allocation ("Authorized Claimants"), which reflects Plaintiffs' contention that because of the alleged misrepresentations made by Defendants, the price of Spectrum common stock was artificially inflated during the relevant period and that certain subsequent disclosures caused changes in the inflated price of Spectrum securities. Defendants have denied and continue to deny these allegations and any and all allegations of wrongdoing, fault, liability or damage whatsoever asserted in the Action.

PROPOSED PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or another plan of allocation, without further notice to Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the Claims Administrator's website, www.strategicclaims.net.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Loss. **Please Note:** The Recognized Loss formula, set forth below, is not intended to be an estimate of the amount of what a Settlement Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Loss and subject to the provisions in the preceding paragraph. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total Recognized Losses of all Authorized Claimants and subject to the provisions in the preceding paragraph (*i.e.*, "*pro rata* share"). No distribution will be made on a claim where the potential distribution amount is less than ten dollars (\$10.00) in cash.

If any funds remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants; (ii) second, to pay any additional Notice and Administration Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If six (6) months after such second distribution, if undertaken, or if such second distribution is not undertaken, any funds shall remain in the Net Settlement Fund after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in this Settlement cash their checks, any funds remaining in the Net Settlement Fund shall be donated to a non-profit charitable organization(s) selected by Lead Counsel.

THE BASIS FOR CALCULATING YOUR RECOGNIZED LOSS:

(I) Recognized Loss for the Company's Publicly Traded Common Stock Purchased During the Class Period will be calculated as follows:

- (A) For shares purchased during the Class Period and sold during the Class Period, the Recognized Loss per share will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below) less the inflation per share upon sale (as set forth in Inflation Table A below); or (2) the purchase price per share minus the sales price per share.
- (B) For shares purchased during the Class Period and retained as of the close of trading on December 14, 2016, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the purchase price per share minus \$4.22¹ per share.

¹ Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "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 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." \$4.22 per share was the mean (average) daily closing trading price of the Company's common stock during the 90-day period beginning on September 16, 2016 and ending on December 14, 2016.

- (C) For shares purchased or otherwise acquired during the Class Period and sold during the period September 17, 2016 to December 14, 2016, inclusive, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the difference between the purchase price per share and the average closing stock price as of date of sale provided in Table B below.

INFLATION TABLE A	
Company's Common Stock Purchased During the Class Period	
Period	Inflation
January 31, 2013 to September 13, 2016, inclusive	\$0.77 per share
September 14, 2016	\$0.31 per share
September 15, 2016	\$0.08 per share
September 16, 2016	\$0.00 per share

(II) Recognized Loss for the Company's Publicly Traded Call and Put Options

Exchange-traded options are traded in units called "contracts" which entitle the holder to buy (in the case of a call) or sell (in the case of a put) 100 shares of the underlying security, which in this case is Spectrum Common Stock. Each option contract specifies a strike price and an expiration date. Contracts with the same strike price, expiration date and option class symbol are referred to as a "series" and each series represents a different security that trades in the market and has its own market price.

- (A) No Recognized Loss shall be calculated based upon purchase or acquisition of any Spectrum Call Option that had been previously sold or written.
- (B) No Recognized Loss shall be calculated based upon the sale or writing of any Spectrum Put Option that had been previously purchased or acquired.
- (C) For each Spectrum Call Option purchased or otherwise acquired during the Class Period, the Recognized Loss Amount per Call Option shall be calculated as follows:
- a. For each Call Option not held at the opening of trading on one or more of the Corrective Disclosure Dates as defined above, the Recognized Loss Amount per Call Option is \$0.00.
 - b. For each Call Option held at the opening of trading on one or more of the Corrective Disclosure Dates as defined above,
 - i. that was subsequently sold during the Class Period, the Recognized Loss Amount per Call Option is the purchase price minus the sale price.
 - ii. that was subsequently exercised during the Class Period, the Recognized Loss Amount per Call Option is the purchase price

- minus the intrinsic value of the option on the date of exercise, where the intrinsic value shall be the greater of: (i) \$0.00 or (ii) the closing price of Spectrum Common Stock on the date of exercise minus the strike price of the option.
- iii. that expired unexercised during the Class Period, the Recognized Loss Amount per Call Option is equal to the purchase price.
 - iv. that was still held as of the close of trading on September 16, 2016, the Recognized Loss Amount per Call Option is the purchase price minus the intrinsic value of the option as of the close of trading on September 16, 2016, where the intrinsic value shall be the greater of: (i) \$0.00 or (ii) \$4.82 minus the strike price of the option.
- (D) For each Spectrum Put Option sold during the Class Period, the Recognized Loss Amount per Put Option shall be calculated as follows:
- a. For each Put Option not open (i.e., not outstanding) at the opening of trading on one or more of the Corrective Disclosure Dates as defined above, the Recognized Loss Amount per Put Option is \$0.00.
 - b. For each Put Option open (i.e., outstanding) at the opening of trading on one or more of the Corrective Disclosure Dates as defined above,
 - i. that was subsequently purchased during the Class Period, the Recognized Loss Amount per Put Option is the purchase price minus the sale price.
 - ii. that was subsequently exercised (i.e., assigned) during the Class Period, the Recognized Loss Amount per Put Option is the intrinsic value of the Put Option on the date of exercise minus the sale price, where the intrinsic value shall be the greater of: (i) \$0.00 or (ii) the strike price of the option minus the closing price of Spectrum Common Stock on the date of exercise.
 - iii. that expired unexercised during the Class Period, the Recognized Loss Amount per Put Option \$0.00.
 - iv. that was still open (i.e., outstanding) as of the close of trading on September 16, 2016, the Recognized Loss Amount per Put Option is the intrinsic value of the option as of the close of trading on September 16, 2016 minus the sale price, where the intrinsic value shall be the greater of: (i) \$0.00 or (ii) the strike price of the option minus \$4.82.

