

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

TRADEX GLOBAL MASTER
FUND SPC LTD., *et al.*,
Plaintiffs,

v.

LANCELOT INVESTMENT
MANAGEMENT, LLC, *et al.*,
Defendants.

No. 2010-CH-13264

Calendar 16

Judge David B. Atkins

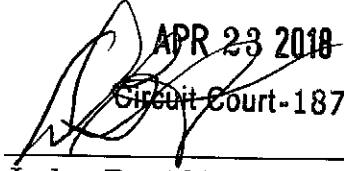
ORDER

THIS CASE COMING TO BE HEARD on Plaintiffs' Unopposed Motion for Preliminary Approval of Settlement,

THE COURT HEREBY ORDERS:

1. The Order Approving Preliminary Settlement and any Order Approving Final Settlement provides for a *cy pres* award pursuant to and consistent with 735 ILCS 5/2-807. More specifically, if any portion of the Net Settlement Fund remains following the initial distribution, and if the Claims Administrator determines that a subsequent distribution to Current Legal Owners would not be cost effective or effective to redistribute, then Plaintiff's Counsel (with prior Court approval) shall direct – after payment of any further Administrative Costs and Taxes and Tax Expenses – that the residual funds be donated to an “eligible organization(s)” as defined by 735 ILCS 5/2-807(a), to be selected by Plaintiffs' Counsel and the Court.

ENTERED:
JUDGE DAVID B. ATKINS


APR 23 2010
Circuit Court-1879

Judge David B. Atkins

The Court.

**CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

TRADEX GLOBAL MASTER FUND SPC LTD., THE
ABL SEGREGATED PORTFOLIO 3, and TRADEX
GLOBAL MASTER FUND SPC LTD., THE ORIGINAL
SEGREGATED PORTFOLIO 3, on behalf of themselves
and all others similarly situated,

Plaintiffs,

- against -

LANCELOT INVESTMENT MANAGEMENT, L.L.C.,
GREGORY BELL, McGLADREY & PULLEN, LLP,
McGLADREY & PULLEN, CAYMAN,
ALTSCHULER, MELVOIN & GLASSER, CAYMAN,
ALTSCHULER, MELVOIN & GLASSER, LLP, AND
SIMON LESSER,

Defendants.

10 – CH – 13264

Judge David B. Atkins

JUDGE DAVID B. ATKINS

APR 23 2018

Circuit Court-1879


**PROPOSED ORDER PRELIMINARILY
APPROVING SETTLEMENT AND PROVIDING
FOR NOTICE OF PROPOSED SETTLEMENT**

WHEREAS, a proposed class action is pending before the Court entitled *Tradex Global Master Fund SPC Ltd. et ano. v. Lancelot Investment Management, LLC, et al.*, 10-CH-13264, Circuit Court of Cook County, Illinois County Department, Chancery Division (the “Action”);

WHEREAS, the Court has reviewed the Stipulation of Settlement dated as of April 12, 2018 (the “Stipulation”), a copy of which is attached hereto as Appendix A, which has been entered into by Plaintiffs (on behalf of themselves and the Settlement Class) and the Auditor Defendants¹ (collectively, the “Settling Parties”);

¹ The “Auditor Defendants” refers herein to McGladrey & Pullen, LLP (n/k/a RSM US LLP), McGladrey & Pullen, Cayman (f/k/a Altschuler, Melvoin and Glasser (Cayman)), Simon Lesser, and Altschuler, Melvoin and Glasser LLP.

WHEREAS, the Stipulation, together with the exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement and dismissal of the Action against the Auditor Defendants with prejudice (the “Settlement”);

WHEREAS, the Settling Parties have made application for an order preliminarily approving the Settlement, and the Court has read and considered the Stipulation, the exhibits annexed thereto, and submissions made relating to the Settlement;

WHEREAS, the Settling Parties have consented to the entry of this Order; and

WHEREAS, all capitalized and defined terms contained herein shall have the same meaning as set forth in the Stipulation unless otherwise defined herein;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth therein under 735 ILCS 5/2-806, subject to further consideration at the Settlement Hearing, as described below.

2. Pursuant to Illinois Code of Civil Procedure, §§ 735 ILCS 5/2-801, *et seq.* and for the purposes of the Settlement only, the Action is hereby conditionally certified as a class action on behalf of all Persons who purchased or who are currently, or were at any point in time, legal and/or beneficial owners or custodians of record of shares in the Lancelot Fund, including their assignees and transferees, excluding: (i) the Prior Opt-Outs; (ii) the Opt-Outs; and (iii) Defendants and their past or present shareholders, officers, directors, and employees.

