

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

If you were or are a participant in the DST Systems, Inc. 401(k) Profit Sharing Plan, your legal rights will be affected by this class action settlement.

The case is called *Ferguson, et al. v. Ruane, Cunniff & Goldfarb Inc., et al.*, No. 1:17-cv-06685-ALC-BCM (S.D.N.Y.). A Court authorized this Class Notice. This is not a solicitation from a lawyer.

This Class Notice advises you of a settlement (“Settlement”) of claims involving a lawsuit against Ruane, Cunniff & Goldfarb Inc. (“RCG”), as well as DST Systems, Inc. (“DST”), the Advisory Committee of the DST Systems, Inc. 401(k) Profit Sharing Plan (the “Advisory Committee”), and the Compensation Committee of the Board of Directors of DST Systems, Inc. (the “Compensation Committee, and together with DST Systems, Inc. and the Advisory Committee, the “*Ferguson* DST Defendants”), brought by Plaintiffs Michael L. Ferguson, Myrl C. Jeffcoat and Deborah Smith (collectively, “Named Plaintiffs”), individually and as representatives of a class of similarly situated participants and beneficiaries, and on behalf of the DST Systems, Inc. 401(k) Profit Sharing Plan (the “Plan”). In the lawsuit, Named Plaintiffs allege that, among other things, the *Ferguson* DST Defendants and RCG are fiduciaries of the Plan and violated the Employee Retirement Income Security Act of 1974 (“ERISA”) by, among other things, investing an inappropriate amount of the Plan’s assets in the stock of Valeant Pharmaceuticals (“VRX”), failing to timely reduce and/or eliminate the Plan’s investments in VRX. The United States Department of Labor (“DOL”) also filed a related litigation against these Defendants, as well as against Robert D. Goldfarb (“Goldfarb”), alleging ERISA violations arising out of the management of the Plan. This Class Notice relates to a Settlement that the Named Plaintiffs and the DOL reached with the Defendants and Goldfarb.

You should read this entire Class Notice carefully because your legal rights will be affected by whether you act or not. As a Class Member, you are currently enjoined from litigating in any action or proceeding other than the *Ferguson* class action any claims against the *Ferguson* DST Defendants arising out of or related to the allegations asserted in the *Ferguson* class action. Additionally, if the Settlement explained in this Class Notice is approved by the Court, you will not be able to separately prosecute against any of the Defendants any claims that relate in any way to the practices, facts and/or events at issue in this lawsuit or in any related lawsuits or arbitrations regarding the Plan. Your rights and options, and the deadline for you to object if you are opposed to the Settlement, are explained in this Class Notice.

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BASIC INFORMATION

1. Why did I get this Class Notice?

You have been identified as a Participant, Former Participant, Beneficiary, or Alternate Payee of the Plan at some time on or after March 14, 2010 through July 31, 2016 (the “Class Period”).

You are receiving this Class Notice because you have a right to know about the proposed Settlement of a class action lawsuit in which you are a Class Member before the Court decides whether to approve the Settlement.

This Class Notice summarizes the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The lawsuit is pending in the United States District Court for the Southern District of New York (the “Court”). It is known as *Ferguson, et al. v. Ruane, Cunniff & Goldfarb Inc., et al.*, No. 1:17-cv-06685-ALC-BCM (S.D.N.Y.), and is brought against RCG and the *Ferguson* DST Defendants. Related cases have been brought against Goldfarb.

2. What is this lawsuit about?

On September 1, 2017, Named Plaintiffs filed an action against RCG and the *Ferguson* DST Defendants alleging that, while serving as fiduciaries of the Plan, they violated ERISA by, among other things, investing an inappropriate amount of the Plan’s assets in the stock of VRX, failing to timely reduce and/or eliminate the Plan’s investments in VRX, and, in the case of the *Ferguson* DST Defendants, failing to adequately monitor the fiduciaries managing the Plan’s investments. In October 2019, the DOL filed suit against Defendants and Goldfarb, in which it alleged that certain Plan fiduciaries breached their fiduciary duties owed to Plan participants and beneficiaries by, among other things, investing the Plan’s assets in an inappropriately non-diversified manner, failing to timely rebalance the Plan’s investments, failed to adequately monitor the investments made on behalf of the Plan, and failing to establish a written investment policy as required by the Plan document. In February 2023, the Named Plaintiffs, the Defendants, Goldfarb and the DOL (the “Parties”) negotiated a resolution of the disputed claims and ultimately were able to reach the terms of the Settlement explained in this Class Notice. The Defendants and Goldfarb would continue to vigorously defend the lawsuits if the proposed Settlement is not approved.

The Class in this case includes all Participants, Former Participants, Beneficiaries or Alternate Payees of the Plan during the Class Period, except: (i) all individuals who were members of the Advisory Committee during the Class Period; (ii) all individuals who were members of the Compensation Committee during the Class Period; (iii) any other individuals who served as fiduciaries of the Plan during the Class Period; and (iv) the beneficiaries, immediate family members, estates, and executors of (i)–(iii). The specific individuals excluded from the Settlement Class as members of (i)–(iii) are listed in Exhibit G to the Settlement Agreement.