To the extent a claimant had a trading gain or “broke even” from his, her or its overall transactions in the Company’s shares during the Class Period, the value of the Recognized Loss will be zero and the claimant will not be entitled to a share of the Net Settlement Fund. To the extent that a claimant suffered a trading loss on his, her or its overall

transactions in the Company's shares during the Class Period, but that trading loss was less than the Recognized Loss calculated above, then the Recognized Loss shall be limited to the amount of the claimant's actual trading loss. Amounts paid and amounts received as a result of a purchase or sale of a Spectrum Option will be included in the actual trading loss calculation. This will include any amounts paid or received for options that were exercised or assigned during the Class Period.

For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the "contract" or "trade" date and not the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of the Company shares shall not be deemed a purchase, acquisition or sale of shares for the calculation of an Authorized Claimant's Recognized Loss. The covering purchase of a short sale is not an eligible purchase.

For purposes of calculating your Recognized Loss, all purchases, acquisitions and sales shall be matched on a First In First Out ("FIFO") basis in chronological order. Therefore, on the Proof of Claim and Release Form enclosed with this Notice, you must provide all your purchases and sales of the Company shares during the period January 31, 2013 through and including December 14, 2016.

With respect to Spectrum Common Stock that was purchased or sold via an assign or exercise of a Spectrum Option shall be treated as a purchase or sale of Spectrum Common Stock on the date of the exercise or assign, and the purchase/sale price of the Common Stock shall be the closing price of the Common Stock on the date of the exercise/assign. Any Recognized Loss arising from the purchase/sale of Common Stock through an exercise or assign of an option shall be computed as provided above for Spectrum Common Stock.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Defendants, Defendants' Counsel, Lead Plaintiffs, Lead Counsel or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's Proof of Claim and Release Form. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

Table B

<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>	<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>	<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>
9/16/2016	\$4.82	\$4.82	10/17/2016	\$3.99	\$4.56	11/15/2016	\$4.40	\$4.22
9/19/2016	\$4.72	\$4.77	10/18/2016	\$4.02	\$4.53	11/16/2016	\$4.27	\$4.22
9/20/2016	\$4.62	\$4.72	10/19/2016	\$3.95	\$4.51	11/17/2016	\$4.27	\$4.22
9/21/2016	\$4.47	\$4.66	10/20/2016	\$3.98	\$4.49	11/18/2016	\$4.27	\$4.22
9/22/2016	\$4.81	\$4.69	10/21/2016	\$3.94	\$4.47	11/21/2016	\$4.52	\$4.23
9/23/2016	\$4.72	\$4.69	10/24/2016	\$3.83	\$4.44	11/22/2016	\$4.30	\$4.23
9/26/2016	\$4.66	\$4.69	10/25/2016	\$3.66	\$4.41	11/23/2016	\$4.38	\$4.23
9/27/2016	\$4.74	\$4.70	10/26/2016	\$3.75	\$4.39	11/25/2016	\$4.33	\$4.24
9/28/2016	\$4.73	\$4.70	10/27/2016	\$3.77	\$4.37	11/28/2016	\$4.10	\$4.23
9/29/2016	\$4.58	\$4.69	10/28/2016	\$3.67	\$4.35	11/29/2016	\$3.99	\$4.23
9/30/2016	\$4.67	\$4.69	10/31/2016	\$3.54	\$4.32	11/30/2016	\$3.91	\$4.22
10/3/2016	\$4.66	\$4.68	11/1/2016	\$3.58	\$4.30	12/1/2016	\$4.10	\$4.22
10/4/2016	\$4.55	\$4.67	11/2/2016	\$3.49	\$4.28	12/2/2016	\$4.00	\$4.22
10/5/2016	\$4.62	\$4.67	11/3/2016	\$3.22	\$4.25	12/5/2016	\$4.03	\$4.21
10/6/2016	\$4.54	\$4.66	11/4/2016	\$3.52	\$4.23	12/6/2016	\$4.23	\$4.21
10/7/2016	\$4.59	\$4.66	11/7/2016	\$3.63	\$4.21	12/7/2016	\$4.14	\$4.21
10/10/2016	\$4.70	\$4.66	11/8/2016	\$3.61	\$4.19	12/8/2016	\$4.16	\$4.21
10/11/2016	\$4.52	\$4.65	11/9/2016	\$4.18	\$4.19	12/9/2016	\$4.44	\$4.22
10/12/2016	\$4.32	\$4.63	11/10/2016	\$4.21	\$4.19	12/12/2016	\$4.44	\$4.22
10/13/2016	\$4.24	\$4.61	11/11/2016	\$4.50	\$4.20	12/13/2016	\$4.42	\$4.22
10/14/2016	\$3.95	\$4.58	11/14/2016	\$4.79	\$4.22	12/14/2016	\$4.31	\$4.22

9. How can I get a payment?

To qualify for a payment, you must send in a form entitled “Proof of Claim and Release Form.” This Proof of Claim and Release Form is attached to this Notice. You may also obtain a Proof of Claim and Release Form at www.strategicclaims.net. Read the instructions carefully, fill out the form, sign it in the location indicated, and mail the claim form together with all documentation requested in the form, **postmarked no later than _____, 2020**, to:

Spectrum Pharmaceuticals, Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063
Fax: (610) 565-7985
info@strategicclaims.net

The Claims Administrator will process your claim and determine whether you are an Authorized Claimant.

10. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself from the Settlement Class by the _____ deadline, you will remain a member of the Settlement Class and will be bound by the release of claims against Defendants and other Released Parties if the Settlement is approved. That means you and all other Settlement Class Members and each of their respective parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) as against Defendants and other Released Parties any and all claims which arise out of, are based upon or relate in any way to the purchase or acquisition of Spectrum securities during the Class Period. It means that all of the Court's orders will apply to you and legally bind you. That means you will accept a share of the Net Settlement Fund as sole compensation for any losses you suffered in the purchase, acquisitions, sale or ownership of Spectrum securities during the Class Period. The specific terms of the release are included in the Settlement Stipulation.

