

IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF SOUTH CAROLINA  
CHARLESTON DIVISION

MURRAY C. TURKA, on Behalf of	)	Civil Action No. 2:19-cv-1102-RMG
Himself and All Others Similarly Situated,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	<b><u>ORDER PRELIMINARILY</u></b>
	)	<b><u>APPROVING SETTLEMENT AND</u></b>
SOUTH CAROLINA PUBLIC SERVICE	)	<b><u>AUTHORIZING DISSEMINATION OF</u></b>
AUTHORITY and LONNIE N. CARTER,	)	<b><u>NOTICE OF CLASS ACTION</u></b>
	)	<b><u>SETTLEMENT</u></b>
Defendants.	)	
	)	
	)	

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WHEREAS, the above-captioned securities class action is pending in this Court and is entitled *Turka v. South Carolina Public Service Authority and Lonnie N. Carter*, Case No. 2:19-cv-1102-RMG (the “Action”);

WHEREAS, (a) Lead Plaintiff Murray C. Turka (“Lead Plaintiff”), on behalf of himself and the Settlement Class (defined below); and (b) Defendants South Carolina Public Service Authority (“Santee Cooper”) and Lonnie N. Carter (“Carter” and collectively with Santee Cooper, “Defendants”) (Lead Plaintiff and Defendants, collectively, the “Parties”), have determined to settle all claims asserted against Defendants in this Action with prejudice on the terms and conditions set forth in the Settlement Agreement and Release dated January 25, 2021 (the “Settlement Agreement” or “Agreement”) subject to approval of this Court (the “Settlement”);

WHEREAS, Lead Plaintiff has made a motion, pursuant to Rule 23(e)(1) of the Federal Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with the Agreement and providing for notice to the Settlement Class as more fully described herein;

WHEREAS, the Court has read and considered: (a) Lead Plaintiff’s Motion for Preliminary Approval of the Settlement and authorization to send Notice of the Settlement to the Settlement

Class, and the papers filed and arguments made in connection therewith; and (b) the Settlement Agreement and the exhibits attached thereto; and

WHEREAS, unless otherwise defined herein, all capitalized words contained herein shall have the same meanings as they have in the Agreement;

NOW THEREFORE, IT IS HEREBY ORDERED:

1. **Proposed Class Certification for Settlement Purposes** – The Parties have proposed the certification of the following Settlement Class pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and solely for purposes of effectuating the proposed Settlement: all Persons who purchased or otherwise acquired and owned Santee Cooper Mini-Bonds from May 1, 2014 through July 31, 2017, inclusive, and who were damaged thereby, and including those Persons’ successors in interest, transferees in interest, assigns, or beneficiaries, if any. Excluded from the Class are Defendants; members of the immediate family of any Defendant who is an individual; the officers and directors of Santee Cooper during the Class Period; any firm, trust, corporation, or other entity in which any Defendant has or had a controlling interest; and the legal representatives, affiliates, heirs, successors-in-interest, or assigns of any such excluded person or entity. Also excluded from the Settlement Class are any persons and entities who or which exclude themselves by timely submitting a Request for Exclusion that is accepted by the Court.

2. **Class Findings** – The Court finds, pursuant to Rule 23(e)(1)(B)(ii) of the Federal Rules of Civil Procedure, that it will likely be able to certify the Settlement Class for purposes of the proposed Settlement. Specifically, the Court finds that each element required for certification of the Settlement Class pursuant to Rule 23 of the Federal Rules of Civil Procedure has been met or will likely be met: (a) the members of the Settlement Class are so numerous that their joinder

in the Action would be impracticable; (b) there are questions of law and fact common to the Settlement Class which predominate over any individual questions; (c) the claims of Lead Plaintiff in the Action are typical of the claims of the Settlement Class; (d) Lead Plaintiff and Class Counsel have and will fairly and adequately represent and protect the interests of the Settlement Class; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the Action.

3. The Court also finds, pursuant to Rule 23(e)(1)(B)(ii) of the Federal Rules of Civil Procedure, that that it will likely be able to certify Lead Plaintiff Murray C. Turka as class representative for the Settlement Class and to appoint Lead Counsel, The Weiser Law Firm, P.C., and Liaison Counsel, Hopkins Law Firm, LLC, as Class Counsel for the Settlement Class pursuant to Rule 23(g) of the Federal Rules of Civil Procedure.