3. What is a class action lawsuit?

In a class action lawsuit, one or more people called “class representatives” sue on their own behalf and on behalf of other people who they allege may have similar claims. One court resolves all the issues for all class members in a single lawsuit. Named Plaintiffs are the class representatives in this lawsuit, and are sometimes referred to in this Class Notice as the “Class Representatives” or as the “Named Plaintiffs.”

4. Why is there a settlement?

The Parties have agreed to the Settlement after extensive negotiations. The Court has not made any finding that the Defendants have done anything wrong or violated any law or regulation. By agreeing to a Settlement, the Parties avoid the costs and risks of further litigation, and Named Plaintiffs and the other members of the Class will get compensation. Class Counsel have conducted an extensive review of the evidence in the case and the potential risks and benefits of continued litigation. Named Plaintiffs and Class Counsel agree that the Settlement is in the best interest of the Class.

5. How do I get more information about the Settlement?

This Class Notice summarizes the proposed Settlement. You can get more information about the Settlement, including the precise terms and conditions of the Settlement, by accessing the Settlement Agreement available at www.strategicclaims.net/dst, by contacting Class Counsel (*see* page 5 for contact information) or the Settlement Administrator (*see* answer to question 6 for contact information), by accessing the Court docket in this case, for a

fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.nysd.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, between 8:30 a.m. and 5:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

6. Who will administer the Settlement?

The Settlement Administrator, Strategic Claims Services, will administer the Settlement, including the processing of the Former Participant Rollover Form, if applicable, that you may want to submit to receive your Settlement Payment through a rollover to a qualified retirement account. You may contact the Settlement Administrator by: (a) sending a letter to DST Settlement Administrator, c/o Strategic Claims Services, 600 N. Jackson Street, Suite 205, Media, PA 19063; (b) sending an e-mail to info@strategicclaims.net; (c) visiting the Settlement website at www.strategicclaims.net/dst; or (d) calling toll-free at (866) 274-4004.

THE SETTLEMENT BENEFITS – WHAT DOES THE SETTLEMENT PROVIDE

7. What does the Settlement provide?

The Defendants have agreed to provide \$124,625,000.00 in consideration to the Class Members. Up to \$25,125,000.00 of that amount will be paid to Class Counsel and other counsel representing arbitration claimants and certain other Class members in attorneys' fees and expenses, to the extent approved by the Court (*see* answer to question 13 below), and up to \$75,000.00 in total will be paid to the Named Plaintiffs as a Case Contribution Award, to the extent approved by the Court (*see* answer to question 8 below). In addition, \$9,045,455.00 will be paid in civil penalties to the United States Department of Labor ("DOL"). The amount that will be available for distribution to Class Members (known as the "Net Settlement Fund") will be the Settlement Amount of \$124,625,000.00 *minus* the amounts used for other Settlement purposes (Case Contribution Awards, Court-approved attorneys' fees and expenses, Administration Expenses, the fees of an Independent Fiduciary retained to review the fairness of this Settlement on behalf of the Plan and certain taxes and tax-related costs), and *minus* the penalties paid to the DOL.

8. What are the Named Plaintiffs receiving from the Settlement?

In this case, there are three Named Plaintiffs. Class Counsel intends to ask the Court to award the Named Plaintiffs a Case Contribution Award in total of up to \$75,000.00 in recognition of the work and effort they expended on behalf of the Class.

9. How may I benefit from the Settlement?

You may benefit by receiving payment of a portion of the Net Settlement Fund. The amount paid to each Participant, Former Participant, Beneficiary, or Alternate Payee will be determined by a Plan of Allocation, which is attached as Exhibit "1" to this Class Notice.

If you executed a release in favor of any the Defendants or had an award or judgment entered in connection with any related proceedings against any of the Defendants (regardless of whether you won or lost), you may still be able to obtain a payment as part of the Settlement. If you already received an arbitration award related to claims concerning the Plan's investments, you will receive at least the amount of any unpaid damages against DST included in that award. If the amount of damages against DST included in your arbitration award is less than the amount you would otherwise receive under this Settlement, or if you did not recover any damages in your arbitration proceeding, you will receive a Settlement Payment, as discussed in the Plan of Allocation, to ensure that you receive the full amount to which you would be entitled under this Settlement after accounting for any other consideration you already received from any of the Defendants for these claims. In other words, any Class Member who received an arbitration award will recover at least as much as they were awarded in damages in arbitration against DST, and certain Class Members who would have done worse in arbitration than under this Settlement will receive more than they were awarded in arbitration.

If you already received consideration (meaning a monetary payment, account allocation or financial benefit of any kind) as an Arbitration Claimant in return for execution of a release in favor of any of the Defendants, you will

retain that consideration and, if you are entitled to a share of the Settlement Fund according to the Settlement Agreement that is greater than the amount of that consideration, you will receive a “top-off” payment in the amount of the difference.

