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[Additional Counsel Appear on Signature
Page]

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

IN RE SILVERGATE CAPITAL
CORPORATION SECURITIES
LITIGATION

Case No. 3:22-cv-01936-JES-MSB

CLASS ACTION

**STIPULATION AND AGREEMENT
OF SETTLEMENT**

1 This Stipulation and Agreement of Settlement, dated as of May 9, 2025 (the “Stipulation”)
2 is entered into between (a) Plaintiffs Indiana Public Retirement System, Boston Retirement
3 System, Public School Teachers’ Pension & Retirement Fund of Chicago, International Union of
4 Operating Engineers, Local No. 793, Members Pension Benefit Trust of Ontario, UMC Benefit
5 Board, Inc. and Wespath Institutional Investments LLC, both as administrative trustees of the
6 Wespath Funds Trust (collectively, the “Institutional Investors” or “Lead Plaintiffs”); and Bucks
7 County Employees Retirement Fund (“Bucks County,” and collectively with the Lead Plaintiffs,
8 “Plaintiffs”), on behalf of themselves and the other members of the Settlement Class (as defined
9 in paragraph 1(yy) below); and (b) defendants Silvergate Capital Corporation (“Silvergate Capital”
10 and together with its subsidiary Silvergate Bank, the “Debtors”), Alan J. Lane, Paul D. Colucci,
11 Thomas C. Dircks, Michael Lempres, Scott A. Reed, Karen Brassfield, Aanchal Gupta, Colleen
12 Sullivan, Antonio Martino, Dennis Frank and Robert Campbell (collectively, the “Individual
13 Defendants” and together with the Debtors, the “Silvergate Defendants”) and defendants
14 Canaccord Genuity LLC, Citigroup Global Markets Inc., Compass Point Research & Trading,
15 LLC, Craig-Hallum Capital Group LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC,
16 Keefe, Bruyette & Woods, Inc., UBS Securities LLC, and Wedbush Securities Inc. (collectively,
17 the “Underwriter Defendants” and together with the Silvergate Defendants, the “Defendants”), by
18 and through their respective undersigned counsel, and embodies the terms and conditions of the
19 settlement of the above-captioned action (the “Action”). Subject to the approval of the Court and
20 the terms and conditions expressly provided herein, this Stipulation is intended to fully, finally and
21 forever compromise, settle, release, resolve, and dismiss with prejudice all claims that were or
22 could have been asserted in the Action against Defendants.

23 WHEREAS:

24 A. By Order dated February 28, 2023 (Dkt. No. 21), the Honorable Cathy Ann
25 Bencivengo appointed the Institutional Investors as Lead Plaintiffs for the Action; and approved
26 Lead Plaintiffs’ selection of Cohen Milstein Sellers & Toll PLLC and Bernstein Litowitz Berger
27 & Grossmann LLP as Lead Counsel.
28

1 B. On March 16, 2023, the Action was reassigned to the Honorable James E.
2 Simmons, Jr. Dkt. No. 38.

3 C. On May 11, 2023, Plaintiffs filed and served their Amended Consolidated Class
4 Action Complaint (the “Complaint”) (Dkt. No. 43) asserting claims against Silvergate Capital and
5 Defendant Lane under Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder, and against Defendant Lane under Section 20(a) of the
6 Exchange Act. Plaintiffs also asserted claims against Silvergate Capital, the Individual
7 Defendants, and the Underwriter Defendants under Sections 11 and 12(a)(2) of the Securities Act
8 of 1933 (the “Securities Act”) and against the Individual Defendants under Section 15 of the
9 Securities Act.
10

11 D. On July 10, 2023, Silvergate Capital and the Individual Defendants other than
12 Defendants Campbell and Frank served a motion to dismiss the Complaint together with a request
13 for judicial notice (Dkt. No. 66); Defendants Campbell and Frank separately served a second
14 motion to dismiss the Complaint together with a request for judicial notice (Dkt. No. 70); and the
15 Underwriter Defendants served a third motion to dismiss the Complaint together with a request for
16 judicial notice (Dkt. No. 71). On September 8, 2023, Plaintiffs served memoranda of law in
17 opposition to (1) the motions to dismiss the Exchange Act claims (Dkt. No. 79) and related requests
18 for judicial notice (Dkt. No. 80); and (2) the motions to dismiss the Securities Act claims (Dkt.
19 No. 81) and related requests for judicial notice (Dkt. No. 82). Defendants served their reply papers
20 on October 23, 2023 (Dkt. Nos. 89-93).

21 E. On November 29, 2023, the Court heard oral argument on Defendants’ motions to
22 dismiss and requests for judicial notice. Dkt. No. 98.

23 F. Plaintiffs submitted Notices of Recent Authority (1) on March 22, 2024 (Dkt. No.
24 103), to which Defendants responded on March 27, 2024 (Dkt. No. 107); and (2) on July 1, 2024
25 (Dkt. No. 108), to which Defendants responded on July 3, 9, and 18, 2024 (Dkt. Nos. 109-11).

26 G. On September 19, 2024, Silvergate Capital filed a Notice of Bankruptcy (Dkt. No.
27 112), in which it asserted a stay of litigation against it pursuant to Section 362(a) of the U.S.
28 Bankruptcy Code. Also on September 19, Plaintiffs responded to Silvergate Capital’s Notice of

1 Bankruptcy (Dkt. No. 113). The Underwriter Defendants filed a further response to the Notice of
2 Bankruptcy on September 20, 2024 (Dkt. No. 114).

3 H. On October 28, 2024, Plaintiffs filed a further Notice of Recent Authority (Dkt. No.
4 115), to which the Underwriter Defendants responded on November 1, 2024 (Dkt. No. 116). On
5 November 21, 2024, the Underwriter Defendants filed a Notice of Recent Authority (Dkt. No.
6 117), to which Plaintiffs responded on November 22, 2024 (Dkt. No. 118). On February 12, 2025,
7 the Underwriter Defendants filed a further Notice of Recent Authority (Dkt. No. 127), to which
8 Plaintiffs responded on February 13, 2025 (Dkt. No. 128).

9 I. On April 22, 2025, the Parties executed the Securities Class Action Term Sheet (the
10 “Term Sheet”) setting forth material terms of the Settlement. This Stipulation (together with the
11 exhibits hereto) has been duly executed by the undersigned signatories on behalf of their respective
12 clients and reflects the binding agreement between the Parties.