3. The Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for a class action under Illinois Code of Civil Procedure, §§ 735 ILCS 5/2-801, *et seq.* have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members of the Settlement Class is impracticable; (b) there are questions of law or

fact common to the Settlement Class Members and those common questions predominate over any questions affecting only individual members; (c) Plaintiffs will fairly and adequately protect the interest of the Settlement Class; and (d) a class action is an appropriate method for the fair and efficient adjudication of the Action.

4. Preliminarily and for the purposes of this Settlement only, the Court hereby appoints Plaintiffs as the class representatives on behalf of the Settlement Class, and appoints McLaughlin & Stern, LLP and Cohen Milstein Sellers & Toll PLLC as lead counsel for the Settlement Class (“Plaintiffs’ Counsel”). Plaintiffs’ Counsel have the authority to enter into the Stipulation on behalf of the Settlement Class and are authorized to act on behalf of the Settlement Class with respect to all acts or consents required by or that may be given pursuant to the Settlement.

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

6. The Settlement Hearing shall be held on AUGUST 3, 2018, at 11:00 A.M., at the Circuit Court of Cook County, Illinois County Department, Chancery Division, Richard J. Daley Center, Room 2102, 50 West Washington Street, Chicago, Illinois 60602, to determine whether the proposed Settlement of the Action with the Auditor Defendants on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Settlement Class and should be approved by the Court; whether a Final Judgment and Order of Dismissal with Prejudice (the “Final Judgment”) as provided in Exhibit C to the Stipulation should be entered herein; whether the proposed Plan of Allocation should be approved; to determine the

amount of the Fee and Expense Award; and to rule upon such other matters as the Court may deem appropriate. The Court may adjourn the Settlement Hearing without further notice to Settlement Class Members.

7. The Court approves, as to form and content, both the Notice of Proposed Settlement of Class Action and Settlement Fairness Hearing and Motion for Attorneys' Fees and Reimbursement of Expenses (the "Mailed Notice") annexed as Exhibit B-1 to the Stipulation and the Summary Notice (the "Published Notice") annexed as Exhibit B-2 to the Stipulation (the "Mailed Notice" and the "Published Notice" collectively shall be referred to as the "Notices").

8. The Court appoints Duff & Phelps LLC as the Claims Administrator to supervise and administer the notice procedure as well as the processing of claims. Not later than ten (10) business days after the date of this Order (the "Notice Date"), the Claims Administrator shall cause (i) a copy of the Mailed Notice, substantially in the form annexed as Exhibit B-1 to the Stipulation, to be mailed by first class mail to each Settlement Class Member who can be identified by the Claims Administrator and for whom the Claim Administrator has an address and (ii) a copy of the Published Notice, substantially in the form annexed as Exhibit B-2 to the Stipulation, to be published one time in both the *Wall Street Journal* and the *Cayman Gazette*.

9. Not later than fifteen (15) business days after the date of this Order, Plaintiffs' Counsel shall cause to be filed with the Court proof, by affidavit or declaration, of the mailing and publication required by this Order.

10. The forms and methods set forth herein of notifying Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process under Illinois Code of Civil Procedure, §§ 735 ILCS 5/2-801, *et seq.*; constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all Persons entitled thereto.

11. All Settlement Class Members shall be bound by all determinations and judgments in this Action concerning the Settlement.

12. Any Persons who purchased or who are currently, or were at any point in time, legal and/or beneficial owners or custodians of record of shares in the Lancelot Fund, including their assignees and transferees may, upon request, be excluded from the Settlement Class. Any request for exclusion must be in the form of a written, signed statement (the "Request for Exclusion") and received by the Claims Administrator at the address designated in the Notices on or before thirty (30) calendar days prior to the Settlement Hearing and, in any event, no later than sixty (60) calendar days after the date of this Order (the "Exclusion Deadline").

13. In order to be valid, each such Request for Exclusion (a) must state (i) the name, address, e-mail address, and telephone number of the Person seeking exclusion; (ii) that the sender "requests exclusion from the Settlement Class in *Tradex Global Master Fund SPC Ltd. et ano. v. Lancelot Investment Management, LLC, et al.*, 10-CH-13264"; (iii) the date(s), number, and dollar amount of shares of the Lancelot Fund purchased, and of any redemption or transfer transactions; and (iv) the number of shares currently held by that Person in the Lancelot Fund; and (b) must be submitted with documentary proof of all transactions in Lancelot Fund shares, including whether any such shares have been assigned or transferred to such Person. Any such Request for Exclusion must be signed and submitted by the Person seeking exclusion.

14. A Request for Exclusion shall not be valid or effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court. The Claims Administrator shall provide all Requests for Exclusion and supporting documentation submitted therewith (including untimely requests) to Plaintiffs' Counsel and counsel for RSM US LLP upon receipt and no later than the Exclusion Deadline (unless

actually received after the Exclusion Deadline).