10. How will I receive my Settlement Payment?

If you are a Participant, or Beneficiary or Alternate Payee of a Plan participant, and you have an active account in the Plan, your Settlement Payment will automatically be calculated by the Settlement Administrator, deposited into your Plan account, and invested in accordance with your investment elections for new contributions.

If you are a Former Participant, or a Beneficiary or an Alternate Payee of a Former Participant, and you do not have an active account in the Plan, you will receive your Settlement Payment directly in the form of a check. If, however, you would prefer to receive your Settlement Payment through a rollover to a qualified retirement account, you must complete, sign, and submit a Former Participant Rollover Form no later than October 12, 2023. “Former Participant” means a person who had an account in the Plan during the Class Period and who did not have an account in the Plan with a balance greater than \$0 as of August 3, 2023.

You may download the Former Participant Rollover Form on the Settlement website. A Former Participant Rollover Form will be deemed submitted when it is actually received by the Settlement Administrator at the address listed in the Form.

THE SETTLEMENT BENEFITS – WHAT YOU GIVE UP

11. What do I give up by participating in the Settlement?

Each Class Member gives the Defendants a “release.” A release means you give up your rights to sue the Defendants and Goldfarb (as well as related persons as defined in the Settlement Agreement under “Defendant Releasees”), and you give up your rights to receive any benefits from any other lawsuit or other legal proceeding, including arbitration, against the Defendants or Goldfarb, if the lawsuit or other legal proceeding asserts any claims in any way related to any of the allegations made in this case or in other lawsuits or arbitrations involving the Plan, or if the lawsuit or other legal proceeding asserts any claims in any way related to the Plan, its investments, fees, or performance, or any action or inaction by any Plan fiduciary. If approved, the Settlement also will terminate the lawsuit brought by the DOL against Defendants and Goldfarb, and you would give up any right to benefit from the result in that litigation.

As a Class Member, you are currently enjoined from litigating in any action or proceeding other than this class action any claims against the *Ferguson* DST Defendants arising out of or related to the allegations asserted in this class action. Additionally, if the Court approves the Settlement, you will not be able to pursue—and will be permanently enjoined by the Court from pursuing—any other lawsuit or other legal proceeding, including arbitration, against any of the Defendants or Goldfarb that asserts any claims in any way related to any of the allegations made in this case or in other lawsuits or arbitrations involving the Plan, or any claims in any way related to the Plan, its investments, fees, or performance, or any action or inaction by any Plan fiduciary.

You will not be required to return any benefit or consideration you already may have been paid as part of any other lawsuit or other legal proceeding against the Defendants or Goldfarb prior to approval of this Settlement.

For additional details about the scope of the release, consult the Settlement Agreement (including the definition of “Released Claims”) or contact Class Counsel.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

Yes. The Court has appointed the law firms of Miller Shah LLP and Olivier & Schreiber, LLP as Class Counsel. You will not be charged for the work of these lawyers. If you want to be represented by a different lawyer in this case, you may hire one at your own expense. Certain of the Class Members who have pursued arbitrations against the Defendants, and certain of the Class Members who filed separate actions in the Southern District of New York in actions captioned *Canfield, et al. v. SS&C Technologies Holdings, Inc., et al.*, Case No. 18-cv-08913 (S.D.N.Y.), and *Mendon, et al. v. SS&C Technologies Holdings, Inc., et al.*, Case No. 18-cv-10252 (S.D.N.Y.), are also represented by other counsel (“Arbitration Counsel” and “*Canfield/Mendon* Counsel,” respectively).

13. How will the lawyers (Class Counsel and other counsel) be paid?

Class Counsel may ask the Court for an award of attorneys' fees and expenses of up to \$9,500,000, based upon the value of the Settlement, the time they have devoted to this case, and the expenses they have advanced in prosecuting this matter. Arbitration Counsel will ask the Court for an award of attorneys' fees and expenses up to \$15,500,000, based upon their work in those arbitrations and the awards of fees and expenses they received in arbitrations. *Canfield/Mendon* Counsel will ask the Court to award them \$250,000 in attorneys' fees and expenses, half of which will be paid by Arbitration Counsel. Only attorneys' fees and expenses that are approved and awarded by the Court will be paid as part of this Settlement.

OPTING OUT OF THE SETTLEMENT

14. Can I exclude myself from the Class?

No. The Class has been certified as a mandatory class under Federal Rule of Civil Procedure 23(b)(1). That means that, as a Class Member, you are not permitted to exclude yourself from the class, and you are bound by any judgments or orders that are entered by the Court in the lawsuit for all claims that were asserted in the lawsuit or are otherwise included as Released Claims as defined in the Settlement Agreement. If you wish to object to any part of the Settlement, you may (as discussed below) write to the Court and counsel about why you object to the Settlement.

OBJECTING TO THE SETTLEMENT

15. What does it mean to object?

Objecting is simply telling the Court that you do not like something about the Settlement. Objecting will not have any bearing on your right to receive the benefits of the Settlement if it is approved by the Court.

16. What is the procedure for objecting to the Settlement, including objecting to motions for attorneys' fees and expenses or Case Contribution Awards?