13 J. This Stipulation constitutes a compromise of all matters that are in dispute between
14 the Parties. Plaintiffs and Lead Counsel have concluded that the terms and conditions of this
15 Stipulation are fair, reasonable, and adequate to Plaintiffs and the other members of the Settlement
16 Class, and in their best interests. Based on Plaintiffs’ direct oversight of the prosecution of this
17 matter and with the advice of their counsel, each of the Plaintiffs has agreed to settle and release
18 the Released Plaintiffs’ Claims (as defined below) pursuant to the terms and provisions of this
19 Stipulation, after considering, among other things: (a) the financial benefit that Plaintiffs and the
20 other members of the Settlement Class will receive under the proposed Settlement; and (b) the
21 significant risks of continued litigation and trial.

22 K. Defendants are entering into this Stipulation solely to avoid the cost, disruption,
23 and uncertainty of further litigation. Each of the Defendants denies any wrongdoing, and this
24 Stipulation shall in no event be construed or deemed to be evidence of or an admission or
25 concession on the part of any of the Defendants with respect to any claim or allegation of any fault
26 or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that Defendants
27 have, or could have, asserted. Defendants expressly deny that Plaintiffs have asserted any valid
28 claims, and expressly deny any and all allegations of fault, liability, wrongdoing, or damages.

1 Similarly, this Stipulation shall in no event be construed or deemed to be evidence of or an
2 admission or concession on the part of Plaintiffs of any infirmity in any of the claims asserted in
3 the Action, or an admission or concession that any of the Defendants' defenses to liability had any
4 merit.

5 L. The Parties agree that certification of the Action as a class action, for settlement
6 purposes only, is appropriate. For purposes of this Settlement only, the Settlement Class is defined
7 in ¶ 1(yy) below. The Parties agree that the provisions herein concerning certification of the
8 Settlement Class shall have no effect whatsoever in the event the Settlement does not become
9 Final.

10 NOW THEREFORE, without any admission or concession on the part of Plaintiffs of any
11 lack of merit to the Action whatsoever, and without any admission or concession on the part of
12 Defendants of any liability or wrongdoing or any lack of merit to the defenses whatsoever, it is
13 hereby STIPULATED AND AGREED, by and among Plaintiffs (together and on behalf of all
14 other members of the Settlement Class) and Defendants, by and through their respective
15 undersigned attorneys, subject to the approval of the Court pursuant to Rule 23(e) of the Federal
16 Rules of Civil Procedure and subject to the Bankruptcy Court Approval Order, that, in
17 consideration of the benefits flowing to the Parties from the Settlement, all Released Plaintiffs'
18 Claims as against the Defendant Releasees and all Released Defendants' Claims as against the
19 Plaintiff Releasees shall be fully, finally, and forever compromised, settled, released, discharged
20 and dismissed with prejudice, upon and subject to the terms and conditions set forth below.

21 DEFINITIONS

22 1. As used in this Stipulation and any exhibits attached hereto and made a part hereof,
23 the following capitalized terms shall have the following meanings:

24 a. "Action" means the consolidated securities class action in the matter styled
25 *In re Silvergate Capital Corporation Securities Litigation*, No. 3:22-cv-01936-JES-MSB, and
26 includes all actions consolidated therein.
27
28

1 b. “Authorized Claimant” means a Settlement Class Member who submits a
2 Claim to the Claims Administrator for payment from the Net Settlement Fund that is approved by
3 the Court.

4 c. “Bankruptcy Court” means U.S. Bankruptcy Court for the District of
5 Delaware.

6 d. “Chapter 11 Cases” means the Debtors’ chapter 11 cases captioned *In re*
7 *Silvergate Capital Corp.*, Case No. 24-12158 (KBO) in the Bankruptcy Court.

8 e. “Chapter 11 Plan Effective Date” means the effective date of the Chapter
9 11 Plan.

10 f. “Chapter 11 Plan” means the forthcoming amended chapter 11 plan for the
11 Debtors filed in the Chapter 11 Cases.

12 g. “Claim” means a paper claim submitted on a Proof of Claim Form or an
13 electronic claim that is submitted to the Claims Administrator.

14 h. “Claim Form” or “Proof of Claim Form” means the form, substantially in
15 the form attached hereto as Exhibit A-2, that a Claimant must complete and submit should that
16 Claimant seek to share in a distribution of the Net Settlement Fund.

17 i. “Claimant” means a person or entity who submits a Claim to the Claims
18 Administrator seeking to be eligible to share in the proceeds of the Net Settlement Fund.

19 j. “Claims Administrator” means the firm retained by Lead Counsel, subject
20 to approval of the Court, to provide all notices approved by the Court to potential Settlement Class
21 Members and to administer the Settlement.

22 k. “Class Distribution Order” means an order entered by the Court authorizing
23 and directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized
24 Claimants.

25 l. “Class Period” means the period from November 7, 2019 through March
26 21, 2023, inclusive.

27 m. “Complaint” means the Amended Consolidated Class Action Complaint
28 filed on May 11, 2023.

1 n. “Court” or “District Court” means the United States District Court for the
2 Southern District of California.

3 o. “Debtors” means Silvergate Capital, together with Silvergate Bank.

4 p. “Defendants” means the Silvergate Defendants and the Underwriter
5 Defendants.

6 q. “Defendants’ Counsel” means Sheppard, Mullin, Richter & Hampton LLP,
7 Cravath, Swaine & Moore LLP, Latham & Watkins LLP, Foley & Lardner LLP, Glenn Agre
8 Bergman & Fuentes LLP, Goodwin Procter LLP, and Linklaters LLP, or any successors thereof.

9 r. “Defendant Releasees” means Defendants and each of their current and
10 former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors,
11 assigns, assignees, heirs, executors, estates, administrators, joint ventures, entities in which they
12 have a controlling interest, partnerships, partners, members, trustees, trusts, employees, Immediate
13 Family Members, insurers, reinsurers, accountants, auditors, and attorneys, in their capacities as
14 such.

15 s. “Defendant Releasers” means Defendants and each of their respective heirs,
16 executors, administrators, predecessors, successors, assigns, in their capacities as such, anyone
17 claiming through or on behalf of any of them, and any other person or entity legally entitled to
18 bring Released Defendants’ Claims on behalf of a Defendant, in that capacity.

19 t. “Effective Date” with respect to the Settlement means the first date by
20 which all of the events and conditions specified in ¶¶ 36 and 37 of this Stipulation have been met
21 and have occurred or have been waived.

22 u. “Escrow Account” means an interest-bearing account maintained at
23 Huntington Bank wherein the Settlement Amount shall be deposited and held in escrow under the
24 control of Lead Counsel.

25 v. “Escrow Agent” means Huntington Bank.

26 w. “Escrow Agreement” means the agreement between Lead Counsel and the
27 Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow
28 Account.