4. **Preliminary Approval of the Settlement** – The Court hereby preliminarily approves the Settlement, as embodied in the Settlement Agreement, and finds, pursuant to Rule 23(e)(1)(B)(i) of the Federal Rules of Civil Procedure, that it will likely be able to finally approve the Settlement under Rule 23(e)(2) as being fair, reasonable, and adequate to the Settlement Class, subject to further consideration at the Final Approval Hearing to be conducted as described below.

5. **Final Approval Hearing** – The Court will hold a settlement hearing (the “Final Approval Hearing”) on May 12, 2021 at 10:00 A.M. for the following purposes: (a) to determine whether the proposed Settlement on the terms and conditions provided for in the Settlement Agreement is fair, reasonable, and adequate to the Settlement Class, and should be finally approved by the Court; (b) to determine whether, for purposes of the Settlement only, the Action should be certified as a class action on behalf of the Settlement Class, Lead Plaintiff should be certified as class representative for the Settlement Class, and Lead Counsel and Liaison Counsel should be

appointed as Class Counsel for the Settlement Class; (c) to determine whether the Final Approval Order substantially in the form attached as Exhibit D to the Settlement Agreement should be entered dismissing the Action with prejudice against Defendants; (d) to determine whether the proposed Distribution Plan for the proceeds of the Settlement is fair and reasonable and should be approved; (e) to determine whether the motion by Class Counsel for an Attorney Fee/Litigation Cost Award should be approved; and (f) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Final Approval Hearing shall be given to the Settlement Class as set forth in paragraph 7 of this Order.

6. The Court may adjourn the Final Approval Hearing without further notice to the Settlement Class, and may approve the proposed Settlement with such modifications as the Parties may agree to, if appropriate, without further notice to the Settlement Class.

7. **Retention of Settlement Administrator and Manner of Giving Notice** – Class Counsel is hereby authorized to retain Strategic Claims Services (the “Settlement Administrator”) to supervise and administer the notice and distribution procedure in connection with the proposed Settlement. Notice of the Settlement and the Final Approval Hearing shall be given by Class Counsel as follows:

- a. Not later than thirty (30) Days after the Preliminary Approval Date, Santee Cooper shall provide or cause to be provided to the Settlement Administrator in electronic format reasonably available records containing names and mailing addresses, of the purchasers of Santee Cooper Mini-Bonds during the Class Period;
- b. not later than forty-five (45) Days after the Preliminary Approval Date, the Settlement Administrator shall cause a copy of the Postcard Notice, substantially in the form attached as Exhibit C to the Agreement (Dkt. No. 67-2 at 55), to be

mailed by first-class mail to Settlement Class members at the addresses set forth in the records provided by Santee Cooper or in the records which Santee Cooper caused to be provided, or who otherwise may be identified through further reasonable effort;

- c. contemporaneously with the mailing of the Postcard Notice, the Settlement Administrator shall cause copies of the Long Notice to be posted on a website to be developed for the Settlement; and
- d. not later than seven (7) Days prior to the Final Approval Hearing, Class Counsel shall serve on Defendants' Counsel and file with the Court proof, by affidavit or declaration, of such mailing and publication.

8. **Approval of Form and Content of Notice** – The Court (a) approves, as to form and content, the Long Notice and the Postcard Notice, attached to the Settlement Agreement as Exhibits B and C, respectively, and (b) finds that the mailing and distribution of the Postcard Notice and the publication of the Long Notice online in the manner and form set forth in paragraph 7 of this Order (i) is the best notice practicable under the circumstances; (ii) constitutes notice that is reasonably calculated, under the circumstances, to apprise Settlement Class members of the pendency of the Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of Class Counsel's motion for an Attorney Fee/Litigation Cost Award, of their right to object to the Settlement, the Distribution Plan, and/or Class Counsel's motion for an Attorney Fee/Litigation Cost Award, of their right to exclude themselves from the Settlement Class, and of their right to appear at the Final Approval Hearing; (iii) constitutes due, adequate, and sufficient notice to all Persons entitled to receive notice of the proposed Settlement; and (iv) satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States

Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable law and rules. The date and time of the Final Approval Hearing shall be included in the Postcard Notice and Long Notice before they are mailed and published, respectively.