By filing an objection, you can ask the Court to deny approval of the Settlement and/or any motions for attorneys' fees and expenses and/or the Case Contribution Awards to be requested for the Named Plaintiffs. You can't ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no Settlement Payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object. The Court, however, can approve the Settlement and also award less than the amount requested by Class Counsel for attorneys' fees and expenses or the amount requested for Case Contribution Awards. If the Court does, either because of an objection or in its own discretion, make any such reduction in Class Counsel's attorneys' fees and expenses or Case Contribution Awards, that would not otherwise affect the finality of the Settlement, although it could affect the timing and amount of Settlement Payments.

Any objection to the proposed Settlement or any motions for attorneys' fees and expenses or Case Contribution Awards must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Fairness Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number *Ferguson, et al. v. Ruane, Cunniff & Goldfarb Inc., et al.*, No. 1:17-cv-06685-ALC-BCM (S.D.N.Y.), (b) be submitted to the Court by mailing them to the Clerk, U.S. District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, and (c) be filed or received by the Court on or before October 13, 2023. Your objection also must include (1) your full name, current address, and current telephone number, and, if represented by counsel, your counsel's name and contact information; (2) whether the objection applies only to the objecting Class Member, to a specific subset of the Class, or to the entire Class; (3) a statement of the position(s) the objector wishes to assert; (4) copies of any other documents that the objector wishes to submit in support of their position; and (5) a list of any other objections to any class action settlements submitted in any court, whether state, federal, or otherwise, in the United States in the previous five (5) years.

ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE SHALL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL NOT HAVE ANY RIGHT TO OBJECT TO THE FAIRNESS OR ADEQUACY OF THE SETTLEMENT.

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| <p><u>Clerk of the Court</u></p> <p>Clerk U.S. District Court for the Southern District of New York Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, NY 10007</p> | <p><u>Class Counsel</u></p> <p>James E. Miller Laurie Rubinow Miller Shah, LLP 65 Main Street Chester, CT 06412 Tel: (860) 526-1100</p> | <p><u>DST</u></p> <p>Lewis R. Clayton Jeffrey J. Recher Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, NY 10019-6064 Tel: (212) 373-3000</p> |
| <p><u>RCG</u></p> <p>Gregory F. Jacob O'Melveny & Myers LLP 1625 Eye Street, NW Washington, DC 20006 Tel: (202) 383-5110</p> | <p><u>Goldfarb</u></p> <p>Myron D. Rumeld Proskauer Rose LLP Eleven Times Square New York, NY 10036 Tel: (212) 969-3021</p> | <p><u>DOL</u></p> <p>Isidro Mariscal Plan Benefits Security Division, Office of the Solicitor, U.S. Department of Labor 200 Constitution Avenue NW, Suite N-4611, Washington, DC 20210 Tel: 202-693-5609</p> |

THE COURT'S FAIRNESS HEARING

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

On October 23, 2023, via telephone conference with the Honorable Andrew L. Carter, Jr., U.S. District Court for the Southern District of New York, the Court will hold a Fairness Hearing to determine whether the proposed Settlement is fair, reasonable, and adequate and whether it should be approved. The hearing may be continued from time to time by the Court without further notice.

18. Do I have to attend the Fairness Hearing?

No; however, you are welcome to attend at your own expense. If you file an objection to the Settlement, you do not have to go to Court to talk about it. As long as your objection is filed by October 13, 2023] and you comply with the requirements listed in the answer to question 16 above, the Court will consider it. You also may send your own lawyer to attend the Fairness Hearing.

19. May I speak at the Fairness Hearing?

You may ask the Court for permission to speak at the hearing. Anyone wishing to appear must state in their written objection their intention to appear at the Fairness Hearing, at their own expense.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, and the Court approves the Settlement, you will receive a Settlement Payment in accordance with the Plan of Allocation. (See answers to questions 9 and 10 above and Exhibit 1.) You also will release any and all claims that you may have against Defendants and Goldfarb, as well as related persons, concerning the practices, facts and/or events at issue in this lawsuit or in other related lawsuits involving the Plan. (See answer to question 11 above.) You also will waive any objection to the fairness and adequacy of the Settlement. (See answer to questions 15 and 16 above.)

