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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

MAC COSTAS, Individually and on behalf of all
others similarly situated,

Plaintiffs,

v.

ORMAT TECHNOLOGIES, INC., ISAAC
ANGEL, and DORON BLACHAR,

Defendants.

Case No. 3:18-cv-00271-RCJ-WGC

Hon. Robert C. Jones

CLASS ACTION

**PRELIMINARY APPROVAL
ORDER**

WHEREAS Lead Plaintiff Phoenix Insurance Company, Ltd. (“Lead Plaintiff” or “Plaintiff”), on behalf of itself and the Settlement Class (defined below), on the one hand, and Ormat Technologies, Inc. (“Ormat” or the “Company”), Isaac Angel, and Doron Blachar (collectively, “Defendants,” and together with Plaintiff, the “Settling Parties” or “Parties”), have entered into the Stipulation and Agreement of Settlement and Release, dated June 8, 2020 (the “Settlement Stipulation” or “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, *Costas v. Ormat Technologies, Inc.*, No. 3:18-cv-00271-RCJ-WGC (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 3rd day September 2020, that:

1. All capitalized terms used herein shall have the same meaning as in the Stipulation.
2. This Court has jurisdiction over the subject matter of this Action and over all parties to this Action, including Settlement Class Members.
3. The Court preliminarily approves the Settlement and the proposed Plan of Allocation

1 described in the Notice as fair, reasonable and adequate, pending a final settlement and fairness hearing
2 (the “Settlement Hearing”) as described below. The Court preliminarily finds that the proposed
3 Settlement: (i) is the result of serious, extensive arm’s-length and non-collusive negotiations; (ii) falls
4 within a range of reasonableness warranting final approval; (iii) has no obvious deficiencies; (iv) does
5 not improperly grant preferential treatment to the Plaintiff or segments of the Settlement Class; and (v)
6 warrants notice of the proposed Settlement at the Settlement Hearing described below.

7 **Class Certification**

8 4. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for the
9 purposes of the Settlement only, the Court hereby preliminarily certifies the following class (the
10 “Settlement Class”): All persons and entities that purchased or acquired the publicly traded common
11 shares of Ormat between August 3, 2017 and May 15, 2018, both dates inclusive (the “Settlement Class
12 Period”), on a U.S. exchange (*e.g.*, the New York Stock Exchange (“NYSE”)) or on the Tel Aviv Stock
13 Exchange (“TASE”). Excluded from the Class are Defendants and the officers and directors of Ormat
14 (“Excluded Persons”), the immediate family members of any Excluded Person, the legal
15 representatives, heirs, successors, or assigns of any Excluded Person, and any entity in which any
16 Excluded Person has a controlling interest. Also excluded from the Settlement Class are those persons
17 who file valid and timely requests for exclusion in accordance with this Preliminary Approval Order
18 and persons with have no compensable damages.

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

28 6. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, preliminarily

1 and for the purposes of this Settlement only, the Court appoints Lead Plaintiff Phoenix Insurance
2 Company Ltd. as the class representative on behalf of the Settlement Class (“Class Representative”)
3 and Lead Counsel, Pomerantz LLP, as Class Counsel for the Settlement Class (“Class Counsel”).

4 7. If the Stipulation is terminated or is not consummated for any reason, the foregoing
5 certification of the Settlement Class shall be void and of no further effect, and the parties to the
6 Stipulation shall be returned to the status each occupied before entry of this Order and before execution
7 of the Term Sheet dated March 23, 2020 and the Stipulation without prejudice to any legal argument
8 that any of the Parties might have asserted in the Action.

9 8. The Court approves the appointment of Huntington National Bank as the Escrow Agent
10 to manage the Settlement Fund for the benefit of the Settlement Class.

11 9. The Court approves the appointment of Strategic Claims Services as the Claims
12 Administrator to supervise and administer the notice procedure and the processing of claims, and
13 approves the payment of reasonable administration costs to the Claims Administrator from the proceeds
14 of the Settlement, not to exceed \$250,000 without further Court order.

15 **Stay Order**

16 10. Pending Final Court Approval, Lead Plaintiff shall not seek relief in any forum, or take
17 any action in this Action, and all proceedings in the Action or otherwise shall be stayed and suspended,
18 except that the Parties shall take all such action and file such papers as are necessary and appropriate to
19 effect the consummation and approval of the Settlement.

