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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

KILLYOUNG OH, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

HANMI FINANCIAL CORPORATION,
C. G. KUM, BONITA I. LEE, and
ROMOLO C. SANTAROSA,

Defendants.

Case No. 2:20-cv-02844-FLA-JC

Hon. Fernando L. Aenlle-Rocha

CLASS ACTION

STIPULATION OF
SETTLEMENT

This Stipulation of Settlement dated as of June 23, 2023 (together with all Exhibits hereto, “Stipulation”), which is entered into, by and through their undersigned attorneys, between (i) Lead Plaintiff Killyoung Oh (“Plaintiff”), on behalf of himself and the Settlement Class (as defined herein) and (ii) Defendants Hanmi Financial Corporation (“Hanmi” or the “Company”), C. G. Kum, Bonita I. Lee, and Romolo C. Santarosa (“Defendants” and with Plaintiff, the “Parties”),

1 states all of the terms of the settlement and resolution of this matter by the Parties,
2 and is intended by the Parties to fully and finally compromise, settle, release,
3 resolve, remise, discharge, and dismiss with prejudice the Released Claims (as
4 defined herein) against the Released Parties (as defined herein) for the consideration
5 specified, as set forth below.

6 Throughout this Stipulation, all terms used with initial capitalization, but not
7 immediately defined, shall have the meanings ascribed to them in Paragraph 1
8 below.

9 **WHEREAS:**

10 **A. Litigation History**

11 On March 26, 2020, Plaintiff initiated the action, alleging violations of
12 Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”).
13 (Dkt. No. 1).

14 On May 26, 2020, Plaintiff filed a motion seeking appointment as lead
15 plaintiff and approval of his counsel as lead counsel. (Dkt. No. 10). On July 21,
16 2020, Judge Andre Birotte, Jr. appointed Plaintiff as Lead Plaintiff and The Rosen
17 Law Firm, P.A. as Lead Counsel. (Dkt. No. 24).

18 According to the Parties’ scheduling stipulation Judge Birotte granted on July
19 31, 2020 (Dkt. No. 27), Plaintiff filed the Amended Class Action Complaint for
20 Violations of the Federal Securities Laws (“Amended Complaint”) (Dkt. No. 28).
21 Defendants filed their motion to dismiss the Amended Complaint on November 2,
22 2020. (Dkt. No. 33). Plaintiff filed his opposition on December 17, 2020. (Dkt. No.
23 36). Defendants filed their reply in further support of their motion to dismiss on
24 January 15, 2021. (Dkt. No. 38).

25 On December 30, 2020, the Action was transferred to Judge Fernando L.
26 Aenlle-Rocha. (Dkt. No. 37).

1 On March 17, 2021, the Court granted the motion to dismiss the Amended
2 Complaint, permitting Plaintiff 20 days to file an amended complaint. (Dkt. No.
3 44). On April 6, 2021, Plaintiff timely filed the operative Second Amended Class
4 Action Complaint for Violations of the Federal Securities Laws (“SAC”) (Dkt. No.
5 45).

6 On April 15, 2021, the Parties submitted a Joint Rule 26(f) Report. (Dkt. No.
7 50).

8 On May 21, 2021, Defendants filed their motion to dismiss the SAC. (Dkt.
9 No. 55). Plaintiff filed his opposition on July 6, 2021. (Dkt. No. 59). Defendants
10 filed their reply in support of their motion to dismiss the SAC on July 21, 2021.
11 (Dkt. No. 60). On July 23, 2021, Defendants filed a notice of errata and an updated
12 reply to conform with the Court’s rules regarding page limits. (Dkt. Nos. 61-62).
13 On August 19, 2022, the Court denied the motion to dismiss the SAC. (Dkt. No.
14 67).

15 On September 19, 2022, the Court modified the scheduling order. (Dkt. No.
16 69).

17 On September 29, 2022, Defendants filed their Answer. (Dkt. No. 70).

18 On April 28, 2023, the Parties notified the Court that they reached a
19 settlement in principle and asked that the case be stayed for 30 days in order to
20 document the Settlement, (Dkt. No. 73), which the Court granted. (Dkt. No. 74).
21 On June 2, 2023, the Court granted the Parties’ request for an additional 21 days to
22 finalize the Settlement documents. (Dkt. No. 76).

23 **B. Mediation and Settlement**

24 In early 2023, the Parties decided to participate in a mediation session. They
25 engaged Jed Melnick of JAMS, a well-respected mediator with experience
26 mediating securities class actions. Prior to the mediation, the Parties exchanged
27 detailed mediation statements.

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1 The Parties attended a mediation on March 2, 2023 with Mr. Melnick. The
2 mediation was not successful, but the Parties continued negotiations with Mr.
3 Melnick's assistance during the next several weeks. Eventually, the Parties reached
4 the principle terms of a settlement on March 24, 2023. On April 21, 2023, the
5 Parties executed a binding Term Sheet that set forth the material terms and
6 obligations with respect to the Settlement.

7 This Stipulation memorializes the agreement between the Parties to fully and
8 finally settle the Action and to fully release all Released Claims against Defendants
9 and the Released Parties with prejudice in return for the consideration specified
10 herein.

11 **C. Defendants' Denial of Wrongdoing and Liability**

12 Throughout this Action, Defendants have denied, and continue to deny, any
13 and all allegations of fault, liability, wrongdoing, or damages whatsoever arising
14 out of any of the conduct, statements, acts, or omissions alleged, or that could have
15 been alleged, in the Action. Defendants have denied, and continue to deny, the
16 allegations that Plaintiff or any Settlement Class Member have suffered damages or
17 were harmed by any of the conduct alleged in the Action or that could have been
18 alleged as part of the Action. In addition, Defendants maintain that they have
19 meritorious defenses to all claims in the Action. Defendants continue to believe the
20 claims asserted against them in the Action are without merit and have agreed to
21 enter into the Settlement set forth in this Stipulation solely to avoid the expense,
22 distraction, time and uncertainty associated with the Action.

23 Defendants have concluded that it is desirable that the Action be fully and
24 finally settled in the manner and upon the terms and conditions set forth in this
25 Stipulation. Defendants also have taken into account the risks inherent in any
26 litigation, especially in complex cases such as this Action. Defendants have
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1 therefore determined that it is desirable and beneficial to them that the Action be
2 settled in the manner and upon the terms and conditions set forth in this Stipulation.

3 **D. Plaintiff’s Claims and Benefits of Settlement**

4 Plaintiff believes that the claims he asserted in the Action on his own behalf
5 and on behalf of the putative Class have merit. Plaintiff, however, recognizes and
6 acknowledges the expense and length of continued proceedings necessary to
7 prosecute the Action against Defendants through trial and appeals. Plaintiff has also
8 taken into account the uncertain outcome and the inherent risks of this and any
9 complex class litigation. In particular, Plaintiff has considered the challenges and
10 expense of conducting discovery as well as the risks of certifying a class, surviving
11 Defendants’ anticipated motions for summary judgment and succeeding at trial and
12 on any appeals. The inherent problems of proof and possible defenses to the federal
13 securities law violations asserted in the Action pose formidable hurdles to a more
14 successful resolution. Plaintiff determined, therefore, that the Settlement set forth
15 in this Stipulation is fair, adequate, reasonable, and in the best interests of the
16 Settlement Class.

17 **NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED**
18 by and among Plaintiff (on behalf of himself and each of the Settlement Class
19 Members) and Defendants, by and through their respective undersigned counsel,
20 that, subject to the approval of the Court, in consideration of the benefits flowing to
21 the Parties from the Settlement set forth herein, the Action shall be dismissed with
22 prejudice and the Released Claims shall be finally and fully released as against the
23 Released Parties, upon and subject to the terms and conditions of this Stipulation,
24 as follows:

25 **1. Definitions**

26 In addition to the terms defined above, the following capitalized terms, used
27 in this Stipulation, shall have the meanings specified below:
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1 **1.1.** “Action” means the consolidated, putative class action
2 captioned *Killyoung Oh v. Hanmi Financial Corporation, et al.*, Case No. 2:20-cv-
3 02844-FLA-JC (C.D. Cal.).

4 **1.2.** “Administrative Costs” means all costs and expenses associated
5 with providing notice of the Settlement to the Settlement Class and otherwise
6 administering or carrying out the terms of the Settlement. Such costs may include,
7 without limitation: escrow agent costs, the costs of publishing and disseminating
8 the Notice, the costs of printing and mailing the Notice and Proof of Claim, as
9 directed by the Court, and the costs of allocating and distributing the Net Settlement
10 Fund to the Authorized Claimants. Such costs do not include legal fees.

11 **1.3.** “Authorized Claimant” means any Settlement Class Member
12 who is a Claimant and whose claim for recovery has been allowed pursuant to the
13 terms of this Stipulation, the exhibits hereto, and any order of the Court.

14 **1.4.** “Award to Plaintiff” means the requested reimbursement to
15 Plaintiff for his reasonable costs and expenses directly related to Plaintiff’s
16 representation of the Settlement Class in the Action.

17 **1.5.** “Business Day” means any day except Saturday, Sunday, or any
18 legal holiday as defined by Federal Rule of Civil Procedure 6(a)(6).

19 **1.6.** “Claimant” means any Settlement Class Member who files a
20 Proof of Claim in such form and manner, and within such time, as the Court shall
21 permit.

22 **1.7.** “Claims” means any and all manner of claims, debts, demands,
23 controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights,
24 duties, judgments, sums of money, suits, contracts, agreements, promises, damages,
25 causes of action and liabilities, of every nature and description in law or equity
26 (including, but not limited to, any claims for damages, whether compensatory,
27 special, incidental, consequential, punitive, exemplary or otherwise, injunctive
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1 relief, declaratory relief, recession or recessionary damages, interest, attorneys’
2 fees, expert or consulting fees, costs, or expenses), accrued or unaccrued, known or
3 unknown, arising under federal, state, common, administrative, or foreign law, or
4 any other law, rule, or regulation.

5 **1.8.** “Claims Administrator” means Strategic Claims Services,
6 which shall administer the Settlement.