DATED: August 17, 2023

**THIS CLASS NOTICE HAS BEEN SENT TO YOU BY ORDER
OF THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

EXHIBIT “1” – PLAN OF ALLOCATION

1. Each capitalized term below that is not defined herein has the definition provided in the Settlement Agreement.
2. After the Effective Date of Settlement, the Settlement Administrator shall cause the amount of the Net Settlement Fund (the “Net Settlement Amount”) to be allocated and distributed to the Former Participants as set forth in Paragraph 1.7 below, and to the Plan for payments to Participants with Active Accounts as set forth in Paragraph 1.6 below, both in accordance with the Plan of Allocation set forth herein and as ordered by the Court.
3. To be eligible for a payment from the Net Settlement Amount (“Net Settlement Payment” or “Settlement Payment(s)”), a person must be a Participant with an Active Account, a Former Participant, a Beneficiary, or an Alternate Payee. Participants with Active Accounts, and Beneficiaries or Alternate Payees of such Participants, shall receive their Settlement Payments as additions to their Active Accounts, as provided for in Paragraph 1.6 below. Former Participants, and Beneficiaries or Alternate Payees of such Former Participants, shall receive their Settlement Payments in the form of checks or in the form of rollovers to an individual retirement account or other eligible employer plan, as provided in Paragraph 1.7 below.
4. Beneficiaries will receive Settlement Payments, as described in this Plan of Allocation, in amounts corresponding to their entitlement as Beneficiaries of the Participant or Former Participant with respect to whom the payment is made. This includes Settlement Payments to Beneficiaries based upon the Participant’s or Former Participant’s Plan account during the Class Period and/or by the Beneficiary’s own Plan account during the Class Period, if an account was created in the Plan for the Beneficiary. Alternate Payees will receive Settlement Payments if and to the extent they are entitled to receive a portion of a Participant’s or Former Participant’s allocation under this Plan of Allocation pursuant to the terms of the applicable QDRO, including Alternate Payees for whom an account was created in the Plan. Beneficiaries and Alternate Payees with Active Accounts will receive payments by the method described in this Plan of Allocation for Participants with Active Accounts. Beneficiaries and Alternate Payees who do not have Active Accounts will receive Settlement Payments by the method described in this Plan of Allocation for Former Participants. The Settlement Administrator shall have sole and final discretion to determine the amounts to be paid to Beneficiaries and Alternate Payees in accordance with the Plan of Allocation set forth herein and as ordered by the Court.
5. **Calculation of Settlement Payments.** Payments to Participants, Former Participants, Beneficiaries, and Alternate Payees, shall be calculated by the Settlement Administrator pursuant to the Plan of Allocation as follows:
 1. For purposes of calculating payments to Participants, Former Participants, Beneficiaries, and Alternate Payees, the “Gross Differential” attributable to each Participant, Former Participant, Beneficiary, or Alternate Payee shall be the difference between the highest quarterly PSP balance attributable to each Participant, Former Participant, Beneficiary or Alternate Payee between March 14,

2010 and July 31, 2016 (or as of December 31, 2009 if there was no balance as of March 31, 2010) and the total distributions and roll-overs to other retirement accounts or instruments (including Active Accounts) received by the individual between March 14, 2010 and July 31, 2016 (the termination date of the PSP).

2. The Settlement Administrator shall first calculate the total of all Gross Differentials to be used for purposes of allocating the Net Settlement Amount (“Net Gross Differential”) by subtracting from the total of the Gross Differential amounts the individual Gross Differential amounts of the individuals who have been excluded from the class (the “Former Plan Fiduciaries”), as well as the individual Gross Differential amounts of those Participants, Former Participants, Beneficiaries, or Alternate Payees who already have released their claims against all Defendants through prior settlements (the “Prior Releasers”).¹
3. The Settlement Administrator shall then calculate the pro rata percentage of the Net Gross Differential attributable to each Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries and the Prior Releasers, by dividing the Gross Differential of each Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries and Prior Releasers, by the Net Gross Differential. The Settlement Administrator shall then calculate an initial pro rata share of the Net Settlement Amount attributable to each Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries and the Prior Releasers, (the “Initial Net Settlement Allocations”), by multiplying the Net Settlement Amount by the pro rata percentage attributable to each Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries and the Prior Releasers.
4. The Settlement Administrator shall next determine those Participants, Former Participants, Beneficiaries, or Alternate Payees who have received a Damages Award in arbitration against any of the *Ferguson* DST Defendants (“Arbitration Claimants”). “Damages Award” means the amount any arbitrator(s) awarded to an Arbitration Claimant in an arbitration against any of the *Ferguson* DST Defendants for purported losses to that Arbitration Claimant’s PSP account, either in an interim or final award, less any gross amounts that Arbitration Claimant previously received in return for execution of a release in favor of any of the Defendants (a “Separate Settlement”). If an Arbitration Claimant received both an interim award and a final award, or if the Arbitration Claimant’s final award was later modified by any arbitrator(s), the Settlement Administrator shall use the last-in-time award that contains a Damages Award. “Damages Award” excludes attorney’s fees, statutory costs, and out-of-pocket expenses, and excludes administrative fees and expenses of the American Arbitration Association. No amount included in any arbitration award with respect to attorney’s fees, statutory costs, or out-of-pocket

¹ The Prior Releasers are: Alicia R. Andrews, Stephen W. Bay, Vanessa M. Bross, Kendra J. Burmaster, Christopher S. Davis, Jacqueline C. Davis, Mary E. Lamy, Brian J. Majernik, Brad D. McMillin, Michael N. Murphy, Robert O. Parrott, Percy W. Payne, Patricia J. Pottinger, Lawrence Schellenberger, and Randall W. Sharp.

expenses, or administrative fees and expenses of the American Arbitration Association, shall be considered in allocating or distributing the Net Settlement Amount.