9. **CAFA Notice** – As provided in the Settlement Agreement, Defendants, through the Settlement Administrator, shall serve the notice required under the Class Action Fairness Act, 28 U.S.C. § 1715 et seq. (“CAFA”) no later than ten (10) Days following the filing of the Settlement Agreement with the Court. Defendants are solely responsible for the costs of the CAFA notice and administering the CAFA notice, which will occur with the assistance of the Settlement Administrator. No later than seven (7) Days before the Final Approval Hearing, Defendants shall cause to be served on Class Counsel and filed with the Court proof, by affidavit or declaration, regarding compliance with 28 U.S.C. § 1715(b).

10. **Participation in the Settlement** – Class Members are deemed willing to participate in the Settlement unless they timely exclude themselves.

11. **Exclusion From the Settlement Class** – Any member of the Settlement Class who wishes to exclude himself, herself, or itself from the Settlement Class must request exclusion in writing within the time and in the manner set forth in the Notice, which shall provide that: (a) any such Request for Exclusion from the Settlement Class must be postmarked or delivered no later than sixty (60) Days after the Preliminary Approval Date: Santee Cooper Securities Litigation, EXCLUSIONS, c/o Strategic Claims Services, 600 North Jackson Street – Suite 205, Media, PA 19063, and (b) each Request for Exclusion must (i) state the full name and current address of the Person requesting exclusion, and in the case of entities, the full name and current address of the appropriate contact person; (ii) state that such Person “requests exclusion from the Settlement

Class in *Turka v. South Carolina Public Service Authority and Lonnie N. Carter*, Case No. 2:19-cv-1102-RMG”; (iii) state the amount of money invested in Santee Cooper Mini-Bonds that the Person requesting exclusion purchased/acquired and/or redeemed during the Class Period; and (iv) be signed by the Person requesting exclusion or an authorized representative. A Request for Exclusion shall not be effective unless it provides all the required information and is received within the time stated above, or is otherwise accepted by the Court. Class Counsel is authorized to request from any Person requesting exclusion documentation sufficient to prove the information called for above.

12. Any Person who or which timely and validly requests exclusion in compliance with the terms stated in this Order, or as otherwise allowed by the Court, shall be excluded from the Settlement Class, and shall not be bound by the terms of the Settlement or any orders or judgments in the Action, and shall not receive any payment out of the Settlement Benefit.

13. Any member of the Settlement Class who or which does not timely and validly request exclusion from the Settlement Class in the manner stated in this Order: (a) shall be deemed to have waived his, her, or its right to be excluded from the Settlement Class; (b) shall be forever barred from requesting exclusion from the Settlement Class in this or any other proceeding relating to the Action; (c) shall be bound by the provisions of the Settlement Agreement and Settlement and all proceedings, determinations, orders, and judgments in the Action, including, but not limited to, the judgment, and the Releases provided for therein, whether favorable or unfavorable to the Settlement Class; and (d) will be barred from commencing, maintaining, or prosecuting any of the Released Claims against any of the Releasees, as more fully described in the Settlement Agreement and Long Notice.

14. **Appearance and Objections at Final Approval Hearing** – Any Class Member

who or which does not request exclusion from the Settlement Class may enter an appearance in the Action, at his, her, or its own expense, individually or through counsel of his, her, or its own choice, by filing with the Clerk of Court and delivering a notice of appearance to both Class Counsel and the designated representative counsel for Defendants, at the addresses set forth in paragraph 16 below, no later than fifteen (15) Days prior to the Final Approval Hearing, or as the Court may otherwise direct. Any Class Member who does not enter an appearance will be represented by Class Counsel.

15. Any Class Member who or which does not request exclusion from the Settlement Class may file a written objection to the proposed Settlement, the proposed Distribution Plan, and/or Class Counsel's motion for an Attorney Fee/Litigation Cost Award and appear and show cause, if he, she, or it has any cause, why the proposed Settlement, the proposed Distribution Plan, and/or Class Counsel's motion for attorneys' fees and litigation expenses should not be approved; provided, however, that no Class Member shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, the proposed Distribution Plan, and/or the motion for Attorney Fee/Litigation Cost Award unless that Person has filed a written objection with the Court no later than sixty (60) Days after the Preliminary Approval Date, and served copies of such objection on the designated counsel for the Class and for Defendants at the addresses set forth below such that they are received no later than sixty (60) Days after the Preliminary Approval Date.