11. How do I get out of the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep any right you may have to sue or continue to sue Defendants or other Released Parties on your own about the claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. To exclude yourself from the Settlement, you must mail a letter that (A) clearly indicates your name, address, phone number and e-mail contact information (if any) and states that you "request to be excluded from the Settlement Class in *In re Spectrum Pharmaceuticals, Inc. Securities Litigation*, 2:16-cv-02279 (D. Nev.).", and (B) states the date, number of shares and dollar amount of each Spectrum common stock, call option, or put option purchase or acquisition during the Class Period, and any sale transactions as well as the number of shares of Spectrum common stock shares, call options, or put options held by you as of September 16, 2016. In order to be valid, such request for exclusion must be submitted with documentary proof: (i) of each purchase and, if applicable, sale transaction during the Class Period; and (ii) demonstrating your status as a beneficial owner of the Spectrum security. Any such request for exclusion must be signed and submitted by you, as the beneficial owner, under penalty of perjury. You must mail your exclusion request, to be **received no later than _____, 2020**, to the Claims Administrator at the following address:

Spectrum Pharmaceuticals, Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063

You cannot exclude yourself by telephone or by e-mail.

If you properly exclude yourself, you will not receive a payment from the Net Settlement Fund, you cannot object to the Settlement, and you will not be legally bound by the judgment in this case.

12. If I do not exclude myself, can I sue Defendants or the other Released Parties for the same thing later?

No. Unless you followed the procedure outlined in the Notice to exclude yourself, you give up any right to sue Defendants or other Released Parties for the claims being released in this Settlement. If you have a pending lawsuit related to any Released Claims, speak to your lawyer in that case immediately, since you must exclude yourself from this Settlement Class to continue your own lawsuit.

13. Do I have a lawyer in this case?

The Court appointed The Rosen Law Firm, P.A. and Bronstein Gerwitz & Grossman, LLC as Lead Counsel to represent you and the other Settlement Class Members. If you want to be represented by your own lawyer, you may hire one at your own expense. Contact information for The Rosen Law Firm, P.A and Bronstein Gerwitz & Grossman, LLC is provided below.

14. How will the lawyers be paid?

Lead Counsel have expended considerable time litigating this Action on a contingent fee basis and have paid for the expenses of the case themselves. They have not been paid attorneys' fees or reimbursed for their expenses in advance of this Settlement. Lead Counsel have done so with the expectation that, if they are successful in recovering money for the Settlement Class, they will receive attorneys' fees and be reimbursed for their litigation expenses from the Settlement Fund, as is customary in this type of litigation. Lead Counsel will not receive attorneys' fees or be reimbursed for their litigation expenses except from the Settlement Fund. Therefore, Lead Counsel will file a motion asking the Court at the Settlement Hearing to make an award of attorneys' fees in an amount not to exceed one-third plus interest of the Settlement Amount (\$998,333), reimbursement of litigation expenses of no more than \$160,000 and an Award to Lead Plaintiffs not to exceed \$5,000 each. The Court may award less than these amounts. Any amounts awarded by the Court will come out of the Settlement Fund.

15. How do I tell the Court that I do not like the Settlement?

You can tell the Court you do not agree with the Settlement, any part of the Settlement, and/or to Lead Counsel's motion for attorneys' fees and expenses and application for an Award to Plaintiffs, and that you think the Court should not approve the Settlement, by mailing a letter stating that you object to the Settlement in the matter of *In re Spectrum Pharmaceuticals, Inc. Securities Litigation*, 2:16-cv-02279 (D. Nev.). Be sure to include:

(1) your name, address, and telephone number; (2) a list of all purchases and sales of Spectrum securities during the Class Period in order to show membership in the Settlement Class; (3) all grounds for the objection, including any legal support known to you or your counsel; (4) the name, address and telephone number of all counsel, if any, who represent you, including your former or current counsel who may be entitled to compensation in connection with the objection; and (5) the number of times you and/or your counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary. Objectors wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and after instruction pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Be sure to serve copies of any objections, papers and briefs to **each** of the addresses listed below, to be **received no later than** _____, **2019**:

<p>Clerk of the Court United States District Court District of Nevada 333 Las Vegas Boulevard South Las Vegas, NV 89101</p>	<p><i>Lead Counsel:</i></p> <p>Jacob A. Goldberg THE ROSEN LAW FIRM, P.A. 101 Greenwood Avenue, Suite 440 Jenkintown, PA 19046</p> <p>BRONSTEIN GEWIRTZ & GROSSMAN, LLC Peretz Bronstein 60 East 42nd Street, Suite 4600 New York, NY 10165</p>	<p><i>Counsel for Defendants:</i></p> <p>PAUL HASTINGS LLP Christopher H. McGrath Raymond W. Stockstill 695 Town Center Drive, 17th Floor Costa Mesa, CA 92626- 1924</p> <p>FENWICK & WEST LLP Kevin P. Muck 555 California Street San Francisco, CA 94104</p>
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16. What is the difference between objecting and requesting exclusion?

Objecting is simply telling the Court you do not like something about the Settlement or some portion thereof. You can object only if you stay in the Settlement Class. Requesting exclusion is telling the Court you do not want to be part of the Settlement Class and Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer concerns you. If you stay in the Settlement Class and object, but your objection is overruled, you will not be allowed a second opportunity to exclude yourself.

17. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Settlement Hearing on _____, **2020**, at __: __.m., at the United States District Court, District of Nevada, 333 Las Vegas Boulevard South, Courtroom _____, Las Vegas, NV 89101.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and whether to approve the Settlement. If there are objections, the Court will consider them, and the Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Lead Counsel for attorneys' fees and expenses and how much to award Lead Plaintiffs.

18. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the Court will consider it.

19. What happens if I do nothing at all?

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Parties about the Released Claims (as defined in the Settlement Stipulation) ever again.

SPECIAL NOTICE TO BROKERS AND OTHER NOMINEES

If, between January 31, 2013 and September 16, 2016, both dates inclusive, you purchased, otherwise acquired, or sold Spectrum securities for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN TEN (10) DAYS OF YOUR RECEIPT OF NOTICE, you either (a) provide to the Claims Administrator the name, last known address, and email address of each person or organization for whom or which you purchased such Spectrum securities during such time period or (b) request copies of this Notice and the Proof of Claim and Release Form, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim and Release Form directly to the beneficial owners of the Spectrum securities. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable out-of-pocket expenses actually incurred in connection with the foregoing, in an amount not to exceed \$0.15 plus postage at the current pre-sort rate used by the Claims Administrator per Notice and Proof of Claim and Release Form; \$0.05 per Notice and Proof of Claim and Release Form transmitted by email; or \$0.05 per name, address, and/or email address provided to the Claims Administrator. Those expenses will be paid upon request with submission of appropriate supporting documentation. All communications regarding the foregoing should be addressed to the Claims Administrator at the address listed on page ___ above.

DATED:

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE DISTRICT OF
NEVADA

PROOF OF CLAIM AND RELEASE FORM

Deadline for Submission: _____

IF YOU PURCHASED OR ACQUIRED SPECTRUM PHARMACEUTICALS, INC. (“SPECTRUM” OR THE “COMPANY”) COMMON STOCK (INCLUDING THROUGH THE EXERCISE OF WARRANTS OR OPTIONS, OR OTHER FORM OF ISSUANCE) AND/OR CALL OPTIONS AND/OR SOLD SPECTRUM PUT OPTIONS FROM JANUARY 31, 2013 THROUGH SEPTEMBER 16, 2016, BOTH DATES INCLUSIVE (THE “CLASS PERIOD”) AND WERE ALLEGEDLY DAMAGED THEREBY, YOU ARE A “SETTLEMENT CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS. (EXCLUDED FROM THE CLASS ARE DEFENDANTS AND THEIR IMMEDIATE FAMILIES, THE OFFICERS AND DIRECTORS OF SPECTRUM AT ALL RELEVANT TIMES, THEIR LEGAL REPRESENTATIVES, HEIRS, AFFILIATES, SUCCESSORS OR ASSIGNS, AND ANY ENTITY IN WHICH DEFENDANTS HAVE OR HAD A CONTROLLING INTEREST. ALSO EXCLUDED FROM THE SETTLEMENT CLASS ARE THOSE PERSONS WHO FILE VALID AND TIMELY REQUESTS FOR EXCLUSION IN ACCORDANCE WITH THE COURT’S ORDER GRANTING LEAD PLAINTIFFS’ MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT.)

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM AND RELEASE FORM”) AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN _____, 2020 TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Spectrum Pharmaceuticals, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

YOUR FAILURE TO SUBMIT YOUR CLAIM BY _____, 2020 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOU FROM RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR. IF YOU ARE A SETTLEMENT CLASS MEMBER AND DO NOT SUBMIT A PROPER PROOF OF CLAIM AND RELEASE FORM, YOU WILL NOT SHARE IN THE SETTLEMENT BUT YOU NEVERTHELESS WILL BE BOUND BY THE ORDER AND FINAL JUDGMENT OF THE COURT UNLESS YOU EXCLUDE YOURSELF.

SUBMISSION OF A PROOF OF CLAIM AND RELEASE FORM DOES NOT ASSURE THAT YOU WILL SHARE IN THE PROCEEDS OF THE SETTLEMENT.

CLAIMANT'S STATEMENT

1. I (we) purchased or acquired Spectrum Pharmaceuticals, Inc. ("Spectrum") common stock (including through the exercise of warrants or options, or other form of issuance) and/or call options, and/or sold Spectrum put options during the Class Period. (Do not submit this Proof of Claim and Release Form if you did not purchase or acquire Spectrum common stock and/or call options, and/or sell Spectrum put options during the Class Period.)
2. By submitting this Proof of Claim and Release Form, I (we) state that I (we) believe in good faith that I am (we are) a Settlement Class Member(s) as defined above and in the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Action or anyone excluded from the Settlement Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Settlement Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Settlement Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim and Release Form. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Settlement Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing of the Proof of Claim and Release Form.
4. I (we) have set forth where requested below all relevant information with respect to each purchase or acquisition of Spectrum common stock and/or call option and/or sale of Spectrum put option during the period from January 31, 2013 through and including December 14, 2016, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase and sale of Spectrum security and/or option listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER OR TAX ADVISOR BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim and Release Form is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your recognized claim. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)
7. Upon the occurrence of the Court's approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their

heirs, executors, administrators, predecessors, successors, and assigns) of each of the “Released Parties” of all “Released Claims,” as those terms are defined in the Settlement Stipulation.