7 **1.9.** “Court” means the United States District Court for the Central
8 District of California, or if this Action is transferred to another court, the transferee
9 court.

10 **1.10.** “Defendants” means Hanmi Financial Corporation, C. G. Kum,
11 Bonita I. Lee, and Romolo C. Santarosa.

12 **1.11.** “Defense Counsel” means Manatt, Phelps & Phillips, LLP and
13 Bird, Marella, Boxer, Wolpert, Nessim, Drooks, Lincenberg & Rhow, P.C.

14 **1.12.** “Escrow Account” means an interest-bearing escrow account
15 established by the Escrow Agent. The Escrow Account shall be managed by the
16 Escrow Agent, subject to the Court’s supervisory authority, for the benefit of Lead
17 Plaintiff and the Settlement Class in accordance with the terms of the Stipulation
18 and any order of the Court.

19 **1.13.** “Escrow Agent” means means Strategic Claims Services or its
20 appointed agents. The Escrow Agent shall perform the duties as set forth in this
21 Stipulation and any order of the Court.

22 **1.14.** “Effective Date” shall have the meaning set forth in ¶10.5 of this
23 Stipulation.

24 **1.15.** “Final” when referring to the Final Judgment means exhaustion
25 of all possible appeals, meaning (i) if no appeal or request for review is filed, the
26 day after the date of expiration of any time for appeal or review of the Final
27 Judgment, and (ii) if an appeal or request for review is filed, the day after the date
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1 the appeal or request for review is dismissed, or the Final Judgment is upheld on
2 appeal or review in all material respects, and is not subject to further review on
3 appeal or by *certiorari* or otherwise; provided, however, that any dispute or appeals
4 relating solely to the amount, payment or allocation of attorneys' fees and expenses
5 or the Plan of Allocation shall have no effect on finality for purposes of determining
6 the date on which the Final Judgment becomes Final.

7 **1.16.** "Final Judgment" means the order and judgment to be entered
8 by the Court finally approving the Settlement, materially in the form attached hereto
9 as Exhibit B.

10 **1.17.** "Lead Counsel" means The Rosen Law Firm, P.A.

11 **1.18.** "Long Notice" means the Notice of Pendency and Proposed
12 Settlement of Class Action, substantially in the form attached hereto as Exhibit A-
13 1.

14 **1.19.** "Net Settlement Fund" means the Settlement Fund, less: (i) the
15 Fee and Expense Awards; (ii) Administrative Costs; (iii) Taxes and Tax Expenses;
16 (iv) any Award to Plaintiff; and (v) other fees and expenses authorized by the Court.

17 **1.20.** "Notice" means collectively, the Long Notice, the Summary
18 Notice, and the Postcard Notice, which are to be made available to Settlement Class
19 Members substantially in the forms attached hereto as Exhibits A-1, A-3, and A-4,
20 respectively, on the Claims Administrator's website and/or mailed to Settlement
21 Class Members.

22 **1.21.** "Party" means any one of, and "Parties" means all of
23 Defendants and Plaintiff (individually and on behalf of the Settlement Class).

24 **1.22.** "Person" means an individual, corporation, fund, limited
25 liability corporation, professional corporation, limited liability partnership,
26 partnership, limited partnership, association, joint stock company, estate, legal
27 representative, trust, unincorporated association, government or any political
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1 subdivision or agency thereof, and any business or legal entity and their spouses,
2 heirs, predecessors, successors, representatives, or assigns.

3 **1.23.** “Plaintiff” or “Lead Plaintiff” means Killyoung Oh.

4 **1.24.** “Plan of Allocation” means a plan or formula for allocating the
5 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
6 Taxes and Tax Expenses, and such attorneys’ fees, costs, and expenses as may be
7 awarded by the Court. The Plan of Allocation is not a condition to the effectiveness
8 of this Stipulation, and the Released Parties shall have no responsibility or liability,
9 with respect thereto.

10 **1.25.** “Postcard Notice” means the Postcard Notice, substantially in
11 the form attached hereto as Exhibit A-4, alerting potential Settlement Class
12 Members to the availability of the Long Notice and containing instructions on how
13 Settlement Class Members can obtain copies of the Long Notice and Proof of Claim
14 either by electronic means or by mail.

15 **1.26.** “Preliminary Approval Order” means an order preliminarily
16 approving the Settlement and directing notice thereof to the Settlement Class,
17 substantially in the form of the proposed order attached hereto as Exhibit A.

18 **1.27.** “Proof of Claim” means the Proof of Claim and Release Form
19 to be submitted by Claimants, substantially in the form attached hereto as Exhibit
20 A-2.

21 **1.28.** “Related Parties” means, with respect to each Released Party,
22 the immediate family members, employees, officers, directors, attorneys, legal
23 representatives, insurers, reinsurers, and agents of each of them, and any person or
24 entity which is or was related to or affiliated with any Released Party or in which
25 any Released Party has a controlling interest, and their present and former parents,
26 subsidiaries, variable interest entities, divisions, affiliates, employees, officers,
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1 directors, attorneys, legal representatives, insurers, reinsurers, and agents, and the
2 predecessors, heirs, administrators, successors and assigns of the foregoing.

3 **1.29.** “Released Claims” means and includes any and all Claims and
4 Unknown Claims (as defined in ¶1.40) that have been or could have been asserted
5 by or on behalf of any of the Releasing Parties, in any capacity, which arise out of,
6 are based upon, or relate in any way to the purchase, acquisition, sale, or disposition
7 of any Hanmi publicly traded securities during the Settlement Class Period,
8 including but not limited to any claims alleged in the Action and any claims related
9 to the allegations, facts, transactions, events, matters, occurrences, acts, disclosures,
10 representations, omissions, failures to act, filings, publications, or presentations
11 involved, related to, set forth, alleged or referred to in the Action. For the avoidance
12 of doubt, this release does not release or impair: (i) any claims relating to the
13 enforcement the terms of this Stipulation or orders or judgments issued by the Court
14 in connection with this Settlement; (ii) any claims asserted derivatively in *Franchi*
15 *v. Ahn, et al.*, Case No. 23STCV06374 pending in Los Angeles Superior Court; and
16 (iii) any claims of persons or entities who or which submits a request for exclusion
17 from the Settlement Class that is accepted by the Court.

18 **1.30.** “Released Parties” means Defendants and each and all of their
19 Related Parties, their respective families, parent entities, associates, affiliates or
20 subsidiaries, and each and all of their respective past, present or future officers,
21 directors, stockholders, agents, representatives, employees, attorneys, financial or
22 investment advisors, advisors, insurers, co-insurers and reinsurers, heirs, executors,
23 general or limited partners or partnerships, personal or legal representatives, estates,
24 administrators, predecessors, successors and assigns.

25 **1.31.** “Releasing Parties” means Plaintiff, each and every Settlement
26 Class Member and each of their respective parent entities, associates, affiliates,
27 subsidiaries, predecessors, successors, assigns, attorneys, immediate family
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1 members, heirs, representatives, administrators, executors, devisees, legatees, and
2 estates, whether or not they object to the Settlement set forth in this Stipulation, and
3 whether or not they make a claim for payment from the Net Settlement Fund.

4 **1.32.** “Settlement” means the settlement contemplated by this
5 Stipulation.

6 **1.33.** “Settlement Amount” means a total of three million
7 (\$3,000,000).

8 **1.34.** “Settlement Class” means all persons and entities who
9 purchased publicly-traded Hanmi common stock between August 9, 2018 and April
10 30, 2020, both dates inclusive. Excluded from the Settlement Class are: (i)
11 Defendants; (ii) current and former officers, employees, consultants and directors
12 of Hanmi; (iii) siblings, parents, children, spouses, and household members of any
13 person excluded under (i) and (ii); (iv) any entities affiliated with, controlled by, or
14 more than 5% owned by, any person excluded under (i) through (iii); and (v) the
15 legal representatives, heirs, successors or assigns of any person excluded under (i)
16 through (iv). Also excluded from the Settlement Class are those persons or entities
17 who do not have compensatory losses and those who file valid and timely requests
18 for exclusion in accordance with the Preliminary Approval Order.

19 **1.35.** “Settlement Class Member” means any one of, and “Settlement
20 Class Members” means all of, the members of the Settlement Class.

21 **1.36.** “Settlement Class Period” means the period August 9, 2018 and
22 April 30, 2020, both dates inclusive.

23 **1.37.** “Settlement Fund” means all funds transferred to the Escrow
24 Account or Escrow Agent pursuant to this Stipulation and any interest or other
25 income earned thereon.

26 **1.38.** “Settlement Hearing” means the hearing at or after which the
27 Court will make a final decision pursuant to Rule 23 of the Federal Rules of Civil
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1 Procedure as to whether the Settlement contained in the Stipulation is fair,
2 reasonable and adequate, and therefore, should receive final approval from the
3 Court.

4 **1.39.** “Summary Notice” means the Summary Notice of Pendency
5 and Proposed Class Action Settlement that the Claims Administrator will cause to
6 be published, substantially in the form attached hereto as Exhibit A-3.

7 **1.40.** “Unknown Claims” means all Claims of every nature and
8 description (including those Claims that might have otherwise been subject to the
9 benefits of California Civil Code § 1542, which the Releasing Parties have
10 expressly agreed to waive pursuant to ¶ 6.2 below) which Plaintiff or any Settlement
11 Class Member do not know or suspect to exist in their favor at the time of the release
12 of the Released Parties which, if known by them, might have affected their decision
13 with respect to the settlement with and release of the Released Parties, including
14 without limitation any decision not to opt-out or object to this Settlement.

15 **2. The Settlement Consideration**

16 **2.1.** In consideration of the full and final release, settlement, and
17 discharge of all Released Claims against the Released Parties, Hanmi, on behalf of
18 Defendants, shall pay or cause to be paid the Settlement Amount to the Escrow
19 Agent for deposit in the Settlement Fund within fourteen (14) days after the later of
20 (i) the Court granting the preliminary approval of the Settlement, or (ii) Defense
21 Counsel’s receipt of the complete and accurate payment instructions and a W-9 for
22 the Settlement Fund. Lead Counsel will provide the complete and accurate payment
23 instructions and W-9 for the Settlement Fund within five (5) days from the entry of
24 the Preliminary Approval Order.