5. If the amount of a Damages Award received by a particular Arbitration Claimant, plus any net amount of consideration (meaning any amount not paid to counsel for that Arbitration Claimant) received in a Separate Settlement, is greater than the Initial Net Settlement Allocation for that Arbitration Claimant, the Settlement Administrator shall allocate to each such Arbitration Claimant from the Net Settlement Amount the amount of the Damages Award, to the extent such Damages Award has not previously been satisfied by the *Ferguson* DST Defendants separate from this Settlement. The Plan of Allocation will refer to the amounts of the Damages Awards allocated under this Paragraph as the “Arbitration Award Settlement Amounts,” and will refer to the recipients of the Arbitration Award Settlement Amounts as the “Arbitration Award Settlers.”
6. After allocating the Arbitration Award Settlement Amounts pursuant to Paragraph 1.5.5, the Settlement Administrator shall subtract from the Net Settlement Amount the total amount of the Arbitration Award Settlement Amounts to calculate the Net Settlement Amount allocable to the remaining Class Members (the “Revised Net Settlement Amount”).
7. If the amount of a Damages Award received by a particular Arbitration Claimant, plus any net amount of consideration (meaning any amount not paid to counsel for that Arbitration Claimant) received in a Separate Settlement, is less than the Initial Net Settlement Allocation for that Arbitration Claimant, including any Arbitration Claimant to whom no damages were awarded in arbitration, the allocation for each such Arbitration Claimant shall be calculated in accordance with Paragraphs 1.5.8 through 1.5.11, without reference to any such Damages Award. Pursuant to Paragraph 1.5.4 and Paragraphs 1.5.7 through 1.5.11, no Arbitration Claimant shall receive a Settlement Payment less than that Arbitration Claimant’s Damages Award.
8. The Settlement Administrator shall then calculate the sum of the Gross Differentials attributable to each remaining Participant, Former Participant, Beneficiary, or Alternate Payee (other than the Former Plan Fiduciaries, the Prior Releasers, and the Arbitration Award Settlers), to arrive at a Revised Net Gross Differential Balance. The Settlement Administrator shall then calculate the pro rata share of the Revised Net Gross Differential Balance attributable to each remaining Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries, the Prior Releasers, and the Arbitration Award Settlers (the “Revised Net Settlement Allocations”), by (a) deducting \$10 for each remaining Participant, Former Participant, Beneficiary, or Alternate Payee (other than the Former Plan Fiduciaries, the Prior Releasers, and the Arbitration Award Settlers) with a Gross Differential amount of zero or less, as well as any remaining Participant, Former Participant, Beneficiary, or Alternate Payee (other than the Former Plan Fiduciaries, the Prior Releasers, and the Arbitration Award Settlers)

with a Gross Differential amount that would otherwise result in payment of less than \$10 and each Prior Releasor, and (b) multiplying the remaining Revised Net Settlement Amount by the pro rata percentage of the Revised Net Gross Differential Balance attributable to each remaining Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Plan Fiduciaries, the Prior Releasors, the Arbitration Award Settlers, and the Participants, Former Participants, Beneficiaries and Alternate Payees who will receive \$10.

9. Any Participant, Former Participant, Beneficiary, or Alternate Payee, other than the Former Fiduciaries, the Prior Releasors, and the Arbitration Award Settlers, who already received consideration (meaning a monetary payment, account allocation or financial benefit of any kind), whether in a Separate Settlement or as part of an arbitration award that already has been satisfied arising out of or related to Plaintiffs' Released Claims (a "Separate Satisfied Award" and, together with "Separate Settlement," a "Separate Payment"), shall have the net amount of such consideration received as a result of the Separate Payment, meaning any amount not paid to counsel for those Participants, Former Participants, Beneficiaries, or Alternate Payees (the "Net Separate Payment"), applied and credited against the Revised Net Settlement Allocation attributable to that Participant, Former Participant, Beneficiary, or Alternate Payee. If the Net Separate Payment is less than the Revised Net Settlement Allocation that the Participant, Former Participant, Beneficiary, or Alternate Payee would receive as a result of this Settlement, then such Participant, Former Participant, Beneficiary, or Alternate Payee shall be entitled to receive the difference between (a) the Revised Net Settlement Allocation, and (b) the Net Separate Payment. That is, any Class Member who received a Separate Payment will receive a "top-off" payment to ensure that they receive the full amount of the Revised Net Settlement Allocation to which they would be entitled under this Settlement (once any Net Separate Payment is taken into account). No Class Members or other recipients of consideration who are not Class Members will be required under this Plan of Allocation or this Settlement to return or otherwise forfeit any consideration already received as a result of a Net Separate Payment.
10. Any Class Member whose Settlement Payment, as provided for in Paragraphs 1.5.4 through 1.5.9, is calculated by the Settlement Administrator to be \$10.00 or less, including Class Members who had Gross Differential amounts of \$0.00 or less, shall receive a Settlement Payment of \$10.00. Each Prior Releasor also will receive a Settlement Payment of \$10.00.
11. Any amounts remaining in the Net Settlement Fund after allocating amounts due to Class Members who received Separate Payments, as provided in Paragraph 1.5.9, and allocating the minimum Settlement Payments to Class Members, as provided in Paragraph 1.5.10, shall be distributed to Participants, Former Participants, Beneficiaries, or Alternate Payees, other than the Former Fiduciaries, the Prior Releasors, and the Arbitration Award Settlers, based on the pro rata percentages calculated in accordance with Paragraph 1.5.8.