8. Upon the occurrence of the Court’s approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a covenant by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, executors, administrators, predecessors, successors, and assigns) to permanently refrain from prosecuting or attempting to prosecute any Released Claims against any of the Released Parties.
9. “Released Parties” has the meaning laid out in the Settlement Stipulation.
10. “Released Claims” has the meaning laid out in the Settlement Stipulation.
11. “Unknown Claims” has the meaning laid out in the Settlement Stipulation.
12. I (We) acknowledge that the inclusion of “Unknown Claims” in the definition of claims released pursuant to the Settlement Stipulation was separately bargained for and is a material element of the Settlement of which this release is a part.
13. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim and Release Form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at efile@strategicclaims.net or visit their website at www.strategicclaims.net to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

I. CLAIMANT INFORMATION

Beneficial Owner Name		
Address		
City	State	ZIP
Foreign Province	Foreign Country	
Day Phone	Evening Phone	
Email		
Social Security Number (for individuals):	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.):

II. SCHEDULE OF TRANSACTIONS IN SPECTRUM PHARMACEUTICALS, INC. COMMON STOCK

Beginning Holdings:

A. State the total number of shares of Spectrum Pharmaceuticals, Inc. ("Spectrum") common stock held at the close of trading on January 30, 2013 (*must be documented*). If none, write "zero" or "0."

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Purchases/Acquisitions:

B. Separately list each and every purchase or acquisition of Spectrum common stock between January 31, 2013 through December 14, 2016, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Price per Share	Total Cost (Excluding Commissions, Taxes, and Fees)

Sales:

C. Separately list each and every sale of Spectrum common stock between January 31, 2013 through December 14, 2016, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Price per Share	Amount Received (Excluding Commissions, Taxes, and Fees)

Ending Holdings:

D. State the total number of shares of Spectrum common stock held at the close of trading on December 14, 2016 (*must be documented*).

III. SCHEDULE OF TRANSACTIONS IN SPECTRUM PHARMACEUTICALS, INC. CALL OPTIONS

A. Beginning Holdings – Separately list all positions in Spectrum Call Options in which you had an open interest as of the close of trading on January 30, 2013 (<i>must be documented</i>).							IF NONE, CHECK HERE <input type="radio"/>	
Strike Price of Call Option	Expiration Date of Call Option (Month/Day/Year)		Option Class Symbol		Number of Call Options in Which You Had an Open Interest			
\$	/	/						
\$	/	/						
\$	/	/						
\$	/	/						
B. Purchases/Acquisitions: Separately list each and every purchase/acquisition (including free receipts) of Spectrum Call Options from after the opening of trading on January 31, 2013, through and including the close of trading on September 16, 2016(<i>must be documented</i>):							IF NONE, CHECK HERE <input type="radio"/>	
Date of Purchase/ Acquisition (List Chrono- logically) (Month/Day/ Year)	Strike Price of Call Option	Expiration Date of Call Option (Month/Day/ Year)	Option Class Symbol	Number of Call Options Purchased/ Acquired	Purchase/ Acquisition Price Per Call Option	Total Purchase/ Acquisition Price (excluding taxes, commissions, and fees)	Insert an “E” if Exercised Insert an “A” if Assigned Insert an “X” if Expired	Exercise Date (Month/ Day/ Year)
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /

EXHIBIT A-2

C. Sales: Separately list each and every sale/disposition (including free deliveries) of Spectrum Call Options from after the opening of trading on January 31, 2013, through and including the close of trading on September 16, 2016 (<i>must be documented</i>):						IF NONE, CHECK HERE <input type="radio"/>
Date of Sale (List Chronologically) (Month/Day/Year)	Strike Price of Call Option	Expiration Date of Call Option (Month/Day/Year)	Option Class Symbol	Number of Call Options Sold	Sale Price Per Call Option	Total Sale Price (excluding taxes, commissions, and fees)
/ /	\$	/ /			\$	\$
/ /	\$	/ /			\$	\$
/ /	\$	/ /			\$	\$
/ /	\$	/ /			\$	\$
D. Ending Holdings – Separately list all positions in Spectrum Call Options in which you had an open interest as of the close of trading on September 16, 2016 (<i>must be documented</i>).						IF NONE, CHECK HERE <input type="radio"/>
Strike Price of Call Option		Expiration Date of Call Option (Month/Day/Year)	Option Class Symbol		Number of Call Options in Which You Had an Open Interest	
\$		/ /				
\$		/ /				
\$		/ /				
\$		/ /				

IV. SCHEDULE OF TRANSACTIONS IN SPECTRUM PHARMACEUTICALS, INC. PUT OPTIONS

A. Beginning Holdings – Separately list all positions in Spectrum Put Options in which you had an open interest as of the close of trading on January 30, 2013 (<i>must be documented</i>).			IF NONE, CHECK HERE <input type="radio"/>
Strike Price of Put Option	Expiration Date of Put Option (Month/Day/Year)	Option Class Symbol	Number of Put Options in Which You Had an Open Interest
\$	/ /		
\$	/ /		
\$	/ /		
\$	/ /		

B. Sales (Writing): Separately list each and every sale (writing) (including free deliveries) of Spectrum Put Options from after the opening of trading on January 31, 2013, through and including the close of trading on September 16, 2016 (<i>must be documented</i>):							IF NONE, CHECK HERE <input type="radio"/>	
Date of Sale (Writing) (List Chronologically) (Month/Day/Year)	Strike Price of Put Option	Expiration Date of Put Option (Month/Day/Year)	Option Class Symbol	Number of Put Options Sold (Written)	Sale Price Per Put Option	Total Sale Price (excluding taxes, commissions, and fees)	Insert an "A" if Assigned Insert an "E" if Exercised Insert an "X" if Expired	Exercise Date (Month/Day/Year)
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /
/ /	\$	/ /			\$	\$		/ /
C. Purchases/Acquisitions: Separately list each and every purchase/acquisition (including free receipts) of Spectrum Put Options from after the opening of trading on January 31, 2013, through and including the close of trading on September 16, 2016(<i>must be documented</i>):							IF NONE, CHECK HERE <input type="radio"/>	
Date of Purchase/Acquisition (List Chronologically) (Month/Day/Year)	Strike Price of Put Option	Expiration Date of Put Option (Month/Day/Year)	Option Class Symbol	Number of Put Options Purchased/Acquired	Purchase/Acquisition Price Per Put Option	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)		
/ /	\$	/ /			\$	\$		
/ /	\$	/ /			\$	\$		
/ /	\$	/ /			\$	\$		
/ /	\$	/ /			\$	\$		
D. Ending Holdings – Separately list all positions in Spectrum Put Options in which you had an open interest as of the close of trading on September 16, 2016 (<i>must be documented</i>).							IF NONE, CHECK HERE <input type="radio"/>	
Strike Price of Put Option	Expiration Date of Put Option (Month/Day/Year)		Option Class Symbol	Number of Put Options in Which You Had an Open Interest				
\$	/ /							
\$	/ /							
\$	/ /							
\$	/ /							

If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

V. SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service ("I.R.S.") requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number (for individuals)	or	Taxpayer Identification Number (for estates, trusts, corporations, etc.)