25 **2.2.** The obligations incurred pursuant to this Agreement shall be in
26 full and final disposition and settlement of all Released Claims. Plaintiff and
27 Settlement Class Members shall look solely to the Settlement Fund as full, final,
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1 and complete satisfaction of all Released Claims. Under no circumstances will
2 Defendants be required to pay, or cause payment of, more than the Settlement
3 Amount pursuant to this Stipulation or the Settlement for any reason whatsoever,
4 including, without limitation, as Administrative Costs, as compensation to any
5 Settlement Class Member, as payment of Plaintiff's or any Settlement Class
6 Member's attorneys' fees and expenses, or in payment of any fees, expenses, costs,
7 liability, losses, Taxes, or damages whatsoever alleged or incurred by Plaintiff, any
8 Settlement Class Member or Lead Counsel, including but not limited to their
9 attorneys, experts, advisors, agents, or representatives.

10 **3. Handling and Disbursement of Funds by the Escrow Agent**

11 **3.1.** No monies will be disbursed from the Settlement Fund prior to
12 the Effective Date except:

- 13 (a) As provided in ¶3.4 below;
14 (b) As provided in ¶8.2 below;
15 (c) As provided in ¶10.10 below, if applicable; and
16 (d) To pay Taxes and Tax Expenses (as defined in ¶4.1
17 below). Taxes and Tax Expenses shall be paid out of the Settlement Fund and shall
18 be considered to be a cost of administration of the Settlement and shall be timely
19 paid by the Escrow Agent without prior Order of the Court.

20 **3.2.** The Escrow Agent shall invest the Settlement Fund in short term
21 instruments backed by the full faith and credit of the United States Government or
22 fully insured by the United States Government or an agency thereof and shall
23 reinvest the proceeds of these instruments as they mature in similar instruments at
24 their then-current market rates. The Escrow Agent shall bear all responsibility and
25 liability for managing the Escrow Account and cannot assign or delegate its
26 responsibilities without approval of the Parties. Defendants, their counsel, their
27 insurers, and the other Released Parties shall have no responsibility for, interest in,
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1 or any liability whatsoever with respect to any investment or management decisions
2 executed by the Escrow Agent. The Settlement Fund shall bear all risks related to
3 the investments of the Settlement Amount in accordance with the guidelines set
4 forth in this ¶3.2.

5 **3.3.** The Escrow Agent shall not disburse the Settlement Fund except
6 as provided in this Stipulation, by an order of the Court, or with the written
7 agreement of Defendants.

8 **3.4.** At any time after the Court grants preliminary approval of the
9 Settlement, the Escrow Agent may, without further approval from Defendants or
10 the Court, disburse at the direction of Lead Counsel up to \$150,000 from the
11 Settlement Fund prior to the Effective Date to pay Administrative Costs. After the
12 Effective Date, up to an additional \$100,000 may be transferred from the Settlement
13 Fund to pay for any reasonable and necessary Administrative Costs without further
14 order of the Court.

15 **4. Taxes**

16 **4.1.** The Parties agree to treat the Settlement Fund as being at all
17 times a “qualified settlement fund” within the meaning of Treasury Regulation
18 § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made via
19 the Escrow Agent, such elections as necessary or advisable to carry out the
20 provisions of this ¶4.1, including the “relation-back election” (as defined in
21 Treasury Regulation § 1.468B-1) back to the earliest permitted date. Such elections
22 shall be made in compliance with the procedures and requirements contained in
23 such regulations. It shall be the responsibility of Lead Counsel to timely and
24 properly prepare and deliver the necessary documentation for signature by all
25 necessary parties, and thereafter to cause the appropriate filing to occur. Upon
26 written request, the Released Parties will timely provide to Lead Counsel the
27 statement described in Treasury Regulation § 1.468B-3(e).

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1 **(a)** For purposes of § 1.468B of the Internal Revenue Code of 1986,
2 as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder,
3 the “administrator” shall be Lead Counsel. Lead Counsel shall timely and properly
4 file, or cause to be filed via the Escrow Agent, all informational and other tax returns
5 necessary or advisable with respect to the Settlement Fund (including without
6 limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such returns
7 (as well as the election described in this ¶4.1) shall be consistent with this ¶4.1 and
8 in all events shall reflect that all Taxes (including any estimated Taxes, interest or
9 penalties) on the income earned by the Settlement Fund shall be paid out of the
10 Settlement Fund.

11 **(b)** All Taxes (including any estimated Taxes, interest or penalties)
12 arising with respect to the income earned by the Settlement Fund, including any
13 taxes or tax detriments that may be imposed upon the Released Parties with respect
14 to (i) any income earned by the Settlement Fund for any period during which the
15 Settlement Fund does not qualify as a “qualified settlement fund” for federal or state
16 income tax purposes, and (ii) the payment or reimbursement by the Settlement Fund
17 of any taxes or tax detriments described in clause (i) (“Taxes”), and all expenses
18 and costs incurred in connection with the operation and implementation of this ¶4.1
19 (including, without limitation, expenses of tax attorneys and/or accountants and
20 mailing and distribution costs and expenses or penalties relating to filing (or failing
21 to file) the returns described in this ¶4.1) (“Tax Expenses”), shall be paid out of the
22 Settlement Fund, as appropriate. The Released Parties shall have no liability or
23 responsibility for the Taxes or the Tax Expenses. Taxes and Tax Expenses shall be
24 treated as, and considered to be, a cost of administration of the Settlement and shall
25 be timely paid out of the Settlement Fund without prior order from the Court. The
26 Escrow Agent shall be obligated (notwithstanding anything herein to the contrary)
27 to withhold from distribution to Authorized Claimants any funds necessary to pay
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1 such amounts, including the establishment of adequate reserves for any Taxes and
2 Tax Expenses (as well as any amounts that may be withheld under Treasury
3 Regulation § 1.468B-2(1)(2)). The Released Parties shall have no responsibility for,
4 interest in, or any liability whatsoever with respect to the acts or omissions of Lead
5 Counsel or the Escrow Agent with respect to the foregoing provided in this ¶4.1.
6 The Parties agree to cooperate with each other, and their tax attorneys and
7 accountants, to the extent reasonably necessary to carry out the provisions of this
8 ¶4.1.

9 **5. Preliminary Approval Order, Notice Order, and Settlement**
10 **Hearing**

11 **5.1.** As soon as practicable after execution of this Stipulation,
12 Plaintiff shall submit this Stipulation and its exhibits to the Court and shall move
13 for preliminary approval of the Settlement set forth in this Stipulation, entry of a
14 preliminary approval order, and approval for the mailing and dissemination of
15 notice, substantially in the form of Exhibits A, A-1, A-2, A-3, and A-4. The
16 Postcard Notice (Exhibit A-4) shall inform potential Class Members of the
17 availability of the Long Notice either by first class mail, postage pre-paid, or by
18 electronic delivery. The Long Notice (Exhibit A-1) shall include the general terms
19 of the Settlement and the provisions of the Plan of Allocation, and shall set forth
20 the procedure by which recipients of the Notice may object to the Settlement or the
21 Plan of Allocation or request to be excluded from the Settlement Class. The date
22 and time of the Settlement Hearing shall be added to the Notice before it is mailed
23 or otherwise provided to Settlement Class Members.

24 **5.2.** At the time of the submission described in ¶5.1 hereof, Plaintiff
25 shall request that, after the Notice is provided, the Court hold the Settlement
26 Hearing and (i) approve the Settlement as set forth herein, and (ii) enter a final order
27 and judgment substantially in the form of Exhibit B hereto, as promptly after the
28 Settlement Hearing as possible.

1 **5.3.** It shall be Lead Counsel’s sole responsibility to disseminate the
2 Notice to the Settlement Class in accordance with this Stipulation and as ordered
3 by the Court. Defendants shall not bear any cost or responsibility for the Notice, the
4 administration, or the allocation of the settlement amount among Settlement Class
5 Members. Settlement Class Members shall have no recourse as to the Released
6 Parties with respect to any claims they may have that arise from any failure of the
7 notice process.

8 **5.4.** To assist in dissemination of notice, no later than ten (10)
9 calendar days after the date of the entry of the Preliminary Approval Order, Hanmi
10 shall provide and/or cause its transfer agent to provide to Lead Counsel or the
11 Claims Administrator a list of the record owners of Hanmi common stock during
12 the Settlement Class Period in a usable electronic format, such as an Excel
13 spreadsheet. Lead Counsel and the Claims Administrator shall keep this
14 information confidential and not use it for any purpose other than to provide notice
15 of the Settlement.

16 **5.5.** No later than ten (10) days following the filing of this
17 Stipulation with the Court, Defendants shall serve, or cause to be served, the notice
18 required under the Class Action Fairness Act of 2005 (“CAFA”). No later than
19 fourteen (14) days following entry of the Preliminary Approval Order, Defendants
20 will serve Lead Counsel and file with the Court an affidavit or Declaration regarding
21 compliance with the CAFA Notice requirements.