12. Each Participant, Former Participant, Beneficiary, or Alternative Payee who is eligible to recover from the Net Settlement Fund shall be paid their portion of the Net Settlement Fund based upon the calculations in Paragraphs 1.5.4 through 1.5.12. All amounts not distributed shall be retained in the Qualified Settlement Fund for distribution pursuant to Paragraph 1.13.
 13. The Plan recordkeepers (or designees) shall provide the necessary data subject to their control as may be reasonably available and necessary to enable the Settlement Administrator to perform the above calculations.
 14. The Settlement Administrator shall utilize the calculations required to be performed herein for (a) making the required payments to Former Participants, and to Beneficiaries or Alternate Payees who do not have Active Accounts, under Paragraph 1.7 of this Plan of Allocation; and (b) instructing the Plan as to the amount of the Net Settlement Amount to be allocated to Participants, and to Beneficiaries or Alternate Payees who have Active Accounts, under Paragraph 1.6 of this Plan of Allocation and calculating the total amount to deposit into each of their Active Account(s) to fulfill this instruction.
 15. The total amount of all rollovers or checks to be paid by the Settlement Administrator for Former Participants, and Beneficiaries or Alternate Payees who do not have Active Accounts, plus the total amount of all allocations that the Plan is instructed to make to Participants, and Beneficiaries or Alternate Payees who have Active Accounts, may not exceed the Net Settlement Amount.
6. **Payments to Participants, Beneficiaries, or Alternate Payees with Active Accounts.** Participants, and Beneficiaries or Alternate Payees who have Active Accounts, will have their Settlement Payment deposited into their Active Accounts.
1. Within two (2) business days after the Settlement Administrator has completed all payment calculations for all Participants, and Beneficiaries or Alternate Payees who have Active Accounts, the Settlement Administrator will provide the Plan's recordkeepers, in a format and via a delivery method mutually agreed upon by the Settlement Administrator and the Plan's recordkeepers, with an Excel spreadsheet containing the name, Social Security number (or alternative identifier(s) mutually acceptable), and amount of the Settlement Payment to be made into the Active Account(s) for each of these persons. In the event the Excel spreadsheet includes Social Security numbers, the Settlement Administrator will transmit the spreadsheet in a manner to protect the confidentiality of any such Social Security numbers.
 2. Subject to Paragraph 1.2, and within ten (10) business days' written notice to the Plan and the Plan's recordkeepers, the Settlement Administrator shall effect a transfer from the Qualified Settlement Fund to the trust for the Plan of the aggregate amount of all Settlement Payments payable to Active Participants, and Beneficiaries or Alternate Payees who have Active Accounts, as reflected in the spreadsheet provided by the Settlement Administrator. Within thirty (30) calendar

days of the transfer from the Qualified Settlement Fund to the trust for the Plan described in this Paragraph 1.6.2, the Settlement Administrator will provide to Class Counsel, Defense Counsel, and the Secretary (i) documentation of the transfer to the trust for the Plan and (ii) a statement issued by the trustee for the trust for the Plan showing receipt of the transfer. The Plan (or its designee) shall direct the Plan's recordkeepers to credit the individual Active Account(s) of each such person in an amount equal to that stated on the spreadsheet provided by the Settlement Administrator in relation to each such person.

3. The Settlement Payment for each Participant who is an active participant in the Plan will be invested in accordance with and proportionate to such Participant's investment elections then on file for new contributions. If the Participant does not have an investment election on file, then such Participant shall be deemed to have directed such payment to be invested in the Plan's default investment option. Likewise, the Settlement Payment to each Beneficiary or Alternate Payee who has an Active Account will be invested in accordance with and proportionate to such person's investment elections then on file, or if such a person does not have investment elections on file, then such person will be deemed to have directed such payment to be invested in the Plan's default investment option.
4. The Plan's recordkeeper shall process all Settlement Payments to Participants, Beneficiaries, or Alternate Payees who have Active Accounts as soon as administratively feasible after the Plan receives the payment from the Qualified Settlement Fund and the Excel spreadsheet containing the agreed-upon information.
5. If, as of the date when payments pursuant to this Settlement Agreement are made, a Participant, or Beneficiary or Alternate Payee who had an Active Account, no longer has an Active Account, they will be treated as a Former Participant for purposes of the Settlement distribution only and will receive their payment from the Settlement Administrator in the form of a check or rollover as described in Paragraph 1.7. In order to receive a rollover, a Participant, or Beneficiary or Alternate Payee who had an Active Account, who no longer has an Active Account on the date of their Settlement distribution, will need to fill out a Former Participant Rollover Form.
7. **Payments to Former Participants, Beneficiaries, or Alternate Payees without Active Accounts.** Each Former Participant, Beneficiary, or Alternate Payee who does not have an Active Account will have the opportunity to elect a rollover of their Settlement Payment to an individual retirement account or other eligible employer plan, which they have identified on the Former Participant Rollover Form, provided that such a person supplies adequate information to the Settlement Administrator to effect the rollover. Otherwise, the Former Participant, Beneficiary, or Alternate Payee who does not have an Active Account will receive their Settlement Payment directly by check. The distributions shall be issued as follows:
 1. The Settlement Administrator will either effect from the Qualified Settlement Fund the rollover that the Former Participant, Beneficiary, or Alternate Payee who does