20 **Form and Timing of Notice**

21 11. The Court hereby approves the form, substance and requirements of the proposed (a)
22 Notice of Pendency and Proposed Settlement of Class (“Long Notice” or “Notice”), (b) the Summary
23 Notice of Pendency and Proposed Class Action Settlement (“Publication Notice” or “Summary
24 Notice”), and (c) the Proof of Claim and Release Form (“Claim Form” or “Proof of Claim”),
25 substantially in the form of Exhibits A and C to the Stipulation, which are to be translated into Hebrew.

26 12. Ormat shall cooperate in the production of information with respect to the identification
27 of Settlement Class Members from Ormat’s shareholder transfer records, and the Defendants shall
28 otherwise assist in identifying those persons and entities who are to be excluded from the Settlement

1 Class per the terms of this Stipulation.

2 13. Within thirty (30) days of entry of this Order, the Claims Administrator shall:

- 3 a. Cause to be mailed, to all Persons who purchased Ormat common stock during the
4 Settlement Class Period, the Notice and a Proof of Claim (including Hebrew
5 translations of the Notice and Proof of Claim) substantially in the forms attached to
6 the Stipulation as Exhibit A;
- 7 b. Cause the Notice and Proof of Claim (including Hebrew translations of the Notice
8 and Proof of Claim) and to be posted on the Claims Administrator's website; and
- 9 c. Cause the Publication Notice and the Hebrew translation of the Publication Notice to
10 be published once over *Globe Newswire* and once over each of the following Israeli
11 publications: (i) Yisrael Hayom and (ii) Globes.

12 14. Brokers and other nominees who purchased or otherwise acquired Ormat common stock
13 during the Class Period for the benefit of another person or entity shall (a) within ten (10) calendar days
14 of receipt of the Notice, request from the Claims Administrator sufficient copies of the Notice and
15 Proof of Claim form ("Notice Packet") to forward to all such beneficial owners/purchasers and within
16 five (5) calendar days of receipt of those Notice Packets forward them to all such beneficial
17 owners/purchasers; or (b) within ten (10) calendar days of receipt of the Notice, send a list of the
18 names, addresses, and/or email addresses of all such beneficial owners/purchasers to the Claims
19 Administrator in which event the Claims Administrator shall promptly mail or email the Notice Packet
20 to such beneficial owners/purchasers. Upon full compliance with this Order, such nominees may seek
21 reimbursement of their reasonable expenses actually incurred in complying with this Order, in an
22 amount not to exceed \$0.15 plus postage at the current pre-sort rate used by the Claims Administrator
23 per Notice Packet mailed; or \$0.05 per Notice Packet transmitted by email; or \$0.05 per name, mailing
24 address, and email address (to the extent available) provided to the Claims Administrator, by providing
25 the Claims Administrator with proper documentation supporting the expenses for which reimbursement
26 is sought. Such properly documented expenses incurred by nominees in compliance with the terms of
27 this Order shall be paid from the Settlement Fund, with any disputes as to the reasonableness or
28 documentation of expenses incurred subject to review by the Court.

1 than Friday, December 11, 2020. Any Settlement Class Member who does not submit a Proof of Claim
2 and Release within the time provided shall be barred from sharing in the distribution of the proceeds of
3 the Net Settlement Fund, unless otherwise ordered by the Court, but shall nevertheless be bound by the
4 terms of the Settlement, including the releases and covenant not to sue, and all determinations and
5 judgments in the Action concerning the Settlement, whether favorable or unfavorable to the Settlement
6 Class. Notwithstanding the foregoing, Class Counsel shall have the discretion to accept late-submitted
7 claims for processing by the Claims Administrator so long as distribution of the Net Settlement Fund is
8 not materially delayed thereby.

9 18. Any person falling within the definition of the Settlement Class may seek to be excluded
10 from the Settlement Class by submitting to the Claims Administrator a request for exclusion (“Request
11 for Exclusion”), which complies with the requirements set forth in the Notice and is received no later
12 than Friday, December 11, 2020. All persons who submit valid and timely Requests for Exclusion shall
13 have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and
14 shall not be bound by the Settlement Stipulation or the Judgment. However, a Settlement Class Member
15 may submit a written revocation of a Request for Exclusion up until five (5) days prior to the date of the
16 Settlement Hearing and still be eligible to receive payments pursuant to the Stipulation provided the
17 Settlement Class Member also submits a valid Proof of Claim prior to the Settlement Hearing.

18 19. Upon receiving any Request for Exclusion, Class Counsel or the Claims Administrator
19 shall promptly provide copies of such request(s) to Defendants’ counsel within five (5) business days,
20 and in any event not less than fourteen (14) days prior to the Settlement Hearing.