22 **6. Releases and Covenants Not to Sue**

23 **6.1.** Upon the Effective Date, the Releasing Parties, regardless of
24 whether any such Releasing Party ever seeks or obtains by any means, including
25 without limitation by submitting a Proof of Claim, any disbursement from the
26 Settlement Fund, shall be deemed to have, and by operation of the Final Judgment
27 shall have, fully, finally, and forever released, relinquished, and discharged all
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1 Released Claims against the Released Parties and shall have covenanted not to sue
2 the Released Parties with respect to all such Released Claims, and shall be
3 permanently barred and enjoined from asserting, commencing, prosecuting,
4 instituting, assisting, instigating, or in any way participating in the commencement
5 or prosecution of any action or other proceeding, in any forum, asserting any
6 Released Claim, in any capacity, against any of the Released Parties, and agree and
7 covenant not to sue any of the Released Parties on the basis of the Released Claims
8 or to assist any third party in commencing or maintaining any suit against the
9 Released Parties related to any Released Claims, whether or not such Settlement
10 Class Member executes and delivers a Proof of Claim Form, seeks or obtains a
11 distribution from the Settlement Fund, is entitled to receive a distribution under the
12 Plan of Allocation approved by the Court, or has objected to any aspect of the
13 Stipulation or the Settlement, the Plan of Allocation, or Lead Counsel's application
14 for an award of attorneys' fees or expenses. For the avoidance of doubt, Defendants
15 are released from any and all claims for contribution or indemnity, as would
16 otherwise be allowed by Section 21D of the Exchange Act, 15 U.S.C. §78u-4(f)(7).
17 Nothing contained herein shall, however, bar the Releasing Parties from bringing
18 any action or claim to enforce the terms of this Stipulation or the Final Judgment.
19 Nor shall anything contained herein limit or release any claims Defendants may
20 have with regard to insurance coverage that may be available to them under any
21 applicable policy. This release shall not apply to any Settlement Class Members
22 who timely and validly excludes themselves from the Settlement Class.

23 **6.2.** With respect to any and all Released Claims, the Parties
24 stipulate and agree that, upon the Effective Date, the Releasing Parties shall
25 expressly waive, shall be deemed to have waived, and by operation of the Final
26 Judgment shall have waived, the provisions, rights, and benefits of California Civil
27 Code § 1542, which provides:

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A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

With respect to any and all Released Claims, the Releasing Parties shall expressly waive, shall be deemed to have waived, and by operation of the Final Judgment shall have waived, any and all provisions, rights and benefits conferred by any law of any state, territory, foreign country or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542. The Releasing Parties may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the Released Claims, but the Releasing Parties shall expressly, fully, finally, and forever settle and release, and upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or noncontingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of fiduciary duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Releasing Parties acknowledge, and shall be deemed by operation of the Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

6.3. Upon the Effective Date, the Released Parties shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all claims they may have against the

1 Releasing Parties, including Settlement Class Members and Lead Counsel, related
2 to the prosecution of the Action or any other known or unknown counter-claim
3 related thereto and shall have covenanted not to sue the Releasing Parties, including
4 Settlement Class Members and Lead Counsel, with respect to any counter claim,
5 claim, or sanction related to the Released Claims, and shall be permanently barred
6 and enjoined from asserting, commencing, prosecuting, instituting, assisting,
7 instigating, or in any way participating in the commencement or prosecution of any
8 action or other proceeding, in any forum, asserting any such claim, in any capacity,
9 against any of the Releasing Parties, including Settlement Class Members and Lead
10 Counsel, and agree and covenant not to sue any of the Releasing Parties, including
11 Settlement Class Members and Lead Counsel, on the basis of any such claim or to
12 assist any third party in commencing or maintaining any suit against the Releasing
13 Parties related to any such claim. Nothing contained herein shall, however, bar the
14 Released Parties from bringing any action or claim to enforce the terms of this
15 Stipulation or the Final Judgment.

16 **6.4.** The releases provided in this Stipulation shall become effective
17 immediately upon occurrence of the Effective Date without the need for any further
18 action, notice, condition, or event. The Releasing Parties shall be deemed to
19 acknowledge that, as of the Effective Date, the releases given herein shall become
20 effective immediately by operation of the Final Judgment and shall be permanent,
21 absolute, and unconditional.

22 **7. Administration and Calculation Of Claims, Final Awards And**
23 **Supervision And Distribution Of The Settlement Fund**

24 **7.1.** Under the supervision of Lead Counsel, acting on behalf of the
25 Settlement Class, and subject to such supervision and direction of the Court as may
26 be necessary or as circumstances may require, the Claims Administrator shall
27 administer and calculate the claims submitted by Settlement Class Members and
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1 shall oversee distribution of the Net Settlement Fund (as defined below) to
2 Authorized Claimants. After the Effective Date, Lead Counsel shall apply to the
3 Court, on notice to the Parties, for the Settlement Fund Distribution Order.

4 **7.2.** The Settlement Fund shall be applied as follows:

5 (a) To pay the Taxes and Tax Expenses described in ¶4.1
6 above;

7 (b) To pay Administrative Costs;

8 (c) To pay Lead Counsel’s attorneys’ fees and expenses, and
9 payment to Plaintiff for reimbursement of his time and expenses (“Fee and Expense
10 Award”), to the extent allowed by the Court; and

11 (d) To distribute the balance of the Settlement Fund, that is,
12 the Settlement Fund less the items set forth in ¶¶7.2(a)-(c) hereof, plus all accrued
13 interest (“Net Settlement Fund”) to the Authorized Claimants as allowed by this
14 Stipulation, the Plan of Allocation, or the Court.

15 **7.3.** Upon and after the Effective Date, the Net Settlement Fund shall
16 be distributed to Authorized Claimants in accordance with the terms of the Plan of
17 Allocation set forth in the Notice and any orders of the Court. No Person shall have
18 any claims against Lead Counsel, the Claims Administrator, or any other agent
19 designated by Lead Counsel based on distribution determinations or claim
20 rejections made substantially in accordance with this Stipulation and the Settlement
21 contained herein, the Plan of Allocation, or orders of the Court. Lead Counsel shall
22 have the right, but not the obligation, to waive what it deems to be formal or
23 technical defects in any Proofs of Claim filed, where doing so is in the interest of
24 achieving substantial justice.

25 **7.4.** This is not a claims-made settlement, and if all conditions of the
26 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
27 Settlement Fund will be returned to Defendants. Defendants, their counsel, their
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1 insurers, and the other Released Parties shall have no responsibility for,
2 involvement in, interest in, or liability whatsoever with respect to the investment or
3 distribution of the Net Settlement Fund, the Plan of Allocation, the determination,
4 administration, or calculation of claims, the payment or withholding of Taxes or
5 Tax Expenses, or any losses incurred in connection therewith. In no instance shall
6 any Defendant be required to pay any amount other than as specified in Paragraph
7 2.1.

8 **7.5.** The Claims Administrator shall administer the Settlement
9 subject to the jurisdiction of the Court and pursuant to this Stipulation and the Plan
10 of Allocation. Plaintiff and Lead Counsel shall be solely responsible for formulation
11 of the Plan of Allocation. It is understood and agreed by the Parties that any
12 proposed Plan of Allocation of the Net Settlement Fund including, but not limited
13 to, any adjustments to an Authorized Claimant's claim set forth therein, is not a
14 condition of this Stipulation and is to be considered by the Court separately from
15 the Court's consideration of the fairness, reasonableness, and adequacy of the
16 Settlement. Any order or proceedings relating to the Plan of Allocation, or any
17 appeal from any order relating thereto or reversal or modification thereof, shall not
18 operate to modify, terminate or cancel this Stipulation, or affect or delay the finality
19 of the Final Judgment and the releases contained therein, or any other orders entered
20 pursuant to this Stipulation.

21 **7.6.** Each Claimant shall be deemed to have submitted to the
22 jurisdiction of the Court with respect to the Claimant's claim, and the claim will be
23 subject to investigation and discovery under the Federal Rules of Civil Procedure,
24 provided that such investigation and discovery shall be limited to that Claimant's
25 status as a Settlement Class Member and the validity of the amount of the
26 Claimant's claim. No discovery shall be allowed on the merits of the Action or
27 Settlement in conjunction with the processing of the Proofs of Claim.
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1 **7.7.** Payment pursuant to this Stipulation shall be deemed final and
2 conclusive against all Claimants. All Claimants whose claims are not approved by
3 the Court shall be barred from participating in the distribution from the Net
4 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation
5 and the Settlement, including the terms of the Final Judgment to be entered in this
6 Action and the releases provided for herein, and will be barred from bringing any
7 action against the Released Parties concerning the Released Claims.

8 **7.8.** All proceedings with respect to the administration, processing,
9 and determination of claims and all controversies relating thereto, including
10 disputed questions of law and fact with respect to the validity of claims, shall be
11 subject to the jurisdiction of this Court, but shall not delay or affect the finality of
12 the Final Judgment.

13 **7.9.** Neither the Parties nor their counsel shall have any
14 responsibility for or liability whatsoever with respect to: (i) any act, omission, or
15 determination of the Escrow Agent or the Claims Administrator, or any of their
16 respective designees or agents, in connection with the administration of the
17 Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination,
18 administration, calculation, or payment of any claims asserted against the
19 Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the
20 Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or
21 costs incurred in connection with the taxation of the Settlement Fund or the filing
22 of any returns.

23 **8. Lead Counsel’s Attorneys’ Fees and Reimbursement of Expenses**

24 **8.1.** Lead Counsel may submit an application or applications (“Fee
25 and Expense Application”) for distributions from the Settlement Fund to Lead
26 Counsel for a Fee and Expense Award consisting of: (i) an award of attorneys’ fees
27 from the Settlement Fund; (ii) reimbursement of actual costs and expenses,
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1 including the fees and expenses of any experts or consultants, incurred in
2 connection with prosecuting the Action; and (iii) an Award to Plaintiff as payment
3 to Plaintiff for reimbursement of his time and expenses in connection with the
4 Action. Defendants shall take no position with respect to the Fee and Expense
5 Application. Lead Counsel's application for an award of attorneys' fees or litigation
6 expenses is not the subject of any agreement between Defendants and Plaintiff other
7 than what is set forth in this Stipulation.

8 **8.2.** Any attorneys' fees and expenses awarded to Lead Counsel by
9 the Court shall be paid to Lead Counsel from the Escrow Account within five (5)
10 Business Days after the Court enters an order approving the Fee and Expense
11 Award, notwithstanding the existence of any timely filed objections to any Fee and
12 Expense Award, or potential for appeal therefrom, or collateral attack on the
13 Settlement or any part thereof, and subject to Lead Counsel's obligation to make
14 appropriate refunds or repayments to the Settlement Fund, plus interest earned
15 thereon, within ten (10) Business Days if and when the Settlement is terminated in
16 accordance with its terms or, as a result of any appeal and/or further proceedings on
17 remand, or successful collateral attack, the Fee and Expense Award is reduced.