not have an Active Account elects in their Former Participant Rollover Form (if the conditions for such rollover are satisfied) and any associated paperwork necessary to effect the Settlement distribution by rollover, *or* issue a check from the Qualified Settlement Fund to the Former Participant, Beneficiary, or Alternate Payee who does not have an Active Account, and mail the check to the address of such Former Participant, Beneficiary, or Alternate Payee provided by a Plan recordkeeper or, in the case of ambiguity or uncertainty, to the last known address of such person as determined by the Settlement Administrator using commercially reasonable means.

2. With respect to Settlement Payments that are not rolled over, the Settlement Administrator shall (i) calculate and withhold any applicable taxes associated with the payments allocable to the Former Participant, Beneficiary, or Alternate Payee who does not have an Active Account; (ii) report such payments and remit such tax withholdings to the Internal Revenue Service and applicable state revenue agents; and (iii) issue appropriate tax forms to these persons.
8. The Settlement Administrator shall be solely responsible for performing any calculations required by this Plan of Allocation. If the Settlement Administrator concludes that it is impracticable to implement any provision of this Plan of Allocation, or that the Plan of Allocation total would otherwise exceed the Net Settlement Amount, the Settling Parties agree to promptly discuss modifications to the terms of this Plan of Allocation and present such modified terms to the Court for its approval. Direct mailed notice to Class Members of such proposed modification of the Plan of Allocation shall not be required. However, notice of such proposed modification shall be posted by the Settlement Administrator on the Settlement website.
9. Within twenty-one (21) calendar days following the issuance of all settlement payments to Class Members as provided by this Plan of Allocation, the Settlement Administrator shall prepare and provide to Class Counsel, Defense Counsel, and the Secretary an initial report listing (i) each person who received a Settlement Payment; (ii) the form of the Settlement Payment (whether a contribution to an active Plan account, a check, or a rollover to another qualified retirement account); (iii) the gross amount of the Settlement Payment; (iv) the net amount of the Settlement Payment after any tax withholdings; (v) the date of issuance of the Settlement Payment; and (vi) the date the Settlement Payment cleared, if applicable.
10. The Settling Parties acknowledge that any payments to Class Members or their attorneys may be subject to applicable tax laws. Defendants and Defense Counsel will provide no tax advice to the Class Members and make no representation regarding the tax consequences of any of the Settlement Payments described in this Settlement Agreement. To the extent that any portion of any Settlement Payment is subject to income or other tax, the recipient of the payment shall be responsible for payment of such tax. Deductions will be made, and reporting will be performed by the Settlement Administrator, as required by law in respect of all payments made under the Settlement Agreement. Payments from the Qualified Settlement Fund shall not be treated as wages by the Settling Parties.
11. Each Class Member who receives a payment under this Settlement Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes

resulting from or attributable to the payment received by such person. Each Class Member shall hold Defendants, the Defendant Releasees, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments under the Settlement Agreement, and shall hold Defendants, the Defendant Releasees, Defense Counsel, Class Counsel, and the Settlement Administrator harmless from the costs (including, for example, attorneys' fees and disbursements) of any proceedings (including, for example, investigation and suit), related to such tax liability.

12. All checks issued pursuant to this Plan of Allocation shall expire one hundred eighty (180) calendar days after their issue date. All checks that are undelivered or are not cashed before their expiration date shall revert to the Qualified Settlement Fund. Within twenty-one (21) calendar days following the latest expiration date of any checks issued pursuant to this Plan of Allocation, the Settlement Administrator shall prepare and provide to Class Counsel, Defense Counsel, and the Secretary an updated report listing (i) each person who received a Settlement Payment; (ii) the form of the Settlement Payment (whether a contribution to an active Plan account, a check, or a rollover to another qualified retirement account); (iii) the gross amount of the Settlement Payment; (iv) the net amount of the Settlement Payment after any tax withholdings; (v) the date of issuance of the Settlement Payment; and (vi) the date the Settlement Payment cleared, if applicable.
13. No sooner than ninety (90) calendar days following the Effective Date of Settlement, any Net Settlement Amount remaining in the Qualified Settlement Fund after payments, including costs and taxes, shall be paid to the Plan for the benefit of the Plan's participants as set forth in the Settlement Agreement. Within thirty (30) calendar days following the payment of any remaining Net Settlement Amount to the Plan, the Settlement Administrator shall provide to Class Counsel, Defense Counsel, and the Secretary (i) documentation of the transfer from the Qualified Settlement Fund to the trust for the Plan; and (ii) a statement issued by the trustee for the trust for the Plan showing receipt of the transfer.