1 x. “Final,” with respect to the Judgment or any other court order, means the
2 later of: (i) if no appeal is filed, the expiration date of the time provided for filing or noticing any
3 appeal under the applicable Federal Rules of Civil Procedure and Appellate Procedure, *i.e.*, thirty
4 (30) days after entry of the judgment or order; or (ii) if there is an appeal from the judgment or
5 order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding
6 on *certiorari* or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal,
7 the expiration of the time to file a petition for a writ of *certiorari* or other form of review, or the
8 denial of a writ of *certiorari* or other form of review, and, if *certiorari* or other form of review is
9 granted, the date of final affirmance following review pursuant to that grant. However, any appeal
10 or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect
11 to (i) attorneys’ fees, costs or expenses, (ii) the plan of allocation of Settlement proceeds (as
12 submitted or subsequently modified), or (iii) the procedures for determining Authorized
13 Claimants’ recognized claims, or distribution of the Net Settlement Fund to Authorized Claimants,
14 shall not in any way delay or preclude a judgment from becoming Final.

15 y. “Immediate Family Member(s)” means children, stepchildren, parents,
16 stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law,
17 brothers-in-law, sisters-in-law and any persons (other than a tenant or employee) sharing the
18 household, and any trust or foundation which is for the benefit of any person described herein.

19 z. “Individual Defendants” means Alan J. Lane, Paul D. Colucci, Thomas C.
20 Dircks, Michael Lempres, Scott A. Reed, Karen F. Brassfield, Aanchal Gupta, Colleen Sullivan,
21 Antonio Martino, Dennis Frank, and Robert Campbell.

22 aa. “Investment Vehicle” means any investment company or pooled investment
23 fund, including but not limited to mutual fund families, exchange-traded funds, funds of funds,
24 private equity funds, real estate funds, and hedge funds, in which Defendants, or any of them, have,
25 has or may have a direct or indirect interest, or as to which their affiliates may act as an investment
26 advisor, but in which any Defendant alone or together with its, his or her respective affiliates does
27 not hold a majority beneficial interest.
28

1 bb. “Judgment” means a final order of judgment and dismissal, substantially in
2 the form attached hereto as Exhibit B, to be entered by the Court approving the Settlement (or in
3 such other form as may be approved in writing by all of the Parties acting by and through their
4 respective counsel of record in the Action).

5 cc. “Lead Counsel” means the law firms of Cohen Milstein Sellers & Toll
6 PLLC and Bernstein Litowitz Berger & Grossmann LLP, for purposes of this Stipulation and the
7 Settlement only.

8 dd. “Lead Plaintiffs” means Indiana Public Retirement System, Boston
9 Retirement System, Public School Teachers’ Pension & Retirement Fund of Chicago, International
10 Union of Operating Engineers, Local No. 793, Members Pension Benefit Trust of Ontario, UMC
11 Benefit Board, Inc. and Wespath Institutional Investments LLC, both as administrative trustees of
12 the Wespath Funds Trust.

13 ee. “Litigation Expenses” means the reasonable costs and expenses incurred in
14 connection with commencing, prosecuting and settling the Action (which may include the costs
15 and expenses of Plaintiffs directly related to their representation of the Settlement Class), for which
16 Lead Counsel intend to apply to the Court for payment or reimbursement from the Settlement
17 Fund.

18 ff. “Net Settlement Fund” means the Settlement Fund less: (i) any Taxes;
19 (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court;
20 (iv) any attorneys’ fees awarded by the Court; and (v) any other costs or fees approved by the
21 Court.

22 gg. “Notice” means the Notice of (I) Pendency of Class Action and Proposed
23 Settlement of Class Action; (II) Settlement Hearing; and (III) Motion for Attorneys’ Fees and
24 Litigation Expenses, substantially in the form attached hereto as Exhibit A-1, which is to be mailed
25 to Settlement Class Members.

26 hh. “Notice and Administration Costs” means the costs, fees, and expenses that
27 are incurred by the Claims Administrator and/or Lead Counsel in connection with: (i) providing
28 notices to the Settlement Class; and (ii) administering the Settlement, including but not limited to

1 the Claims process, as well as the costs, fees, and expenses incurred in connection with the Escrow
2 Account.

3 ii. “Officer” means any officer as that term is defined in Securities and
4 Exchange Act Rule 16a-1(f).

5 jj. “Parties” means Defendants and Plaintiffs, on behalf of themselves and the
6 Settlement Class.

7 kk. “Plaintiffs” means Lead Plaintiffs together with Bucks County Employees
8 Retirement Fund.

9 ll. “Plaintiffs’ Counsel” means Lead Counsel and all other legal counsel who,
10 at the direction and under the supervision of Lead Counsel, performed services on behalf of the
11 Settlement Class in the Action

12 mm. “Plaintiff Releasees” means Plaintiffs and all other Settlement Class
13 Members, and their respective current and former parents, affiliates, subsidiaries, officers,
14 directors, agents, successors, predecessors, assigns, assignees, heirs, executors, estates,
15 administrators, joint ventures, entities in which they have a controlling interest, partnerships,
16 partners, trustees, trusts, employees, Immediate Family Members, insurers, reinsurers,
17 accountants, auditors, and attorneys, in their capacities as such.

18 nn. “Plaintiff Releasers” means Plaintiffs and all other Settlement Class
19 Members, and their respective heirs, executors, administrators, predecessors, successors, assigns,
20 in their capacities as such, anyone claiming through or on behalf of any of them, and any other
21 person or entity legally entitled to bring Released Plaintiffs’ Claims on behalf of a Settlement Class
22 Member, in that capacity.

23 oo. “Plan of Allocation” means the proposed plan of allocation of the Net
24 Settlement Fund set forth in the Notice.

25 pp. “Preliminary Approval Order” means the order, substantially in the form
26 attached hereto as Exhibit A, to be entered by the Court preliminarily approving the Settlement
27 and directing that notice of the Settlement be provided to the Settlement Class.
28

1 qq. “PSLRA” means the Private Securities Litigation Reform Act of 1995, 15
2 U.S.C. §§ 77z-1, 78u-4, as amended.

3 rr. “Released Claims” means all Released Defendants’ Claims and all Released
4 Plaintiffs’ Claims.

5 ss. “Released Defendants’ Claims” means all claims and causes of action of
6 every nature and description, whether known or Unknown Claims, whether arising under federal,
7 state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution,
8 or settlement of the claims asserted in the Action. Released Defendants’ Claims do not include
9 any claims relating to the enforcement of the Settlement or any claims against any person or entity
10 who or which submits a request for exclusion from the Settlement Class that is accepted by the
11 Court.