18 **8.3.** The procedure for, and allowance or disallowance by the Court
19 of, the Fee and Expense Application are not a condition of the Settlement set forth
20 in this Stipulation and are to be considered by the Court separately from the Court's
21 consideration of the fairness, reasonableness, and adequacy of the Settlement. Any
22 order or proceeding relating to the Fee and Expense Application, or any objection
23 to, motion regarding, or appeal from any order or proceeding relating thereto or
24 reversal or modification thereof, shall not operate to modify, terminate or cancel
25 this Stipulation, or affect or delay the finality of the Final Judgment or the releases
26 contained therein or any other orders entered pursuant to this Stipulation.

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1 **8.4.** Any Fee and Expense Award paid to Lead Counsel or Award to
2 Plaintiff shall be paid solely from the Settlement Fund and shall reduce the
3 settlement consideration paid to the Settlement Class accordingly. Defendants shall
4 not have any responsibility for payment of Lead Counsel’s attorneys’ fees and
5 expenses or other award to Plaintiff beyond the obligation of Defendants to fund,
6 or cause to be funded, the Settlement Amount as set forth in ¶2.1 above. The
7 Released Parties shall have no responsibility for, and no liability whatsoever with
8 respect to, any payments to Lead Counsel, Plaintiff, the Settlement Class and/or any
9 other Person who receives payment from the Settlement Fund.

10 **9. Class Certification**

11 **9.1.** The Parties agree that the Court should certify the Settlement
12 Class for purposes of this Settlement only. For purposes of this Settlement only, in
13 connection with the Final Judgment, Defendants shall consent to (i) the appointment
14 of Plaintiff as class representative, (ii) the appointment of Lead Counsel as class
15 counsel, and (iii) the certification of the Settlement Class pursuant to Rules 23(a)
16 and (b)(3) of the Federal Rules of Civil Procedure.

17 **9.2.** In the event that the Final Judgment does not become Final or
18 the Settlement fails to become effective for any reason, the Settlement Class shall
19 be decertified without prejudice, and the Parties shall revert to their pre-settlement
20 positions.

21 **10. Conditions of Settlement, Effect of Disapproval, Cancellation or**
22 **Termination**

23 **10.1.** Plaintiff, on behalf of the Settlement Class, and Defendants shall
24 each have the right to terminate the Settlement and Stipulation by providing written
25 notice of their election to do so (“Termination Notice”) to all other Parties within
26 10 Business Days of:

1 (a) entry of a Court order declining to enter the Preliminary
2 Approval Order in all material respects;

3 (b) entry of a Court order refusing to approve this Stipulation
4 in all material respects;

5 (c) entry of a Court order declining to enter the Final
6 Judgment in all material respects, provided, however, that this Settlement is
7 expressly not conditioned on the Court's approval of the proposed Plan of
8 Allocation, nor on the Court's approval of Lead Counsel's application for attorneys'
9 fees or expenses, nor on the Court's approval of any award to Plaintiff for his
10 reasonable costs and expenses, and any change in the Judgment relating to these
11 items shall not be considered a material change;

12 (d) entry of a Court order refusing to dismiss the Action with
13 prejudice; or

14 (e) entry of an order by which the Final Judgment is modified
15 or reversed in any material respect by any appeal or review.

16 **10.2.** If the Settlement Amount is not paid into the Escrow Account,
17 in accordance with ¶2.1 of this Stipulation, then Plaintiff, on behalf of the
18 Settlement Class, shall have the right to: (a) terminate the Settlement and Stipulation
19 by providing written notice to Defendants at any time prior to the Court's entry of
20 the Final Judgment; or (b) enforce the terms of the Settlement and this Stipulation
21 and seek a judgment effecting the terms herein.

22 **10.3.** If, prior to the Settlement Hearing, persons who otherwise
23 would be Settlement Class Members have filed with the Court valid and timely
24 request for exclusion from the Settlement Class in accordance with the provision of
25 the Preliminary Approval Order and the Notice, and such persons in the aggregate
26 have purchased or otherwise acquired Hanmi common stock in an amount that
27 equals or exceeds the sum specified in a separate supplemental agreement between
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1 the Parties (“Supplemental Agreement”), Hanmi shall have the option, but not the
2 obligation, to terminate this Stipulation in accordance with the procedures set forth
3 in the Supplemental Agreement. The Supplemental Agreement is confidential and
4 will not be filed with the Court unless the Court so requests, or a dispute arises
5 among the Parties concerning its interpretation or application, in which case the
6 Parties will take reasonable steps to assure the Supplemental Agreement is filed
7 under seal or submitted for *in camera* review, subject to the Court’s approval and
8 direction. The Parties will file a statement identifying the existence of the
9 Supplemental Agreement pursuant to Federal Rule of Civil Procedure 23(e)(3).
10 Copies of all requests for exclusion received, together with copies of all revocations
11 of request for exclusion (if any), shall be delivered to Defendants’ counsel within
12 five (5) days of receipt thereof.

13 **10.4.** If any Party engages in a material breach of the terms hereof,
14 any other Party, provided that it is in substantial compliance with the terms of this
15 Stipulation, may terminate this Stipulation on notice to all the Parties.

16 **10.5.** The Effective Date of this Stipulation shall not occur unless and
17 until each of the following events occurs, and it shall be the date upon which the
18 last in time of the following events occurs:

19 (a) The Court has entered the Preliminary Approval Order
20 attached hereto as Exhibit A or an order containing materially the same terms;

21 (b) The Court has approved the Settlement, following notice
22 to the Settlement Class and the Settlement Hearing, and has entered the Final
23 Judgment;

24 (c) The Action has been dismissed with prejudice; and

25 (d) The Final Judgment has become Final as defined in ¶1.15.
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1 **10.6.** Upon the occurrence of the Effective Date, any and all interest
2 or right of Defendants in or to the Settlement Fund, shall be absolutely and forever
3 extinguished, except as set forth in this Stipulation.

4 **10.7.** In the event that some or all of the conditions specified in ¶10.5
5 above are not met, the Parties may agree in writing nevertheless to proceed with
6 this Stipulation and Settlement. However, none of the Parties, or any of them, shall
7 have any obligation whatsoever to proceed under any terms other than those
8 provided for and agreed herein.

9 **10.8.** In the event the Stipulation shall terminate, or be canceled, or
10 shall not become effective for any reason, the Parties and the Released Parties shall
11 be restored to their respective positions in the Action immediately prior to April 18,
12 2023, and they shall proceed in all respects as if the Stipulation had not been
13 executed and the related orders had not been entered, and in that event all of their
14 respective claims and defenses as to any issue in the Action shall be preserved
15 without prejudice.

16 **10.9.** In the event that the Stipulation is not approved by the Court or
17 the Settlement set forth in this Stipulation is terminated or fails to become effective
18 in accordance with its terms, the terms and provisions of this Stipulation, except as
19 otherwise provided herein, shall have no further force and effect with respect to the
20 Parties or the Released Parties and shall not be used in the Action or in any other
21 proceeding for any purpose, and any judgment or order entered by the Court in
22 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro*
23 *tunc*.

24 **10.10.** In the event the Stipulation shall be terminated, or be canceled,
25 or is incapable of becoming effective for any reason, within ten (10) Business Days
26 after the occurrence of such event, the Settlement Fund (less taxes already paid and
27 any Administrative Costs which have either been disbursed or are determined to be
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1 chargeable) shall be refunded by the Escrow Agent to Defendants or such entity as
2 Defendants direct, as applicable, plus accrued interest attributable to that amount,
3 by check or wire transfer pursuant to written instructions from Defendants' counsel.
4 At the request of Defendants, the Escrow Agent or its designee shall apply for any
5 tax refund owed on the Settlement Fund and pay the proceeds, after deduction of
6 any fees or expenses incurred in connection with such application(s) for refund, to
7 Defendants or such entity as Defendants direct, as applicable, pursuant to written
8 direction from Defendants.

9 **10.11.** No order of the Court or modification or reversal on appeal of
10 any order of the Court or motion for reconsideration, appeal, petition for a writ of
11 *certiorari* or its equivalent concerning the Plan of Allocation or the Fee and Expense
12 Application shall in any way delay or preclude the Effective Date or constitute
13 grounds for cancellation or termination of the Stipulation.

14 **11. No Admission of Liability or Wrongdoing**

15 **11.1.** The Parties covenant and agree that neither this Stipulation,
16 whether or not consummated, (nor the Settlement contained therein), nor any of its
17 terms and provisions, nor any of the negotiations, documents, or proceedings
18 connected with them, is evidence, or an admission or concession by any Party or
19 their counsel, any Settlement Class Member, or any of the Released Parties, of any
20 fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or
21 asserted or could have been alleged or asserted in the Action, or any other actions
22 or proceedings, or as to the validity or merit of any of the claims or defenses alleged
23 or asserted in any such action or proceeding. This Stipulation is not a finding or
24 evidence of the validity or invalidity of any claims or defenses alleged or asserted
25 or could have been alleged or asserted in the Action, any wrongdoing by any Party,
26 Settlement Class Member, or any of the Released Parties, or any damages or injury
27 to any Party, Settlement Class Member, or any Released Parties. Neither this
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1 Stipulation, nor any of the terms and provisions of this Stipulation, nor any of the
2 negotiations or proceedings in connection therewith, nor any of the documents or
3 statements referred to herein or therein, nor the Settlement, nor the fact of the
4 Settlement, nor the Settlement proceedings, nor any statement in connection
5 therewith, (a) shall (i) be argued to be, used or construed as, offered or received in
6 evidence as, or otherwise constitute an admission, concession, presumption, proof,
7 evidence, or a finding of any, liability, fault, wrongdoing, injury or damages, or of
8 any wrongful conduct, acts or omissions on the part of any Released Party, or of
9 any infirmity of any defense, or of any damages to Plaintiff or any other Settlement
10 Class Member, or (ii) otherwise be used to create or give rise to any inference or
11 presumption against any of the Released Parties concerning any fact or any
12 purported liability, fault, or wrongdoing of the Released Parties or any injury or
13 damages to any person or entity, or (b) shall otherwise be admissible, referred to or
14 used in any proceeding of any nature, for any purpose whatsoever, other than such
15 proceedings as may be necessary to effectuate the provisions of this Stipulation;
16 provided, however, that this Stipulation, the documents related hereto, or the Final
17 Judgment may be introduced in any proceeding, whether in the Court or otherwise,
18 as may be necessary to enforce the Settlement or Final Judgment, to effectuate the
19 liability protection granted them hereunder, to support a defense or counterclaim
20 based on principles of *res judicata*, collateral estoppel, release, good faith
21 settlement, judgment bar or reduction, offset or any other theory of claim preclusion
22 or issue preclusion or similar defense or counterclaim, or as otherwise required by
23 law.