VI. CERTIFICATION

I (We) submit this Proof of Claim and Release Form under the terms of the Settlement Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the District of Nevada, with respect to my (our) claim as a Settlement Class Member and for purposes of enforcing the release and covenant not to sue set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in this Action. I (We) have not submitted any other claim covering the same purchases or sales of Spectrum securities during the Class Period and know of no other Person having done so on my (our) behalf.

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding; or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY UNDER THE LAWS OF THE UNITED STATES, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign):

(Signature)

(Signature)

(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)

Check here if proof of authority to file is enclosed.

(See Item 2 under Claimant's Statement)

Date: _____

THIS PROOF OF CLAIM AND RELEASE FORM MUST BE POSTMARKED NO LATER THAN _____, 2020 AND MUST BE MAILED TO:

Spectrum Pharmaceuticals, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063

A Proof of Claim and Release Form received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by _____, 2020 and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim and Release Form shall be deemed to have been submitted when actually received by the Claims Administrator.

The Claims Administrator will acknowledge receipt of your Proof of Claim and Release Form by mail or email within 45 days of receipt. Your claim is not deemed filed until you receive such an acknowledgement. If you do not receive an acknowledgement within 45 days, please contact the Claims Administrator by telephone toll free at 866-274-4004 or by email at info@strategicclaims.net.

You should be aware that it will take a significant amount of time to process fully all of the Proof of Claim and Release Forms and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim and Release Form. Please notify the Claims Administrator of any change of address.

REMINDER CHECKLIST

- Please be sure to sign this Proof of Claim and Release Form on page 10. If this Proof of Claim and Release Form is submitted on behalf of joint claimants, then each claimant must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim and Release Form or any supporting documents.
- If you move or change your address, telephone number or email address , please submit the new information to the Claims Administrator, as well as any other information that will assist us in contacting you. NOTE: Failure to submit updated information to the Claims Administrator may result in the Claims Administrator's inability to contact you regarding issues with your claim or deliver payment to you.

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

IN RE SPECTRUM PHARMACEUTICALS,
INC. SECURITIES LITIGATION

Case No. 2:16-cv-02279-RFB-EJY

**SUMMARY NOTICE OF PENDENCY AND
PROPOSED CLASS ACTION SETTLEMENT**

TO: ALL PERSONS WHO PURCHASED OR ACQUIRED SPECTRUM PHARMACEUTICALS, INC. COMMON STOCK AND/OR CALL OPTIONS, AND/OR SOLD SPECTRUM PHARMACEUTICALS, INC. PUT OPTIONS, FROM JANUARY 31, 2013 THROUGH SEPTEMBER 16, 2016, BOTH DATES INCLUSIVE.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the District of Nevada, that a hearing will be held on _____, 2020, at __: __.m. before the Honorable Richard F. Boulware, United States District Judge of the District of Nevada, 333 Las Vegas Boulevard South, Courtroom _____, Las Vegas, Nevada 89101 for the purpose of determining: (1) whether the proposed Settlement of the claims in the above-captioned Action for consideration including the sum of \$2,995,000 should be approved by the Court as fair, reasonable, and adequate; (2) whether the proposed plan to distribute the Settlement proceeds is fair, reasonable, and adequate; (3) whether the application of Lead Counsel for an award of attorneys' fees of up to one-third of the Settlement Amount, reimbursement of expenses of not more than \$160,000 and an incentive payment of no more than \$5,000 to each Lead Plaintiff, should be approved; and (4) whether this Action should be dismissed with prejudice as set forth in the

Stipulation and Agreement of Settlement executed on November 8, 2019 (the “Settlement Stipulation”).

If you purchased Spectrum Pharmaceuticals, Inc. (“Spectrum”) common stock and/or call options and/or sold put options during the period from January 31, 2013 through September 16, 2016, both dates inclusive (the “Class Period”), your rights may be affected by this Settlement, including the release and extinguishment of claims you may possess relating to your ownership interest in Spectrum securities. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and Release Form, you may obtain copies by writing to or calling the Claims Administrator at: Spectrum Pharmaceuticals, Inc. Securities Litigation, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA 19063; (Tel) (866) 274-4004; (Fax) (610) 565-7985; info@strategicclaims.net. If you are a member of the Settlement Class, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release Form to the Claims Administrator postmarked no later than _____, 2020, establishing that you are entitled to recovery. Unless you submit a written exclusion request, you will be bound by any judgment rendered in the Action whether or not you make a claim.

If you desire to be excluded from the Settlement Class, you must submit to the Claims Administrator a request for exclusion so that it is received no later than _____, 2020, in the manner and form explained in the Notice. All members of the Settlement Class who have not requested exclusion from the Settlement Class will be bound by any judgment entered in the Action pursuant to the Settlement Stipulation.