21 **Settlement Hearing; Right to Appear and Object**

22 20. The Final Fairness Hearing shall take place before the undersigned, United States
23 District Judge Robert C. Jones in Courtroom 3, Bruce R. Thompson Courthouse, 400 S. Virginia St.,
24 Reno, NV 89501, at 10:00 A.M., Monday, January 11, 2021, to determine:

- 25 a. Whether the applicable prerequisites for class action treatment under Federal Rules
26 of Civil Procedure 23(a) and (b) are satisfied;
- 27 b. Whether the Settlement, on the terms and conditions provided for in the Stipulation,
28 should be finally approved by the Court as fair, reasonable, and adequate;

- c. Whether a Final Judgment as provided in the Stipulation should be entered herein;
- d. Whether the application for attorneys' fees and expenses to be submitted by Class Counsel should be approved;
- e. Whether the Plan of Allocation is fair and reasonable to the Settlement Class;
- f. Whether the application for a service award to Lead Plaintiff to compensate it for its time and contributions to the case should be approved; and
- g. Such other matters as the Court may deem necessary or appropriate.

21. The Plan of Allocation, Class Counsel's application for an award of attorneys' fees, and Plaintiff's service award will be considered separately from the fairness, reasonableness, and adequacy of the Settlement. Any appeal relating solely to the Plan of Allocation, solely to Class Counsel's application for an award of attorneys' fees and expenses, or solely to Plaintiff's application for a service award shall not operate to terminate or cancel the Settlement, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Action.

22. The Court may finally approve the Stipulation at or after the Settlement Hearing with any modifications agreed to by the Parties and without further notice to the Settlement Class Members.

23. Any Settlement Class Member and any other interested person may appear at the Settlement Hearing in person or by counsel and be heard, to the extent allowed by the Court, either in support of or in opposition to the matters to be considered at the hearing, provided, however, that no person shall be heard, and no papers, briefs, or other submissions shall be considered by the Court in connection to such matters, unless no later than 5:00PM, Monday, January 4, 2021, such person files with the Court a statement of objection signed by the objector, even if represented by counsel, setting forth: (i) whether the person is a Settlement Class Member; (ii) to which part of the Stipulation the Settlement Class Member objects; (iii) the specific reason(s), if any, for such objection including any legal support the Settlement Class Member wishes to bring to the Court's attention and any evidence the Settlement Class Member wishes to introduce in support of such objection. Such Settlement Class Member shall also provide documentation sufficient to establish the amount of publicly traded Ormat common stock purchased and sold during the Settlement Class Period and the prices and dates of such transactions. Settlement Class Members wishing to appear in person at the Settlement Hearing must submit a Notice

1 of Intention to Appear with the objection. If the objector intends to appear at the Settlement Hearing
 2 through counsel, the objection must also state the identity of all attorneys who will appear at the Final
 3 Approval Hearing and such counsel must submit a Notice of Intention to Appear with the objection.

4 Objection materials must be sent to the following:

COURT	LEAD COUNSEL	DEFENDANTS' COUNSEL
Clerk of the Court United States District Court District of Nevada 400 S. Virginia St. Reno, NV 89501	Jeremy A. Lieberman Murielle Steven Walsh Eric D. Gottlieb POMERANTZ LLP 600 Third Avenue, Floor 20 New York, NY 10016	Douglas P. Baumstein Dominique Forrest WHITE & CASE LLP 1221 Avenue of the Americas New York, NY 10020

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 12 24. Class Counsel shall file all papers, including memoranda or briefs in support of the
 13 Settlement, the Plan of Allocation, an award of attorneys' fees and reimbursement of expenses, and
 14 Plaintiff's service award, no later than 5:00P.M., Monday, January 4, 2021, Reply papers, if any, shall
 15 be filed no later than 5:00P.M., Wednesday, January 6, 2021.

16 25. The Court reserves the right to adjourn or continue the Settlement Hearing, including the
 17 consideration of the motion for attorneys' fees and expenses, without further notice of any kind. The
 18 Court may approve the Settlement with modifications as may be agreed to by the Settling Parties,
 19 without further notice to the Settlement Class.

20 26. If the Settlement is approved, all Settlement Class Members will be bound by the terms
 21 of the Settlement as set forth in the Stipulation, and by any judgment or determination of the Court
 22 affecting the Settlement Class, regardless of whether or not a Settlement Class Member submits a Proof
 23 of Claim. Any member of the Settlement Class who fails to opt out of the Settlement Class or who fails
 24 to object in the manner prescribed therein shall be deemed to have waived, and shall be foreclosed
 25 forever from raising objections or asserting any claims arising out of, related to, or based in whole or in
 26 part on any of the facts or matters alleged in the Amended Complaint, or which could have been
 27 alleged, or which otherwise were at issue in the Action.