24 **11.2.** Nothing in this Stipulation constitutes or reflects a waiver or
25 release of any rights or claims of any Defendant against his, her, or its insurers, or
26 insurers' subsidiaries, predecessors, successors, assigns, affiliates, or
27 representatives. Nothing in this Stipulation constitutes or reflects a waiver or release
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1 of any rights or claims relating to indemnification, advancement, or any
2 undertakings by an indemnified party to repay amounts advanced or paid by way of
3 indemnification or otherwise.

4 **12. Miscellaneous Provisions**

5 **12.1.** Except in the event of the provision of a Termination Notice
6 pursuant to ¶10 of this Stipulation, the Parties shall take all actions necessary to
7 consummate this agreement; and agree to cooperate with each other to the extent
8 reasonably necessary to effectuate and implement all terms and conditions of the
9 Stipulation.

10 **12.2.** The Parties and their counsel represent that they will not
11 encourage or otherwise influence (or seek to influence) in any way whatsoever any
12 Settlement Class Members to request exclusion from, or object to, the Settlement.

13 **12.3.** Each of the attorneys executing this Stipulation, any of its
14 exhibits, or any related settlement documents on behalf of any Party hereto hereby
15 warrants and represents that he or she has been duly empowered and authorized to
16 do so by the Party he or she represents.

17 **12.4.** Plaintiff and Lead Counsel represent and warrant that Plaintiff
18 is a Settlement Class Member and none of Plaintiff's claims or causes of action
19 against one or more Defendants in the Action, or referred to in this Stipulation, or
20 that could have been alleged against one or more Defendants in the Action have
21 been assigned, encumbered or in any manner transferred in whole or in part.

22 **12.5.** This Stipulation constitutes the entire agreement between the
23 Parties related to the Settlement and supersedes any prior agreements. No
24 representations, warranties, promises, inducements or other statements have been
25 made to or relied upon by any Party concerning this Stipulation, other than the
26 representations, warranties and covenants expressly set forth herein. Plaintiff, on
27 behalf of himself and the Settlement Class, acknowledges and agrees that any and
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1 all other representations and warranties of any kind or nature, express or implied,
2 are specifically disclaimed and were not relied upon in connection with this
3 Stipulation. In entering this Stipulation, the Parties relied solely upon their own
4 knowledge and investigation. Except as otherwise provided herein, each Party shall
5 bear his, her, or its own costs.

6 **12.6.** This Stipulation may not be modified or amended, nor may any
7 of its provisions be waived, except by a writing signed by all Parties or their counsel
8 or their respective successors in interest.

9 **12.7.** This Stipulation shall be binding upon, and shall inure to the
10 benefit of, the Parties and their respective agents, successors, executors, heirs, and
11 assigns.

12 **12.8.** The Released Parties who do not appear on the signature lines
13 below are acknowledged and agreed to be third party beneficiaries of this
14 Stipulation and Settlement.

15 **12.9.** The headings herein are used for the purpose of convenience
16 only and are not meant to have legal effect.

17 **12.10.** This Stipulation may be executed in any number of counterparts
18 by any of the signatories hereto and the transmission of an original signature page
19 electronically (including by facsimile or portable document format) shall constitute
20 valid execution of the Stipulation as if all signatories hereto had executed the same
21 document. Copies of this Stipulation executed in counterpart shall constitute one
22 agreement.

23 **12.11.** This Stipulation, the Settlement, and any all disputes arising out
24 of or relating in any way to this Stipulation, whether in contract, tort or otherwise,
25 shall be governed by and construed in accordance with the laws of the State of
26 California without regard to conflict of laws principles.

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1 **12.12.** Any claim or dispute among the Parties arising out of, relating
2 to, or in connection with the interpretation or implementation of the terms of the
3 Stipulation prior to submission to the Court shall be resolved by the mediator Jed
4 Melnick of JAMS whose determinations shall be binding and non-appealable.

5 **12.13.** The Court shall retain jurisdiction with respect to the
6 implementation and enforcement of the terms of this Stipulation, and all Parties
7 hereto submit to the jurisdiction of the Court for purposes of implementing and
8 enforcing the Settlement embodied in this Stipulation.

9 **12.14.** The Stipulation shall not be construed more strictly against one
10 Party than another merely by virtue of the fact that it, or any part of it, may have
11 been prepared by counsel for one of the Parties, it being recognized that it is the
12 result of arm's-length negotiations between the Parties, and all Parties have
13 contributed substantially and materially to the preparation of this Stipulation.

14 **12.15.** Plaintiff, Lead Counsel, and the attorneys, staff, experts, and
15 consultants assisting them in this Action agree that (a) they will not intentionally
16 assist or cooperate with any person or entity in the pursuit of legal action related to
17 the Released Claims against the Released Parties, (b) they will not intentionally
18 assist or cooperate with any person or entity seeking to publicly disparage or
19 economically harm the Released Parties with respect to any matter relating to the
20 subject matter this Action, and (c) they will not discuss any confidential matters
21 related to this Action or the Settlement with anyone, and (d) they will not make any
22 accusations of wrongful or actionable conduct by any party concerning the
23 prosecution, defense, and resolution of the Action, and shall not otherwise suggest
24 that the settlement embodied in this Stipulation constitutes an admission of any
25 claim or defense alleged. The Parties reserve their right to rebut, in a manner that
26 such party determines to be appropriate, any contention made in any public forum

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1 regarding the Action, including that the Action was brought or defended in bad faith
2 or without a reasonable basis.

3 **12.16.** All agreements by, between or among the Parties, their counsel
4 and their other advisors as to the confidentiality of information exchanged between
5 or among them shall remain in full force and effect, and shall survive the execution
6 and any termination of this Stipulation and the final consummation of the
7 Settlement, if finally consummated, without regard to any of the conditions of the
8 Settlement.

9 **12.17.** The Parties shall not assert or pursue any action, claim or rights
10 that any Party violated any provision of Rule 11 of the Federal Rules of Civil
11 Procedure and/or the Private Securities Litigation Reform Act of 1995 in
12 connection with the Action, the Settlement, or the Stipulation. The Parties agree
13 that the Action was resolved in good faith following arm's-length bargaining, in
14 full compliance with applicable requirements of good faith litigation under the
15 Exchange Act, Rule 11 of the Federal Rules of Civil Procedure, and/or the Private
16 Securities Litigation Reform Act of 1995.

17 **12.18.** Any failure by any of the Parties to insist upon the strict
18 performance by any other Party of any of the provisions of the Stipulation shall not
19 be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding
20 such failure, shall have the right thereafter to insist upon the strict performance of
21 any and all of the provisions of this Stipulation to be performed by the other Parties
22 to this Stipulation.

23 **12.19.** The waiver, express or implied, by any Party of any breach or
24 default by any other Party in the performance of such Party of its obligations under
25 the Stipulation shall not be deemed or construed to be a waiver of any other breach,
26 whether prior, subsequent, or contemporaneous, under this Stipulation.

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12.20. The Parties reserve the right, subject to the Court’s approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Stipulation.

12.21. Whether or not this Stipulation is approved by the Court and whether or not the settlement embodied in this Stipulation is consummated, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed and proceedings had in connection with this Stipulation confidential. Notwithstanding the foregoing, the Parties agree that this Stipulation may be filed publicly as part of any motion for preliminary or final approval of the settlement.

IN WITNESS WHEREOF, the Parties have executed this Stipulation by their undersigned counsel effective as of the date set forth below.

Dated: June 23, 2023

THE ROSEN LAW FIRM, P.A.



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Lead Counsel for Plaintiff and the Class

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Dated: June 23, 2023

**MANATT, PHELPS & PHILLIPS,
LLP**



Naeun Rim (State Bar No. 263558)
2049 Century Park East, Suite 1700
Los Angeles, California 90067
Tel: (310) 312-4000
Email: nrim@manatt.com

*Counsel for Defendants Hanmi
Financial Corporation, Bonita I. Lee,
Romolo C. Santarosa, and C. G. Kum*

Dated: June 23, 2023

**BIRD, MARELLA, BOXER,
WOLPERT, NESSIM, DROOKS,
LINCENBERG & RHOW, P.C.**



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Email: erhow@birdmarella.com

*Counsel for Defendants Hanmi
Financial Corporation, Bonita I. Lee,
Romolo C. Santarosa, and C. G. Kum*

ATTESTATION

1
2 I hereby attest pursuant to L.R. 5-4.3.4(a)(2) that all other signatories listed
3 above, and on whose behalf the filing is submitted, concur in the content of this filing
4 and have authorized this filing.
5

6 Dated: June 23, 2023
7

8 By: /s/ Phillip Kim
9 Phillip Kim
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EXHIBIT A

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

KILLYOUNG OH, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

HANMI FINANCIAL CORPORATION,
C. G. KUM, BONITA I. LEE, and
ROMOLO C. SANTAROSA,

Defendants.