Any objection to the Settlement, Plan of Allocation, or Lead Counsel’s request for an award of attorneys’ fees and reimbursement of expenses and Award to Lead Plaintiff must be in the

manner and form explained in the detailed Notice and received no later than _____, 2020,
to each of the following:

Clerk of the Court
United States District Court
District of Nevada
333 Las Vegas Boulevard South
Las Vegas, NV 89101

LEAD COUNSEL:

Jacob A. Goldberg
THE ROSEN LAW FIRM, P.A.
101 Greenwood Avenue, Suite 440
Jenkintown, PA 19046
Tel.: 215-600-2817
Fax: 212-202-3827
info@rosenlegal.com

BRONSTEIN GEWIRTZ & GROSSMAN, LLC
Peretz Bronstein
60 East 42nd Street, Suite 4600
New York, NY 10165

COUNSEL FOR DEFENDANTS

PAUL HASTINGS LLP
Christopher H. McGrath
Raymond W. Stockstill
695 Town Center Drive, 17th Floor
Costa Mesa, CA 92626-1924

FENWICK & WEST LLP
Kevin P. Muck
555 California Street
San Francisco, CA 94104

If you have any questions about the Settlement, you may call or write to Lead Counsel:

Jacob A. Goldberg
THE ROSEN LAW FIRM, P.A.
101 Greenwood Avenue, Suite 440
Jenkintown, PA 19046
Tel.: 215-600-2817
Fax: 212-202-3827
info@rosenlegal.com

BRONSTEIN GEWIRTZ & GROSSMAN, LLC
Peretz Bronstein
60 East 42nd Street, Suite 4600
New York, NY 10165

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

Dated: _____, 2019

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE DISTRICT
OF NEVADA

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

IN RE SPECTRUM PHARMACEUTICALS,
INC. SECURITIES LITIGATION

Case No. 2:16-cv-02279-RFB-EJY

[PROPOSED] ORDER AND FINAL JUDGMENT

On the ____ day of _____, 2020 a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation and Agreement of Settlement executed November 8, 2019 (the “Settlement Stipulation”) are fair, reasonable and adequate for the settlement of all claims asserted by the Settlement Class against Defendants (as defined in the Settlement Stipulation), including the release of the Released Claims against the Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Action with prejudice; (3) whether to approve the proposed Plan of Allocation as a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members; (4) whether and in what amount to award Lead Counsel as fees and reimbursement of expenses; and (5) whether and in what amount to award Lead Plaintiff as incentive fees; and

The Court having considered all matters submitted to it at the hearing and otherwise; and

It appearing in the record that the Notice substantially in the form approved by the Court in the Court’s Order Granting Lead Plaintiff’s Motion for Preliminary Approval of Class Action Settlement, dated _____, 20__ (“Preliminary Approval Order”) was mailed to all reasonably identifiable Settlement Class Members and posted to the website of the Claims Administrator, both in accordance with the Preliminary Approval Order and the specifications of the Court; and

It appearing in the record that the Summary Notice substantially in the form approved by the Court in the Preliminary Approval Order was published in accordance with the Preliminary Approval Order and the specifications of the Court;

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED
THAT:**

1. This Order and Final Judgment incorporates by reference the definitions in the Settlement Stipulation, and all capitalized terms used herein shall have the same meanings as set forth therein.

2. The Court has jurisdiction over the subject matter of the Action, Lead Plaintiff, all Settlement Class Members, and Defendants

3. The Court finds that, for settlement purposes only, the prerequisites for a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that:

(a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable;

(b) there are questions of law and fact common to the Settlement Class;

(c) the claims of the Lead Plaintiffs are typical of the claims of the Settlement Class they seek to represent;

(d) Lead Plaintiffs and Lead Counsel fairly and adequately represent the interests of the Settlement Class;

(e) questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members of the Settlement Class; and

(f) a class action is superior to other available methods for the fair and efficient adjudication of this Action, considering:

i. the interests of the Settlement Class Members in individually controlling the prosecution of the separate actions;

- ii. the extent and nature of any litigation concerning the controversy already commenced by Settlement Class Members;
- iii. the desirability or undesirability of concentrating the litigation of these claims in this particular forum; and
- iv. the difficulties likely to be encountered in the management of the class action.

The Settlement Class is being certified for settlement purposes only.

4. The Court hereby finally certifies this action as a class action for purposes of the Settlement, pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, on behalf of all Persons (including, without limitation, their beneficiaries) all persons and entities, other than Defendants and their affiliates, who purchased or acquired publicly traded Spectrum common stock (including through the exercise of warrants or options) and/or call options, and/or sold publicly traded Spectrum put options, from January 31, 2013 through September 16, 2016, both dates inclusive. Excluded from the Class are Defendants and their immediate families, the officers and directors of Spectrum at all relevant times, their legal representatives, heirs, successors or assigns, and any entity in which Defendants have or had a controlling interest. Also excluded from the Settlement Class are those persons who file valid and timely requests for exclusion in accordance with the Preliminary Approval Order.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, for the purposes of this Settlement only, Lead Plaintiffs are certified as the class representatives on behalf of the Settlement Class (“Class Representatives”) and Lead Counsel previously selected by Lead Plaintiffs and appointed by the Court is hereby appointed as Class Counsel for the Settlement Class (“Class Counsel”).

6. In accordance with the Court's Preliminary Approval Order, the Court hereby finds that the forms and methods of notifying the Settlement Class of the Settlement and its terms and conditions met the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange Act, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; constituted the best notice practicable under the circumstances; and constituted due and sufficient notice of these proceedings and the matters set forth herein, including the Settlement and Plan of Allocation, to all persons and entities entitled to such notice. No Settlement Class Member is relieved from the terms and conditions of the Settlement, including the releases provided for in the Settlement Stipulation, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice. A full opportunity has been offered to the Settlement Class Members to object to the proposed Settlement and to participate in the hearing thereon. The Court further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is hereby determined that all Settlement Class Members are bound by this Order and Final Judgment except those persons listed on Exhibit A to this Order and Final Judgment.