12 tt. “Released Plaintiffs’ Claims” means all claims, demands, losses, rights, and
13 causes of action of any nature whatsoever, whether known claims or Unknown Claims, that have
14 been or could have been asserted in this Action or could in the future be asserted in any forum,
15 whether foreign or domestic, whether arising under federal, state, common, or foreign law or any
16 other law, rule or regulation, by Plaintiffs, any member of the Settlement Class, or their successors,
17 assigns, executors, administrators, representatives, attorneys, and agents, in their capacities as
18 such, whether brought directly or indirectly against any of the Defendants, which arise out of, are
19 based upon, or relate in any way to (i) any of the allegations, acts, transactions, facts, events,
20 matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in the
21 Action, or which could have been alleged in the Action, and/or (ii) the purchase, acquisition,
22 holding, sale, or disposition of the publicly traded common stock of Silvergate Capital during the
23 Class Period and/or the securities issued in or traceable to any of Silvergate Capital’s securities
24 offerings during 2021. This release does not include any claims relating to the enforcement of the
25 Settlement.

26 uu. “Releasee(s)” means each and any of the Defendant Releasees and each and
27 any of the Plaintiff Releasees.

28 vv. “Releases” means the releases set forth in ¶¶ 6-7 of this Stipulation.

1 ww. “Settlement” or “Class Action Settlement” means the resolution of the
2 Action against Defendants in accordance with the terms and conditions set forth in this Stipulation.

3 xx. “Settlement Amount” means the total amount of \$37,500,000 in cash.
4 Except as provided for in ¶ 23, Defendants shall not have any obligation whatsoever to pay any
5 amount over and above the principal amount of \$37,500,000 in cash.

6 yy. “Settlement Class” means (a) all persons and entities who purchased or
7 otherwise acquired the publicly traded common stock of Silvergate Capital during the Class Period
8 and were damaged thereby, and (b) all persons and entities who purchased Silvergate Capital
9 securities in and/or traceable to any of Silvergate Capital’s securities offerings during 2021, and
10 were damaged thereby.¹ Excluded from the Settlement Class are: (a) Defendants; (b) directors
11 and officers of Defendants (at all relevant times); (c) Defendants’ Immediate Family Members and
12 their legal representatives, heirs, successors or assigns; and (d) any entity in which any Defendant
13 has or had a controlling interest; *provided, however*, that no Investment Vehicle shall be excluded
14 from the Settlement Class. Also excluded from the Settlement Class are any persons or entities
15 who or which exclude themselves by submitting a request for exclusion that is accepted by the
16 Court.

17 zz. “Settlement Class Member” means each person and entity that is a member
18 of the Settlement Class.

19 aaa. “Settlement Fund” means the Settlement Amount plus any and all interest
20 earned thereon.

21 bbb. “Settlement Hearing” means the hearing set by the Court under Rule
22 23(e)(2) of the Federal Rules of Civil Procedure to consider final approval of the Settlement.

23 ccc. “Silvergate Capital” means Silvergate Capital Corporation.

24 ddd. “Silvergate Capital Preferred Stock” means depositary shares representing
25

26 ¹ Silvergate Capital’s securities offerings during 2021 (the “2021 Offerings”) included (a) three
27 offerings of Silvergate Capital Class A common stock conducted on or about January 20, 2021,
28 March 18 through May 18, 2021, and December 6, 2021, and (b) a public offering of depositary
shares, each representing a 1/40th ownership interest in a share of 5.375% Fixed Rate Non-
Cumulative Perpetual Preferred Stock, Series A, conducted on or around July 28, 2021.

1 a 1/40th ownership interest in a share of 5.375% Fixed Rate Non-Cumulative Perpetual Preferred
2 Stock, Series A.

3 eee. “Silvergate Capital Stock” means Silvergate Capital common stock and
4 Silvergate Capital Preferred Stock.

5 fff. “Silvergate Capital’s Counsel” means Sheppard, Mullin, Richter &
6 Hampton LLP and Cravath, Swaine & Moore LLP.

7 ggg. “Silvergate Defendants” means the Debtors and the Individual Defendants.

8 hhh. “Summary Notice” means the Summary Notice of (I) Pendency of Class
9 Action and Proposed Settlement of Class Action; (II) Settlement Fairness Hearing; and
10 (III) Motion for Attorneys’ Fees and Litigation Expenses, substantially in the form attached hereto
11 as Exhibit A-3, to be published as set forth in the Preliminary Approval Order.

12 iii. “Taxes” means: (i) all federal, state and/or local taxes of any kind (including
13 any interest or penalties thereon) on any income earned by the Settlement Fund, including but not
14 limited to any taxes or tax detriments that might be imposed upon Defendants or Defendant
15 Releasees with respect to any income earned by the Settlement Fund for any period during which
16 the Settlement Fund does not qualify as a “Qualified Settlement Fund” for federal or state income
17 tax purposes, which if imposed shall be reimbursed from the Settlement Fund to Defendants or
18 Defendant Releasees within fourteen (14) days of written demand for such reimbursement ; and
19 (ii) the reasonable expenses and costs incurred by Lead Counsel in connection with determining
20 the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation,
21 expenses of tax attorneys and accountants); and (iii) all taxes imposed on payments by the
22 Settlement Fund, including withholding taxes.

23 jjj. “Underwriter Defendants” means Canaccord Genuity LLC, Citigroup
24 Global Markets Inc., Compass Point Research & Trading, LLC, Craig-Hallum Capital Group LLC,
25 Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Keefe, Bruyette & Woods, Inc., UBS
26 Securities LLC, and Wedbush Securities Inc.

27 kkk. “Unknown Claims” means any Released Plaintiffs’ Claims which any
28 Plaintiff or any other Settlement Class Member or any other Plaintiff Releasor does not know or

1 suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released
2 Defendants' Claims which any Defendant or any other Defendant Releasor does not know or
3 suspect to exist in his, her, or its favor at the time of the release of such claims, in each case which,
4 if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this
5 Settlement, including but not limited to whether to object to the Settlement or seek exclusion from
6 the Settlement Class. With respect to any and all Released Claims, the Parties stipulate and agree
7 that, upon the Effective Date of the Settlement, Plaintiffs and Defendants shall expressly waive,
8 and each of the Settlement Class Members and each of the other Plaintiff Releasors and Defendant
9 Releasors shall be deemed to have waived, and by operation of the Judgment shall have expressly
10 waived, to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred
11 by any law of any state or territory of the United States, or principle of common law or foreign
12 law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

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

16 Plaintiffs, Settlement Class Members, and Defendants acknowledge that they may hereafter
17 discover facts in addition to or different from those which he, she, or it or their counsel now knows
18 or believes to be true with respect to the subject matter of the Released Claims, but, upon the
19 Effective Date of the Settlement, Plaintiffs and Defendants shall expressly fully, finally, and
20 forever settle and release, and each of the other Settlement Class Members shall be deemed to
21 have, and by operation of the Judgment shall have, fully, finally, and forever settled and released,
22 any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-
23 contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon
24 any theory of law or equity now existing or coming into existence in the future, including, but not
25 limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty,
26 law or rule without regard to the subsequent discovery or existence of such different or additional
27 facts. Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members
28 and each of the other Plaintiff Releasors and Defendant Releasors shall be deemed by operation of

1 the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a
2 material element of the Settlement.