Case No. 2:20-cv-02844-FLA-JC

Hon. Fernando L. Aenlle-Rocha

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PLAINTIFF’S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

WHEREAS, Lead Plaintiff Killyoung Oh (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendants Hanmi Financial Corporation (“Hanmi” or the “Company”), C. G. Kum, Bonita I. Lee, and Romolo C. Santarosa (“Defendants,” and together with Plaintiff, the “Parties”), have entered into the Stipulation of Settlement, dated June 23, 2023 (“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

EXHIBIT A

1 proposed settlement of the class action pending before the Court entitled *Killyoung*
2 *Oh v. Hanmi Financial Corporation, et al.*, Case No. 2:20-cv-02844-FLA-JCx
3 (C.D. Cal.) (“Action”); and the Court having read and considered the Stipulation
4 and the exhibits thereto and submissions made relating thereto, and finding that
5 substantial and sufficient grounds exist for entering this Order; and the Parties
6 having consented to the entry of this Order;

7 NOW, THEREFORE, IT IS HEREBY ORDERED that:

8 1. Capitalized terms used herein have the meanings set forth in the
9 Stipulation.

10 2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil
11 Procedure and for the purposes of the Settlement only, the Action is hereby
12 preliminarily certified as a class action on behalf of all persons and entities who
13 purchased publicly-traded Hanmi common stock between August 9, 2018 and April
14 30, 2020, both dates inclusive. Excluded from the Settlement Class are: (i)
15 Defendants; (ii) current and former officers, employees, consultants and directors
16 of Hanmi; (iii) siblings, parents, children, spouses, and household members of any
17 person excluded under (i) and (ii); (iv) any entities affiliated with, controlled by, or
18 more than 5% owned by, any person excluded under (i) through (iii); and (v) the
19 legal representatives, heirs, successors or assigns of any person excluded under (i)
20 through (iv). Also excluded from the Settlement Class are those persons or entities
21 who do not have compensatory losses and those who file valid and timely requests
22 for exclusion in accordance with this Order.

23 3. This Court finds, preliminarily and for purposes of this Settlement
24 only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the
25 Federal Rules of Civil Procedure have been satisfied in that: (a) the number of
26 Settlement Class Members is so numerous that joinder of all members of the
27 Settlement Class is impracticable; (b) there are questions of law and fact common
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EXHIBIT A

1 to the Settlement Class; (c) the claims of Plaintiff is typical of the claims of the
2 Settlement Class they seek to represent; (d) Plaintiff fairly and adequately
3 represents the interests of the Settlement Class; (e) questions of law and fact
4 common to the Settlement Class predominate over any questions affecting only
5 individual members of the Settlement Class; and (f) a class action is superior to
6 other available methods for the fair and efficient adjudication of the Action.

7 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure,
8 preliminarily and for the purposes of this Settlement only, Plaintiff is certified as
9 the class representative on behalf of the Settlement Class (“Class Representative”)
10 and Lead Counsel, previously selected by Plaintiff and approved by this Court, is
11 hereby appointed as Class Counsel for the Settlement Class (“Lead Counsel”).

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

16 6. The Court hereby preliminarily approves the Settlement, subject to
17 further consideration at a hearing (“Settlement Hearing”) pursuant to Federal Rule
18 of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on
19 _____ 2023 at __:___ .m., for the following purposes:

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

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

25 (c) to determine finally whether the Final Judgment, substantially
26 in the form of Exhibit B to the Stipulation, should be entered, dismissing the Action
27 on the merits and with prejudice, and to determine whether the release by the
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EXHIBIT A

1 Releasing Parties of the Released Claims against the Released Parties, as set forth
2 in the Stipulation, should be ordered, along with a permanent injunction barring
3 efforts to prosecute or attempt to prosecute any Released Claims extinguished by
4 the release against any of the Released Parties, as also set forth in the Stipulation;

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

8 (e) to consider the application of Lead Counsel for an award of
9 attorneys' fees and expenses and award to Class Representative;

10 (f) to consider Settlement Class Members' objections to the
11 Settlement, if any, whether submitted previously in writing or presented orally at
12 the Settlement Hearing by Settlement Class Members (or by counsel on their
13 behalf); and

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

16 7. The Court reserves the right to adjourn the Settlement Hearing to a
17 later date and to approve the Settlement with or without modification and with or
18 without further notice other than entry of an Order on the Court's docket. The Court
19 may decide to hold the Settlement Hearing telephonically or by other virtual means
20 without further notice. The Court further reserves the right to enter its Final
21 Judgment approving the Settlement and dismissing the Action, on the merits and
22 with prejudice, regardless of whether it has approved the Plan of Allocation or
23 awarded attorneys' fees and expenses.

24 8. The Court reserves the right to approve the Settlement with such
25 modifications as may be agreed upon or consented to by the Parties and without
26 further notice to the Settlement Class where to do so would not impair Settlement
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EXHIBIT A

1 Class Members’ rights in a manner inconsistent with Rule 23, other applicable rules
2 or regulations, or due process of law.

3 9. The Court approves the form, substance, and requirements of (a) the
4 Long Notice, (b) the Proof of Claim, (c) the Summary Notice, and (d) the Postcard
5 Notice, all of which are exhibits to the Stipulation.

6 10. Lead Counsel, on behalf of Class Representative, has the authority to
7 enter into the Settlement on behalf of the Settlement Class and has the authority to
8 act on behalf of the Settlement Class with respect to all acts or consents required by
9 or that may be given pursuant to the Stipulation or such other acts that are
10 reasonably necessary to consummate the Settlement.

11 11. Strategic Claims Services is appointed and approved as the Claims
12 Administrator to supervise and administer the notice procedure as well as the
13 processing of claims.

14 12. The Escrow Agent may, at any time after entry of this Order and
15 without further approval from Defendants or the Court, disburse at the direction of
16 Lead Counsel up to \$150,000 from the Settlement Fund prior to the Effective Date
17 to pay reasonable Administrative Costs. After the Effective Date, up to an additional
18 \$100,000 may be transferred from the Settlement Fund to pay for any reasonable
19 and necessary Administrative Costs without further order of the Court.

20 13. No later than ten (10) days after the date of entry of this Order,
21 Defendants shall provide and/or cause its transfer agent to provide to Lead Counsel
22 Hanmi’s transfer records information reasonably available to Hanmi concerning the
23 identity of Settlement Class Members, including any names, addresses, and email
24 addresses of Settlement Class Members and nominees or custodians that exist in
25 such transfer records (“Settlement Class Information”) in a usable electronic
26 format, such as an Excel spreadsheet, or other form as is reasonably available to
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1 Defendants. This information will be kept confidential and not used for any purpose
2 other than to provide the notice contemplated by this Order.

3 14. Within twenty (20) days of the entry of this Order, Lead Counsel,
4 through the Claims Administrator, shall either: (a) email links to the location of the
5 Long Notice and Proof of Claim, substantially in the form annexed to the
6 Stipulation as Exhibit A-1 and Exhibit A-2, to Settlement Class Members for whom
7 the Claims Administrator is able to obtain email addresses; or (b) if no email address
8 can be obtained, cause the Postcard Notice, substantially in the form annexed to the
9 Stipulation as Exhibit A-4, to be mailed by first class mail, postage prepaid, to
10 Settlement Class Members who can be identified with reasonable effort by Lead
11 Counsel, through the Claims Administrator.

12 15. Lead Counsel, through the Claims Administrator, shall make all
13 reasonable efforts to give notice to nominees or custodians who held Hanmi
14 common stock during the Settlement Class Period as record owners but not as
15 beneficial owners. Such nominees or custodians shall, within ten (10) days of
16 receipt of the notice, either: (i) request sufficient copies of the Postcard Notice to
17 send the Postcard Notice to all beneficial owners for whom they are nominee or
18 custodian, and within ten (10) days after receipt thereof send copies to such
19 beneficial owners; (ii) request links to the location of the Long Notice and Proof of
20 Claim and email the links to each beneficial owner for whom they are nominee or
21 custodian within ten days after receipt thereof; or (iii) provide the Claims
22 Administrator with lists of the names, last known addresses, and email addresses
23 (to the extent known) of such beneficial owners, in which event the Claims
24 Administrator shall promptly deliver the Postcard Notice to such beneficial owners.
25 If the Claims Administrator receives an email address, it will send a link to the
26 location of the Long Notice and Proof of Claim electronically. Nominees or
27 custodians who elect to email links to the Long Notice and Proof of Claim or send
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1 the Postcard Notice to their beneficial owners shall send a written certification to
2 the Claims Administrator confirming that the mailing or emailing has been made as
3 directed. Copies of the Postcard Notice shall be made available to any nominee or
4 custodian requesting same for the purpose of distribution to beneficial owners. The
5 Claims Administrator shall, if requested, reimburse nominees or custodians out of
6 the Settlement Fund solely for their reasonable out-of-pocket expenses incurred in
7 providing notice to beneficial owners, which expenses would not have been
8 incurred except for the providing names and addresses, of up to \$0.03 per name,
9 address, and email address provided to the Claims Administrator; up to \$0.03 per
10 unit for each Postcard Notice actually mailed, plus postage at the pre-sort rate used
11 by the Claims Administrator; or up to \$0.03 per email notice sent, and subject to
12 further order of this Court with respect to any dispute concerning such
13 reimbursement.

14 16. Lead Counsel shall, at least seven (7) days before the Settlement
15 Hearing, serve upon counsel for Defendants and file with the Court proof of the
16 mailing of the Postcard Notice as required by this Order.

17 17. Within sixteen (16) days of the entry of this Order, Lead Counsel,
18 through the Claims Administrator, shall cause the Stipulation and its exhibits, this
19 Order, and a copy of the Long Notice and Proof of Claim to be posted on the Claims
20 Administrator's website.

21 18. Lead Counsel, through the Claims Administrator, shall cause the
22 Summary Notice to be published electronically once on the *GlobeNewswire* and in
23 print once in the *Investor's Business Daily* within ten (10) days after the Postcard
24 Notice mailing or emailing links to the location of the Long Notice and Proof of
25 Claim. Lead Counsel shall, at least seven (7) days before the Settlement Hearing,
26 serve upon counsel for Defendants and file with the Court proof of publication of
27 the Summary Notice.