Representative Counsel for Class

**HOPKINS LAW FIRM, LLC**

William E. Hopkins

12019 Ocean Highway

P.O. Box 1995

Pawleys Island, SC 29585

Representative Counsel for Defendants

**NELSON MULLINS RILEY &  
SCARBOROUGH LLP**

Carmen Harper Thomas

1320 Main Street, 17<sup>th</sup> Floor

Columbia, SC 29201

16. Any objections, filings, and other submissions by the objecting Class Member must clearly identify the case name and action number, *Turka v. South Carolina Public Service Authority and Lonnie N. Carter*, Case No. 2:19-cv-1102-RMG, , and they must: (a) state the full name and current address of the Person objecting; (b) state with specificity the grounds for the Class Member's objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention and whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class; and (c) include documents sufficient to prove membership in the Settlement Class, including the investment history in Santee Cooper Mini-Bonds during the Class Period, as well as the dates of each such purchase/acquisition and/or redemption. Objectors who enter an appearance and desire to present evidence at the Final Approval Hearing in support of their objection must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the hearing.

17. If a Class Member intends to object through counsel, the Class Member's attorney must append a list of all prior objections previously filed by such counsel in state and federal courts, and with respect to each, provide (1) the case number; (2) the court where the prior objection was filed; (3) and the outcome of the objection.

18. Any Class Member who or which does not make his, her, or its objection in the manner provided herein shall be deemed to have waived his, her, or its right to object to any aspect of the proposed Settlement, the proposed Distribution Plan, and Class Counsel's motion for an Attorney Fee/Litigation Cost Award and shall be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Distribution Plan, or the requested attorneys' fees and litigation expenses, or from otherwise being heard concerning the Settlement,

the Distribution Plan, or the requested attorneys' fees and litigation expenses in this or any other proceeding related to the Action.

19. **Stay and Temporary Injunction** – Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement Agreement. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Lead Plaintiff, and all other members of the Settlement Class, from commencing or prosecuting any and all of the Released Claims against each and all of the Releasees.

20. **Settlement Administration Fees and Expenses** – Reasonable costs incurred in identifying members of the Settlement Class and notifying them of the Settlement as well as in administering the Settlement shall be paid directly by Santee Cooper up to but not exceeding \$35,000, in the manner described in the Settlement Agreement, and shall not be paid out of the Settlement Benefit.

21. **Termination of Settlement** – If the Settlement is terminated as provided in the Settlement Agreement, the Settlement is not approved, or the Effective Date of the Settlement otherwise fails to occur, this Order shall be vacated and rendered null and void, and shall be of no further force and effect, except as otherwise provided by the Settlement Agreement, and this Order shall be without prejudice to the rights of Lead Plaintiff, the Settlement Class, and Defendants, and the Parties shall revert to their respective positions in the Action as of immediately prior to the execution of the Settlement Agreement on January 25, 2021, as provided in the Settlement Agreement.

22. **Use of this Order** – Neither this Order, the Settlement Agreement (whether or not consummated), including the exhibits thereto and the Distribution Plan contained therein (or any

other plan of allocation that may be approved by the Court), the negotiations leading to the execution of the Settlement Agreement, nor any proceedings taken pursuant to or in connection with the Settlement Agreement, and/or approval of the Settlement (including any arguments proffered in connection therewith): (a) shall be offered against any of the Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of Releasees with respect to the truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in this Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of Releasees or in any way referred to for any other reason as against any of Releasees, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; (b) shall be offered against any of Releasors, as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of Releasors that any of their claims are without merit, that any of Releasees had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Benefit or with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason related to the Mini-Bonds as against any of the Releasees, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Settlement Agreement; or (c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given under the Settlement represents the amount which could be or would have been recovered after trial; provided, however, that if the Settlement Agreement is approved by the Court, the Parties and the Releasees and their respective

counsel may refer to it to effectuate the protections from liability granted thereunder or otherwise to enforce the terms of the Settlement.

23. **Supporting Papers** – Class Counsel shall file and serve the opening papers in support of the proposed Settlement, the proposed Distribution Plan, and Class Counsel’s motion for an Attorney Fee/Litigation Cost Award no later than twenty-one (21) Days prior to the Final Approval Hearing; and reply papers, if any, shall be filed and served no later than seven (7) Days prior to the Final Approval Hearing.

24. **Jurisdiction** – The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

**AND IT IS SO ORDERED.**

s/ Richard Mark Gergel  
Richard Mark Gergel  
United States District Judge

February 11, 2021  
Charleston, South Carolina