3 **CLASS CERTIFICATION**

4 2. Solely for purposes of this Stipulation and the Settlement and for no other purpose,
5 Defendants and Plaintiffs, on behalf of themselves and each of the Settlement Class Members,
6 stipulate and agree to: (a) certification of the Settlement Class pursuant to Rules 23(a) and 23(b)(3)
7 of the Federal Rules of Civil Procedure; (b) certification of Plaintiffs as Class Representatives for
8 the Settlement Class; and (c) appointment of Lead Counsel as Class Counsel for the Settlement
9 Class pursuant to Rule 23(g) of the Federal Rules of Civil Procedure. In the event that the
10 Settlement upon the terms and conditions set forth in this Stipulation is not approved by the Court,
11 is terminated, or the Effective Date does not occur for any reason, the certification of the Settlement
12 Class automatically shall be revoked without requiring any additional action by the Parties or the
13 Court. In such event, Defendants reserve their right to object for any and all reasons to the
14 certification of the Settlement Class or to the appointment of Lead Plaintiffs as Class
15 Representatives for the Settlement Class or to the appointment of Lead Counsel as Class Counsel
16 for the Settlement Class, and this Stipulation shall not be used or considered in any way in
17 connection with class certification or class representation.

18 **PRELIMINARY APPROVAL OF SETTLEMENT**

19 3. Following the execution of the Term Sheet, on April 22, 2025, Debtors filed a
20 motion (the “Rule 9019 Motion”) with the Bankruptcy Court in the Chapter 11 Cases seeking entry
21 of an order of the Bankruptcy Court (the “Bankruptcy Court Approval Order”) (a) approving the
22 Debtors’ entry into and performance under the Term Sheet and this Stipulation and the March 27,
23 2025 settlement term sheet as among the Individual Defendants, certain other indemnified
24 individuals listed in Exhibit A of the March 27, 2025 settlement term sheet (together the
25 “Indemnified Individuals”), the *ad hoc* group of preferred equity holders (the “Ad Hoc Group”),
26 and the Debtors (the “Indemnified Individuals Term Sheet”); and the settlements contemplated
27 thereby (together with the Class Action Settlement, the “Settlements”); and (b) modifying the
28

1 automatic stay under Section 362 of the Bankruptcy Code, to the extent necessary, to permit the
2 Parties to seek and obtain Court approval of and consummate the Settlement.

3 4. Within five (5) business days after entry of the Bankruptcy Court Approval Order,
4 Plaintiffs will move for preliminary approval of the Settlement, certification of the Settlement
5 Class for settlement purposes only, authorization to provide notice of the Settlement to the
6 Settlement Class, and the scheduling of a hearing for consideration of final approval of the
7 Settlement. Concurrently with the motion for preliminary approval, Plaintiffs shall apply to the
8 Court for, and Defendants shall agree to, entry of the Preliminary Approval Order, substantially in
9 the form attached hereto as Exhibit A. If the Settlement is terminated for any reason or not
10 approved by the Court, the conditional approval of the Action as a class action shall be vacated
11 immediately without further application or motion by any person or entity, and the Action shall
12 proceed as if the Settlement Class had never been certified, and the appointments in ¶ 2 had not
13 been made.

14 **RELEASE OF CLAIMS**

15 5. The obligations incurred pursuant to this Stipulation shall be in full and final
16 disposition of the Action against the Defendants, and shall fully and finally release any and all
17 Released Claims as against all Releasees. The Judgment shall, among other things, provide for
18 the dismissal with prejudice of the Action against the Defendants, without costs to any party.

19 6. As a material condition of the Settlement, pursuant to the Judgment, without further
20 action by anyone, upon the Effective Date of the Settlement, Plaintiffs and each of the Settlement
21 Class Members, on behalf of themselves, and the Plaintiff Releasors, regardless of whether they
22 execute and deliver a Proof of Claim and Release and regardless of whether they share in the
23 Settlement Fund, shall be deemed to have, and by operation of this Stipulation, of law, and of the
24 Judgment shall have, fully, finally, and forever compromised, settled, released, resolved,
25 relinquished, dismissed, waived, and discharged each and every Released Plaintiffs' Claim against
26 Defendants and the Defendant Releasees, and shall forever be barred and enjoined from
27 commencing, instituting, intervening in, participating in, continuing, maintaining, asserting or
28 prosecuting, either directly or indirectly, whether in the United States or elsewhere, on their own

1 behalf or on behalf of any class or any other person, any action, suit, cause of action, claim, or
2 demand with respect to any or all of the Released Plaintiffs' Claims against any of the Defendant
3 Releasees in any court of law or equity, arbitration, tribunal, administrative forum, or other forum
4 of any kind or character, whether brought directly, in a representative capacity, derivatively, or in
5 any other capacity.

6 7. Pursuant to the Judgment, without further action by anyone, upon the Effective
7 Date of the Settlement, Defendants, on behalf of themselves and the Defendant Releasors, shall be
8 deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever
9 compromised, settled, released, resolved, relinquished, dismissed, waived, and discharged each
10 and every Released Defendants' Claim against Plaintiffs and the other Plaintiff Releasees, and
11 shall forever be barred and enjoined from commencing, instituting, continuing, maintaining,
12 asserting or prosecuting, either directly or indirectly, whether in the United States or elsewhere,
13 on their own behalf or on behalf of any class or any other person, any action, suit, cause of action,
14 claim, or demand with respect to any or all of the Released Defendants' Claims against any of the
15 Plaintiff Releasees in any court of law or equity, arbitration, tribunal, administrative forum, or
16 other forum of any kind or character, whether brought directly, in a representative capacity,
17 derivatively, or in any other capacity. This release shall not apply to any person or entity that
18 submits a request for exclusion from the Settlement Class that is accepted by the Court.