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EXHIBIT A

1 19. The forms and methods set forth herein of notifying the Settlement
2 Class Members of the Settlement and its terms and conditions meet the
3 requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and
4 Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. 78u-4(a)(7),
5 as amended by the Private Securities Litigation Reform Act of 1995; constitute the
6 best notice practicable under the circumstances; and constitute due and sufficient
7 notice to all persons and entities entitled thereto. No Settlement Class Member will
8 be relieved from the terms and conditions of the Settlement, including the releases
9 provided for therein, based upon the contention or proof that such Settlement Class
10 Member failed to receive actual or adequate notice.

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

14 (a) A properly completed and executed Proof of Claim must be
15 submitted to the Claims Administrator: (a) electronically through the Claims
16 Administrator’s website, www.strategicclaims.net/Hanmi, by 11:59 p.m.
17 EST on _____, 2023; or (b) at the Post Office Box indicated in the
18 Notice, postmarked no later than _____, 2023 (30 days prior to
19 the Settlement Hearing). Such deadline may be further extended by Order of
20 the Court. Each Proof of Claim shall be deemed to have been submitted
21 when: (a) the claim receives a confirmation notice from the Claims
22 Administrator for electronic submissions; or (b) legibly postmarked (if
23 properly addressed and mailed by first class mail) provided such Proof of
24 Claim is actually received before the filing of a motion for an Order of the
25 Court approving distribution of the Net Settlement Fund. Any Proof of Claim
26 submitted in any other manner shall be deemed to have been submitted when

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

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

18 (c) Once the Claims Administrator has considered a timely
19 submitted Proof of Claim, it shall determine whether such claim is valid,
20 deficient, or rejected. For each claim determined to be either deficient or
21 rejected, the Claims Administrator shall send a deficiency letter or rejection
22 letter as appropriate, describing the basis on which the claim was so
23 determined. Persons who timely submit a Proof of Claim that is deficient or
24 otherwise rejected shall be afforded a reasonable time (at least ten (10) days)
25 to cure such deficiency, if it shall appear that such deficiency may be cured.
26 If any Claimant whose claim has been rejected in whole or in part wishes to
27 contest such rejection, the Claimant must, within ten (10) days after the date
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EXHIBIT A

1 of mailing of the notice, serve upon the Claims Administrator a notice and
2 statement of reasons indicating the Claimant’s ground for contesting the
3 rejection along with any supporting documentation, and requesting a review
4 thereof by the Court. If an issue concerning a claim cannot be otherwise
5 resolved, Lead Counsel shall thereafter present the request for review to the
6 Court.

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

13 21. All Settlement Class Members who do not submit valid and timely
14 Proofs of Claim will be forever barred from receiving any payments from the Net
15 Settlement Fund but will in all other respects be subject to and bound by the
16 provisions of the Stipulation and the Judgment, if entered.

17 22. Settlement Class Members shall be bound by all determinations and
18 judgments in the Action whether favorable or unfavorable, unless such Persons
19 request exclusion from the Settlement Class in a timely and proper manner, as
20 hereinafter provided. A Settlement Class Member wishing to make such request for
21 exclusion from the Settlement shall mail it, in written form, by first class mail,
22 postage prepaid, or otherwise deliver it, so that it is received no later than
23 _____, 2023 (twenty-one (21) days prior to the Settlement Hearing)
24 (“Exclusion Deadline”), to the address listed in the Long Notice. In order to be
25 valid, such request for exclusion must (A) indicate the name, address, phone number
26 and e-mail contact information (if any) of the Person seeking exclusion, and state
27 that the sender specifically “requests to be excluded from the Settlement of
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EXHIBIT A

1 *Killyoung Oh v. Hanmi Financial Corporation, et al.*, Case No. 2:20-cv-02844-
2 FLA-JC (C.D. Cal.)” and (B) state the date, number of shares, and dollar amount of
3 each purchase Hanmi common stock and, if applicable, each sale during the
4 Settlement Class Period, as well as the number of shares of Hanmi common stock
5 held by the Person as of the opening and closing of the Settlement Class Period. In
6 order to be valid, such request for exclusion must be submitted with documentary
7 proof: (i) of each purchase and, if applicable, sale transaction of Hanmi common
8 stock during the Settlement Class Period; and (ii) demonstrating the Person’s status
9 as a beneficial owner of the Hanmi common stock. Any such request for exclusion
10 must be signed and submitted by the beneficial owner under penalty of perjury. The
11 request for exclusion shall not be effective unless it provides the required
12 information, is legible, and is made within the time stated above, or the exclusion
13 is otherwise accepted by the Court. Lead Counsel may contact any Person filing a
14 request for exclusion, or their attorney if one is designated, to discuss the request
15 for exclusion.

16 23. The Claims Administrator shall provide all requests for exclusion and
17 supporting documentation submitted therewith (including untimely requests and
18 revocations of requests) to counsel for the Parties as soon as possible and no later
19 than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion
20 Deadline). The Settlement Class will not include any Person who delivers a valid
21 and timely request for exclusion that has not been thereafter revoked.

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

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EXHIBIT A

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

4 26. The Court will consider comments and/or objections to the Settlement,
5 the Plan of Allocation, or the Fee and Expense Application, provided, however, that
6 no Settlement Class Member or other Person shall be heard or entitled to contest
7 the approval of the terms and conditions of the proposed Settlement, the Plan of
8 Allocation, or the Fee and Expense Application, or any other order relating thereto,
9 unless, at least twenty-one (21) days prior to the Settlement Hearing date, that
10 Person has: (a) filed said objections, papers, and briefs, and proof of service (upon
11 counsel identified below) with the Clerk of the Court, U.S. District Court for the
12 Central District of California, First Street U.S. Courthouse, 350 W. 1st Street, Suite
13 4311, Los Angeles, California 90012; and (b) served copies of any objections,
14 papers and briefs on each of the following counsel:

15 <u>LEAD COUNSEL:</u>	<u>COUNSEL FOR DEFENDANTS:</u>
16 THE ROSEN LAW FIRM, P.A.	MANATT, PHELPS & PHILLIPS, LLP
17 Daniel Tyre-Karp	Naeun Rim
18 275 Madison Avenue, 40 th Floor	2049 Century Park East, Suite 1700
New York, NY 10016	Los Angeles, California 90067

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20 27. To be valid, any such objection must contain the Settlement Class
21 Member's: (1) name, address, and telephone number; (2) a list of all purchases and
22 sales of Hanmi common stock during the Settlement Class Period in order to show
23 membership in the Settlement Class; (3) all grounds for the objection, including any
24 legal support known to the Settlement Class Member and/or their counsel; (4) the
25 name, address and telephone number of all counsel who represent the Settlement
26 Class Member, including former or current counsel who may be entitled to
27 compensation in connection with the objection; and (5) the number of times the
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EXHIBIT A

1 Settlement Class Member and/or their counsel has filed an objection to a class
2 action settlement in the last five years, the nature of each such objection in each
3 case, the jurisdiction in each case, and the name of the issuer of the security or seller
4 of the product or service at issue in each case. Attendance at the Settlement Hearing
5 is not necessary, but Persons wishing to be heard orally in opposition to the approval
6 of the Stipulation, the Plan of Allocation, and/or the Fee and Expense Application
7 are required to indicate in their written objection (or in a separate writing that is
8 submitted in accordance with the deadline and instructions pertinent to the
9 submission of a written objection) that they intend to appear at the Settlement
10 Hearing and identify any witnesses they may call to testify or exhibits they intend
11 to introduce into evidence at the Settlement Hearing. Settlement Class Members do
12 not need to appear at the Settlement Hearing or take any other action to indicate
13 their approval.

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

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

26 30. Any submissions filed in response to any objections or in further
27 support of the Settlement, the Plan of Allocation, and/or the Fee and Expense
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EXHIBIT A

1 Application shall be filed no later than seven (7) days prior to the Settlement
2 Hearing.

3 31. Defendants, their counsel, and other Released Parties shall have no
4 responsibility for, or liability with respect to, the Plan of Allocation or any
5 application for attorneys' fees and interest, or expenses or payments to the Class
6 Representative submitted by Lead Counsel, and such matters will be considered
7 separately from the fairness, reasonableness, and adequacy of the Settlement.

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

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

19 34. Neither the Stipulation, nor any of its terms or provisions, nor any of
20 the negotiations or proceedings connected with it, shall be construed as an
21 admission or concession by Defendants, their counsel, or any of the other Released
22 Parties of the truth of any of the allegations in the Action, or of any liability, fault,
23 or wrongdoing of any kind and shall not be construed as, or deemed to be evidence
24 of, or an admission or concession that Class Representative or any Settlement Class
25 Members directly have suffered any damages, harm, or loss. Further, neither the
26 Stipulation, nor any of its terms or provisions, nor any of the negotiations or
27 proceedings connected with it, nor this Order shall be construed as an admission or
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EXHIBIT A

1 concession by Class Representative of the validity of any factual or legal defense
2 or of the infirmity of any of the claims or facts alleged in the Action.

3 35. In the event the Settlement is not consummated in accordance with the
4 terms of the Stipulation, then the Stipulation and this Order (including any
5 amendment(s) thereof, and except as expressly provided in the Stipulation or by
6 order of the Court) shall be null and void, of no further force or effect, and without
7 prejudice to any Party, and may not be introduced as evidence or used in any action
8 or proceeding by any Person against the Parties or the Released Parties, and each
9 Party shall be restored to his, her, or its respective litigation positions as they existed
10 prior to April 18, 2023, pursuant to the terms of the Stipulation.

11 36. The Court retains exclusive jurisdiction over the Action to consider all
12 further matters arising out of, or relating to, the Stipulation, including by way of
13 illustration and not limitation, any dispute concerning any Proof of Claim submitted
14 and any future requests by one or more of the Parties that the Judgment, the releases
15 and/or the permanent injunction set forth in the Stipulation be enforced.

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Dated: _____, 2023

HON. FERNANDO L. AENLLE-ROCHA
UNITED STATES DISTRICT JUDGE