Other Provisions

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2 27. Upon payment of the Cash Settlement Amount (\$3,750,000) to the Escrow Account by
3 or on behalf of Defendants, the Settlement Fund shall be deemed to be in the custody of the Court and
4 shall remain subject to the jurisdiction of the Court until such time as the Settlement Fund is distributed
5 pursuant to the Stipulation and/or further order of this Court. There shall be no distribution of any part
6 of the Net Settlement Fund to the Settlement Class until the Plan of Allocation is finally approved and
7 the Court issues the Settlement Fund Distribution Order and until the Order and Final Judgment
8 becomes Final.

9 28. Except for the obligations to cooperate in the production of reasonably available
10 information with respect to the identification of Settlement Class Members from Ormat's shareholder
11 transfer records and to assist in identifying persons to be excluded from the Settlement Class, both in
12 accordance with the terms of the Stipulation, in no event shall the Defendants or any of the Released
13 Parties have any responsibility for the administration of the Settlement, and neither the Defendants nor
14 any of the Released Parties shall have any obligation or liability to the Plaintiff, Lead Counsel, or the
15 Settlement Class in connection with such administration.

16 29. Pursuant to the Class Action Fairness Act ("CAFA"), Defendants shall take reasonable
17 steps to complete service promptly on the appropriate federal and state government officials of all
18 notices required under the Class Action Fairness Act, 28 U.S. C. §1715, and shall thereafter notify Lead
19 Counsel as to completion of such service.

20 30. No Person shall have any claim against Plaintiff, Lead Counsel, the Settlement Class
21 Members, the Claims Administrator, the Escrow Agent or any other agent designated by Lead Counsel
22 based on distribution determinations or claim rejections made substantially in accordance with this
23 Stipulation and the Settlement, the Plan of Allocation, or further orders of the Court, except in the case
24 of fraud or willful misconduct. No person shall have any claim under any circumstances against the
25 Released Parties, based on any distributions, determinations, claim rejections or the design, terms, or
26 implementation of the Plan of Allocation.

27 31. The Defendants have denied, and continue to deny, any and all allegations and claims
28 asserted in the Amended Complaint and the Action and have represented that they entered into the

1 Settlement solely in order to eliminate the burden, expense, and uncertainties of further litigation. This
2 Order and the Stipulation, whether the Settlement contemplated by the Stipulation is consummated or
3 not, and any statements made or proceedings taken pursuant to them are not, shall not be deemed to be,
4 and may not be argued to be or offered or received:

- 5 a. Against any of the Released Parties as evidence of, or construed as evidence of, any
6 presumption, concession, or admission by any of the Released Parties with respect to
7 the truth of any fact alleged by the Plaintiff in the Amended Complaint or the
8 Action, or the validity of any claim that has been or could have been asserted against
9 any of the Defendants in the Amended Complaint or the Action, or the deficiency of
10 any defense that has been or could have been asserted in the Action, or of any
11 wrongdoing or liability by any of the Defendants, or any liability, fault,
12 misrepresentation, or omission with respect to any statement or written document
13 approved or made by any of the Defendants;
- 14 b. Against the Plaintiff or any Settlement Class Member or Lead Counsel as evidence
15 of, or construed as evidence of, any infirmity of the claims alleged by the Plaintiff in
16 the Amended Complaint or the Action or of any lack of merit to the claims or the
17 Amended Complaint or the Action or of any bad faith, dilatory motive, or inadequate
18 prosecution of the claims or the Amended Complaint or the Action;
- 19 c. Against any of the Defendants, the Plaintiff, or any Settlement Class Member, or
20 their respective legal counsel, as evidence of, or construed as evidence of, any
21 presumption, concession, or admission by any of the Defendants, the Plaintiff, or any
22 Settlement Class Member, or their respective legal counsel, with respect to any
23 liability, negligence, fault, or wrongdoing as against any of the Defendants, the
24 Plaintiff, or any Settlement Class Member, or their respective legal counsel, in any
25 other civil, criminal, or administrative action or proceeding, other than such actions
26 or proceedings as may be necessary to effectuate the provisions of this Stipulation,
27 provided, however, that if this Stipulation is approved by the Court, the Defendants,
28 the Plaintiff, and any Settlement Class Member, or their respective legal counsel,