15. Any Person who submits a Request for Exclusion shall not be deemed to have submitted to the jurisdiction of any Court in the United States for any matter on account of such submission.

16. Any Person who submits a Request for Exclusion may thereafter submit to the Claims Administrator a written revocation of that Request for Exclusion, provided that it is received no later than two (2) business days before the Settlement Hearing, in which event that Person will be included in the Settlement Class.

17. All Prior Opt-Outs and Opt-Outs will be forever barred from receiving any payments pursuant to the Settlement.

18. All information submitted by any Person in a Request for Exclusion (except where such person has commenced or otherwise is prosecuting or pursuing a claim against a Released Party), or by any Settlement Class Member in a proof of claim, shall be treated as confidential protected information and may not be disclosed by the Claims Administrator, its affiliates, or the Settling Parties to any third party absent a further order of this Court upon a showing of necessity, except as set forth in ¶ 14, and any such information that is submitted to the Court shall be filed under seal.

19. Any Settlement Class Member may enter an appearance in the Action, at their own expense, individually or through counsel of their own choice, in which case such counsel must file with the Clerk of the Court a notice of such appearance. Absent entry of an appearance by counsel, Settlement Class Members will be represented by Plaintiffs' Counsel with respect to the Settlement.

20. Any Settlement Class Member may appear and show cause why the proposed

Settlement should or should not be approved as fair, reasonable, and adequate; why a judgment should or should not be entered thereon; why the Plan of Allocation should or should not be approved; or why attorneys' fees and reimbursement of expenses or an incentive award should or should not be awarded to Plaintiffs' Counsel or Plaintiffs; provided, however, that no Settlement Class Member or any other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the Final Judgment, or any other order relating thereto, unless that Person has filed appropriate objections, affidavits, and briefs with the Clerk of the Circuit Court of Cook County, Illinois County Department, Chancery Division on or before ^{twenty 2 of AB} ~~thirty~~ ^{four} (30) calendar days prior to the Settlement Hearing and delivered copies of any such papers to counsel identified in the Notices on or before such date. Any Settlement Class Member or Person who does not make an objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any such objection, unless otherwise ordered by the Court.

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

22. All papers in support of the Settlement, the Plan of Allocation, and Plaintiffs' Fee and Expense Application, shall be filed and served not later than forty-five (45) calendar days prior to the Settlement Hearing. Any reply papers shall be filed and served no later than fourteen (14) calendar days prior to the Settlement Hearing.

23. The Auditor Defendants, the Auditor Defendants' Counsel, and the Released Parties shall have no responsibility for or liability with respect to the Plan of Allocation or any Fee

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

24. All reasonable expenses incurred in identifying and notifying potential Settlement Class Members, as well as in administering the Settlement, including payment of any taxes, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiffs nor Plaintiffs' Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Settlement Fund to pay for such expenses.

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

26. The Auditor Defendants may elect to terminate the Settlement only as provided in the Stipulation, including any supplements thereto. In such event, or in the event the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, the Stipulation and this Order (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be rendered null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced

as evidence or used in any action or proceeding by any Person against the Settling Parties or the Released Parties, and each shall be restored to his, her or its respective litigation positions as they existed prior to March 8, 2018.

27. Pending final determination of whether the Settlement should be approved or further order of the Court, the Court hereby stays all litigation of claims and related discovery in the Action between Plaintiffs and Settlement Class Members, on one hand, and the Auditor Defendants, on the other hand, except as provided in the Stipulation and as necessary to carry out or comply with the terms and conditions of the Stipulation.

28. Except as provided in the Stipulation, pending final determination of whether the Settlement should be approved or further order of the Court, no potential Settlement Class Member, whether directly, representatively, or in any other capacity, and whether or not such Person(s) has appeared in the Action, shall commence or prosecute in any court or forum any proceeding involving the subject matter of any of the Released Claims against any of the Released Parties. This injunction is necessary to protect and effectuate the Settlement, this Order, and the Court's flexibility and authority to effectuate the Settlement and to enter judgment when appropriate, and is ordered in aid of the Court's jurisdiction and to protect its judgments.

29. The Court reserves the right to consider all further applications arising out of or connected with the Stipulation. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, without further notice to the Settlement Class, where to do so would not impair Settlement Class Members' rights in a manner inconsistent with Illinois Code of Civil Procedure §§ 735 ILCS 5/2-801, *et seq.* and due process of law.

IT IS SO ORDERED.

JUDGE DAVID B. ATKINS

DATED: _____, 2018

APR 23 2018

Circuit Court-1879



HONORABLE DAVID B. ATKINS