7. The Settlement is approved as fair, reasonable and adequate under Rule 23 of the Federal Rules of Civil Procedure, and in the best interests of the Settlement Class. This Court further finds that the Settlement set forth in the Settlement Stipulation is the result of good faith, arm's-length negotiations between experienced counsel representing the interests of Class Representatives, Settlement Class Members and Defendants. The Settling Parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Stipulation.

8. The Action and all claims contained therein, as well as all of the Released Claims, are dismissed with prejudice as against Defendants and the Released Parties. The Settling Parties are to bear their own costs, except as otherwise provided in the Settlement Stipulation.

9. The Releasing Parties, on behalf of themselves, their successors and assigns, and any other Person claiming (now or in the future) through or on behalf of them, regardless of whether any such Releasing Party ever seeks or obtains by any means, including without limitation by submitting a Proof of Claim and Release Form, any disbursement from the Settlement Fund, shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties. The Releasing Parties shall be deemed to have, and by operation of this Order and Final Judgment shall have, covenanted not to sue the Released Parties with respect to any and all Released Claims in any forum and in any capacity. The Releasing Parties shall be and hereby are permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any Released Claim, in any capacity, against any of the Released Parties. Nothing contained herein shall, however, bar the Releasing Parties from bringing any action or claim to enforce the terms of the Settlement Stipulation or this Order and Final Judgment.

10. To the fullest extent permitted by law, all Persons shall be permanently enjoined, barred and restrained from bringing, commencing, prosecuting or asserting any claims, actions, or causes of action for contribution, indemnity or otherwise against any of the Released Parties seeking as damages or otherwise the recovery of all or any part of any liability, judgment or settlement which they pay or are obligated to pay or agree to pay to the Settlement Class or any

Settlement Class Member arising out of, relating to or concerning such Persons' participation in any acts, facts, statements or omissions that were or could have been alleged in the Action, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, third-party claims or otherwise, in the Court or any other federal, state, or foreign court, or in any arbitration proceeding, administrative agency proceeding, tribunal, or any other proceeding or forum. Further, nothing in the Settlement Stipulation or this Order and Final Judgment shall apply to bar or otherwise affect any claim for insurance coverage by any Defendant.

11. The Court hereby finds that the proposed Plan of Allocation is a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members, and Class Counsel and the Claims Administrator are directed to administer the Plan of Allocation in accordance with its terms and the terms of the Settlement Stipulation.

12. The Court finds that the Settling Parties and their counsel have complied with all requirements of Rule 11 of the Federal Rules of Civil Procedure and the Private Securities Litigation Reform Act of 1995 as to all proceedings herein.

13. Neither this Order and Final Judgment, the Settlement Stipulation (nor the Settlement contained therein), nor any of its terms and provisions, nor any of the negotiations, documents or proceedings connected with them:

(a) is or may be deemed to be, or may be used as an admission, concession, or evidence of, the validity or invalidity of any Released Claims, the truth or falsity of any fact alleged by Class Representative, the sufficiency or deficiency of any defense that has been or could have been asserted in the Action, or of any wrongdoing, liability, negligence or fault of Defendants, the Released Parties, or each or any of them;

(b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or misrepresentation or omission with respect to any statement or written document attributed to, approved or made by Defendants or Released Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal;

(c) is or may be deemed to be or shall be used, offered or received against the Settling Parties, Defendants or the Released Parties, or each or any of them, as an admission, concession or evidence of the validity or invalidity of the Released Claims, the infirmity or strength of any claim raised in the Action, the truth or falsity of any fact alleged by the Class Representative or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action;

(d) is or may be deemed to be or shall be construed as or received in evidence as an admission or concession against Defendants, or the Released Parties, or each or any of them, that any of Class Representative's or Settlement Class Members' claims are with or without merit, that a litigation class should or should not be certified, that damages recoverable in the Action would have been greater or less than the Settlement Fund or that the consideration to be given pursuant to the Settlement Stipulation represents an amount equal to, less than or greater than the amount which could have or would have been recovered after trial.

14. The Released Parties may file the Settlement Stipulation and/or this Order and Final Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim. The Settling Parties may file the Settlement

Stipulation and/or this Order and Final Judgment in any proceedings that may be necessary to consummate or enforce the Settlement Stipulation, the Settlement, or this Order and Final Judgment.

15. Except as otherwise provided herein or in the Settlement Stipulation, all funds held by the Escrow Agent shall be deemed to be in *custodia legis* and shall remain subject to the jurisdiction of the Court until such time as the funds are distributed or returned pursuant to the Settlement Stipulation and/or further order of the Court.

16. Without affecting the finality of this Order and Judgment in any way, this Court hereby retains continuing exclusive jurisdiction over the Settling Parties and the Settlement Class Members for all matters relating to the Action, including the administration, interpretation, effectuation or enforcement of the Settlement Stipulation and this Order and Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the Settlement proceeds to the Settlement Class Members.

17. Without further order of the Court, Defendants and Class Representatives may agree to reasonable extensions of time to carry out any of the provisions of the Settlement Stipulation

18. There is no just reason for delay in the entry of this Order and Final Judgment and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

19. The finality of this Order and Final Judgment shall not be affected, in any manner, by rulings that the Court may make on Class Counsels' application for an award of attorneys' fees and expenses or an award to Class Representatives.

20. In the event the Settlement is not consummated in accordance with the terms of the Settlement Stipulation, then the Settlement Stipulation and this Order and Final Judgment (including any amendment(s) thereof, and except as expressly provided in the Settlement Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Settling Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed prior to July 23 2019, pursuant to the terms of the Settlement Stipulation.

Dated: _____, 2020

HON. RICHARD F. BOULWARE
UNITED STATES DISTRICT JUDGE