19 8. Upon the Effective Date, this Stipulation shall operate conclusively as an estoppel,
20 res judicata, bar, full defense, and any other theory of claim preclusion or issue preclusion or
21 similar defense, argument, or counterclaim in the event, and to the extent, of any claim, demand,
22 action, or proceeding brought by Plaintiff Releasors against any of the Defendant Releasees with
23 respect to any Released Plaintiffs' Claims, or brought by Defendant Releasors against any of the
24 Plaintiff Releasees with respect to any Released Defendants' Claim.

25 9. Notwithstanding ¶¶ 6-7 above, nothing in the Judgment shall bar any action by any
26 of the Parties to enforce or effectuate the terms of this Stipulation or the Judgment.

THE SETTLEMENT CONSIDERATION

10. In consideration of the settlement of the Released Plaintiffs' Claims against Defendants and the other Defendant Releasees, the Settlement Amount shall be paid as follows:

(a) contemporaneously with, or within twenty (20) business days after the later of preliminary approval of the Settlement by the Court or Defendants' Counsel's receipt from Lead Counsel of the information necessary to effectuate a transfer of funds to the Escrow Account, including wiring instructions that include the bank name and ABA routing number, account name and number, and a signed W-9 reflecting a valid taxpayer identification number for the qualified settlement fund in which the Settlement Amount is to be deposited, (i) Silvergate Defendants shall cause \$27,500,000 to be paid into the Escrow Account, which will come from insurance proceeds for which the Individual Defendants are beneficiaries (the "D&O Insurance Contribution"), and (ii) the Underwriter Defendants shall pay or cause to be paid \$4,680,000 into the Escrow Account (the "Underwriter Contribution"), as to which the allocation of payment amongst the Underwriter Defendants shall remain strictly confidential; and (b) an additional \$5,320,000 which, on the Chapter 11 Plan Effective Date, will be transferred to the Escrow Account for the benefit of the Plaintiffs from the cash distribution made by the Debtors to the preferred equity holders under the Chapter 11 Plan (the "Preferred Equity Holder Contribution"). Except as provided in Paragraph 23 herein, the Settlement Amount represents the entirety of the Defendants' financial obligations under this Stipulation and in connection with this Settlement, meaning that the Settlement Amount includes all attorneys' fees and expenses, Notice and Administration Costs, Taxes, and costs of any kind whatsoever associated with the Settlement. The full payment of the entire Settlement Amount into the Escrow Account in accordance with this paragraph fully discharges Defendants' financial obligations under this Stipulation and in connection with the Settlement, meaning that none of the Defendants shall have any other obligation to make any payment into the Escrow Account or to any Plaintiff Releasee, or any other person, under this Stipulation or as part of the Settlement once the payment described in this paragraph has been made.

USE OF SETTLEMENT FUND

11. Subject to the terms and conditions of this Stipulation and the Settlement, the Settlement Fund is inclusive of and shall be used to pay: (a) any Taxes; (b) any Notice and Administration Costs; (c) any Litigation Expenses awarded by the Court; (d) any attorneys' fees awarded by the Court; and (e) any other costs and fees approved by the Court. The balance remaining in the Settlement Fund, that is, the Net Settlement Fund, shall be distributed to Authorized Claimants as provided in ¶¶ 21-33 below, or as otherwise ordered by the Court.

12. Immediately upon deposit of the Settlement Amount into the Escrow Account, Defendants shall have no liability to fund that portion of the Settlement Amount so deposited and no responsibility for the Settlement Fund, including any loss of principal. Plaintiffs, on behalf of themselves, and all Settlement Class Members, shall hold Defendants harmless for any losses, claims, causes of action, damages, liability, or expenses (including reasonable attorneys' fees) arising from or related to any default by the Escrow Agent in respect of any of their responsibilities, duties or obligations regarding the Settlement Amount, the Settlement Fund, or Net Settlement Fund.

13. Except as provided herein or pursuant to orders of the Court, the Net Settlement Fund shall remain in the Escrow Account prior to the Effective Date. All funds held by the Escrow Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall be distributed or returned pursuant to the terms of this Stipulation and/or further order of the Court. The Escrow Agent shall invest any funds in the Escrow Account exclusively in United States Treasury Bills (or a mutual fund invested solely in such instruments) and shall collect and reinvest all interest accrued thereon, except that any residual cash balances up to the amount that is insured by the FDIC may be deposited in any account that is fully insured by the FDIC. In the event that the yield on United States Treasury Bills is negative, in lieu of purchasing such Treasury Bills, all or any portion of the funds held by the Escrow Agent may be deposited in any account that is fully insured by the FDIC or backed by the full faith and credit of the United States. Additionally, if short-term placement of the funds is

1 necessary, all or any portion of the funds held by the Escrow Agent may be deposited in any escrow
2 account that is fully insured by the FDIC or backed by the full faith and credit of the United States.

3 14. The Parties agree that the Settlement Fund is intended to be a Qualified Settlement
4 Fund within the meaning of Treasury Regulation § 1.468B-1 and that Lead Counsel, as
5 administrators of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-
6 2(k)(3), shall be solely responsible for filing or causing to be filed all informational and other tax
7 returns or other tax-related documents as may be necessary or appropriate (including, without
8 limitation, the returns described in Treasury Regulation § 1.468B-2(k)) for the Settlement Fund.
9 Lead Counsel shall also be responsible for causing payment to be made from the Settlement Fund
10 of any Taxes owed with respect to the Settlement Fund. The Defendant Releasees shall not have
11 any liability or responsibility for any such Taxes. Upon written request, Silvergate Capital will
12 provide to Lead Counsel the statement described in Treasury Regulation § 1.468B-3(e). Lead
13 Counsel, as administrators of the Settlement Fund within the meaning of Treasury Regulation §
14 1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this
15 paragraph, including, as necessary, making a “relation back election,” as described in Treasury
16 Regulation § 1.468B-1(j), to cause the Qualified Settlement Fund to come into existence at the
17 earliest allowable date, and shall take or cause to be taken all actions as may be necessary or
18 appropriate in connection therewith.

19 15. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid, or
20 caused to be paid, by Lead Counsel and without further order of the Court. Any tax returns
21 prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with
22 the previous paragraph and in all events shall reflect that all Taxes on the income earned by the
23 Settlement Fund shall be paid out of the Settlement Fund as provided herein.

24 16. The Settlement is not a claims-made settlement. Upon the occurrence of the
25 Effective Date, no Defendant, Defendant Releasee, or any other person or entity that paid any
26 portion of the Settlement Amount shall have any right to the return of the Settlement Fund or any
27 portion thereof for any reason whatsoever, including without limitation, the number of Claims
28 submitted, the collective amount of Recognized Claims of Authorized Claimants (as defined in the

1 Plan of Allocation set forth in the Notice attached hereto as Exhibit 1 to Exhibit A), the percentage
2 of recovery of losses, or the amounts to be paid to Authorized Claimants from the Net Settlement
3 Fund.

4 17. Following entry of the Preliminary Approval Order, Lead Counsel shall have sole
5 responsibility for directing payment from the Settlement Fund, without further order of the Court,
6 all Notice and Administration Costs actually incurred and paid or payable. Such costs and
7 expenses shall include, without limitation, the actual costs of printing and mailing the Notice,
8 publishing the Summary Notice, reimbursements to nominee owners for forwarding the Notice to
9 their beneficial owners, the administrative expenses actually incurred and fees reasonably charged
10 by the Claims Administrator in connection with providing notice and administering the Settlement
11 (including processing the submitted Claims), and the fees, if any, of the Escrow Agent. In the
12 event that the Settlement is terminated pursuant to the terms of this Stipulation, all Notice and
13 Administration Costs paid or incurred, including any related fees, shall not be returned or repaid
14 to Defendants, any of the other Defendant Releasees, or any other person or entity that paid any
15 portion of the Settlement Amount.

16 **ATTORNEYS' FEES AND LITIGATION EXPENSES**

17 18. Lead Counsel will apply to the Court for a collective award of attorneys' fees to
18 Plaintiffs' Counsel to be paid solely from (and out of) the Settlement Fund once funded. Lead
19 Counsel will also apply to the Court for payment or reimbursement of Litigation Expenses, which
20 may include a request for reimbursement of Plaintiffs' costs and expenses directly related to their
21 representation of the Settlement Class pursuant to the PSLRA, 15 U.S.C. §§ 77z-1, 78u-4(a)(4), to
22 be paid solely from (and out of) the Settlement Fund. Lead Counsel's application for an award of
23 attorneys' fees and/or Litigation Expenses is not the subject of any agreement between Defendants
24 and Plaintiffs other than what is set forth in this Stipulation.

25 19. Any attorneys' fees and Litigation Expenses that are awarded by the Court shall be
26 paid to Lead Counsel from the Settlement Fund immediately upon award and approval of the
27 Settlement by the Court, notwithstanding the existence of any timely filed objections thereto, or
28 potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject to

1 the joint and several obligation of Plaintiffs' Counsel to make appropriate refunds or repayments
2 to the Settlement Fund, plus accrued interest at the same net rate as is earned by the Settlement
3 Fund, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of
4 any court order, appeal or further proceedings on remand, or successful collateral attack, the award
5 of attorneys' fees and/or Litigation Expenses is reduced or reversed and such order reducing or
6 reversing the award has become Final. Lead Counsel shall make the appropriate refund or
7 repayment in full no later than thirty (30) days after: (a) receiving from Defendants' Counsel notice
8 of the termination of the Settlement; or (b) any order reducing or reversing the award of attorneys'
9 fees and/or Litigation Expenses has become Final. An award of attorneys' fees and/or Litigation
10 Expenses is not a necessary term of this Stipulation and is not a condition of the Settlement
11 embodied herein. The Parties understand that whatever amount is awarded by the Court is within
12 the sole discretion of the Court, and if the award is less than the amount sought by Plaintiffs'
13 Counsel, this will not be a basis for setting aside the Settlement. Neither Plaintiffs nor Lead
14 Counsel may cancel or terminate the Settlement based on this Court's or any appellate court's
15 ruling with respect to attorneys' fees and/or Litigation Expenses. Neither Defendants nor their
16 counsel shall have any responsibility for any application for attorneys' fees or litigation expenses
17 submitted by Plaintiffs' Counsel or Plaintiffs.

18 20. Lead Counsel shall allocate the attorneys' fees awarded among Plaintiffs' Counsel
19 in a manner which they, in good faith, believe reflects the contributions of such counsel to the
20 institution, prosecution and settlement of the Action. The Defendant Releasees shall have no
21 responsibility for or liability whatsoever with respect to the allocation or award of attorneys' fees
22 or Litigation Expenses. The attorneys' fees and Litigation Expenses that are awarded to Plaintiffs'
23 Counsel shall be payable solely from the Settlement Fund in the Escrow Account.

24 **NOTICE AND SETTLEMENT ADMINISTRATION**

25 21. As part of the Preliminary Approval Order, Lead Counsel shall seek appointment
26 of a Claims Administrator. The Claims Administrator shall administer the Settlement, including
27 but not limited to the process of receiving, reviewing, and approving or denying Claims, under
28 Lead Counsel's supervision and subject to the jurisdiction of the Court. None of the Defendants,

1 Defendants' Counsel, nor any other Defendant Releasees, shall have any involvement in or any
2 responsibility, authority, or liability whatsoever for the selection of the Claims Administrator, the
3 Plan of Allocation, the administration of the Settlement, the Claims process, or disbursement of
4 the Net Settlement Fund, and shall have no liability whatsoever to any person or entity, including,
5 but not limited to, Plaintiffs, any other Settlement Class Members, or Lead Counsel, in connection
6 with the foregoing. Defendants' Counsel shall cooperate in the administration of the Settlement
7 to the extent reasonably necessary to effectuate its terms.

8 22. In accordance with the terms of the Preliminary Approval Order to be entered by
9 the Court, Lead Counsel shall cause the Claims Administrator to mail the Notice and Claim Form
10 to those Settlement Class Members as may be identified through reasonable effort. Lead Counsel
11 shall also cause the Claims Administrator to have the Summary Notice published in accordance
12 with the terms of the Preliminary Approval Order to be entered by the Court.

13 23. Defendants shall be responsible for serving notice under the Class Action Fairness
14 Act ("CAFA") if they determine it is required, and for coordinating with the Claims Administrator
15 to the extent necessary. Silvergate Capital shall be solely responsible for the costs of those CAFA
16 notices. At least seven (7) calendar days before the Settlement Hearing, or as otherwise ordered
17 by the Court, Defendants shall cause to be served on Lead Counsel and filed with the Court proof,
18 by affidavit or declaration, regarding compliance with CAFA § 1715(b).

19 24. The Claims Administrator shall receive Claims and determine first, whether the
20 Claim is a valid Claim, in whole or part, and second, each Authorized Claimant's *pro rata* share
21 of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim compared
22 to the total Recognized Claims of all Authorized Claimants (as set forth in the Plan of Allocation
23 set forth in the Notice attached hereto as Exhibit A-1, or in such other plan of allocation as the
24 Court approves).

25 25. The Plan of Allocation proposed in the Notice is not a necessary term of the
26 Settlement or of this Stipulation and it is not a condition of the Settlement or of this Stipulation
27 that any particular plan of allocation be approved by the Court. Plaintiffs and Lead Counsel may
28 not cancel or terminate the Settlement (or this Stipulation) based on the Court's or any appellate

1 court's ruling with respect to the Plan of Allocation or any other plan of allocation in this Action,
2 and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or
3 cancel the Stipulation or affect the finality of the approval of the Settlement. Defendants and the
4 other Defendant Releasees shall not object in any way to the Plan of Allocation or any other plan
5 of allocation in this Action. No Defendant, nor any other Defendant Releasees, shall have any
6 involvement with or liability, obligation, or responsibility whatsoever in connection with the Plan
7 of Allocation or any other Court-approved plan of allocation.

8 26. Any Settlement Class Member who does not submit a valid Claim by the deadline
9 set by the Court (unless and to the extent the deadline is extended by the Court) will not be entitled
10 to receive any distribution from the Net Settlement Fund, but will, nevertheless, upon the
11 occurrence of the Effective Date, be otherwise bound by all of the terms of this Stipulation and the
12 Settlement, including the terms of the Judgment, to be entered in the Action and the Releases
13 provided for herein and therein, and will be permanently barred and enjoined from bringing any
14 action, claim, or other proceeding of any kind against any of the Defendants or any of the other
15 Defendant Releasees with respect to the Released Plaintiffs' Claims in the event that the Effective
16 Date occurs with respect to the Settlement.

17 27. Lead Counsel shall be responsible for supervising the administration of the
18 Settlement and the disbursement of the Net Settlement Fund subject to Court approval. No
19 Defendant, or any other Defendant Releasees, shall be responsible for, have any liability for, or be
20 permitted to review, contest, or object to any Claim, or any decision of the Claims Administrator
21 or Lead Counsel with respect to accepting or rejecting any Claim for payment. Lead Counsel shall
22 have the right, but not the obligation, to waive what it deems to be formal or technical defects in
23 any Claims submitted in the interests of achieving substantial justice.

24 28. For purposes of determining the extent, if any, to which a Settlement Class Member
25 shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

26 a. each Claimant shall be required to submit a Claim in paper form,
27 substantially in the form attached hereto as Exhibit A-2, or in electronic form, in accordance with
28 the instructions for the submission of such Claims, and supported by such documents as are

1 designated therein, including proof of the Claimant's loss, or such other documents or proof as the
2 Claims Administrator or Lead Counsel, in their discretion, may deem acceptable;

3 b. all Claims must be submitted by the date set by the Court in the Preliminary
4 Approval Order and specified in the Notice, unless extended by the Court. Any Settlement Class
5 Member who fails to submit a Claim by such date shall be forever barred from receiving any
6 distribution from the Net Settlement Fund or payment pursuant to this Stipulation (unless by order
7 of the Court such Settlement Class Member's Claim is accepted), but shall in all other respects be
8 bound by all of the terms of this Stipulation and the Settlement, including the terms of the
9 Judgment, and the Releases provided for herein and therein, and will be permanently barred and
10 enjoined from bringing any action, claim or other proceeding of any kind against any Defendant
11 Releasees with respect to any Released Plaintiffs' Claim. Provided that it is mailed by the claim-
12 submission deadline, a Claim Form shall be deemed to be submitted when postmarked, if received
13 with a postmark indicated on the envelope and if mailed by first-class mail and addressed in
14 accordance with the instructions thereon. In all other cases, the Claim Form shall be deemed to
15 have been submitted on the date when actually received by the Claims Administrator;

16 c. each Claim shall be submitted to and reviewed by the Claims Administrator
17 who shall determine in accordance with this Stipulation and the plan of allocation approved by the
18 Court the extent, if any, to which each Claim shall be allowed, subject to review by the Court
19 pursuant to subparagraph (e) below as necessary;

20 d. Claims that do not meet the submission requirements may be rejected. Prior
21 to rejecting a Claim in whole or in part, the Claims Administrator shall communicate with the
22 Claimant in writing, to give the Claimant the chance to remedy any curable deficiencies in the
23 Claim submitted. The Claims Administrator shall notify, in a timely fashion and in writing, all
24 Claimants whose Claim the Claims Administrator proposes to reject in whole or in part, setting
25 forth the reasons therefor, and shall indicate in such notice that the Claimant whose Claim is to be
26 rejected has the right to a review by the Court if the Claimant so desires and complies with the
27 requirements of subparagraph (e) below; and
28

1 e. if any Claimant whose Claim has been rejected in whole or in part desires
2 to contest such rejection, the Claimant must, within twenty (20) days after the date of mailing of
3 the notice required in subparagraph (d) above or a lesser time period if the Claim was untimely,
4 serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's
5 grounds for contesting the rejection along with any supporting documentation, and requesting a
6 review thereof by the Court. If a dispute concerning a Claim cannot be otherwise resolved, Lead
7 Counsel shall thereafter present the request for review to the Court.

8 29. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court
9 with respect to the Claimant's Claim, including, but not limited to, the releases provided in the
10 Judgment, and the Claim will be subject to investigation and discovery under the Federal Rules of
11 Civil Procedure, provided, however, that such investigation and discovery shall be limited to that
12 Claimant's status as a Settlement Class Member and the validity and amount of the Claimant's
13 Claim. No discovery shall be allowed on the merits of this Action or of the Settlement in
14 connection with the processing of Claims, nor shall there be any discovery from the Defendants
15 or Defendant's Releasees.

16 30. Lead Counsel will apply to the Court, on reasonable notice to Defendants' Counsel,
17 for a Class Distribution Order: (a) approving the Claims Administrator's administrative
18 determinations concerning the acceptance and rejection of the Claims submitted; (b) approving
19 payment of any administration fees and expenses associated with the administration of the
20 Settlement from the Escrow Account; and (c) if the Effective Date has occurred, directing payment
21 of the Net Settlement Fund to Authorized Claimants from the Escrow Account.

22 31. Payment pursuant to the Class Distribution Order shall be final and conclusive
23 against all Claimants. All Settlement Class Members who do not submit a Claim or whose Claims
24 are not approved by the Court for payment shall be barred from participating in distributions from
25 the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and
26 the Settlement, including the terms of the Judgment to be entered in this Action and the Releases
27 provided for herein and therein, and will be permanently barred and enjoined from bringing any
28

1 action against any and all Defendant Releasees with respect to any and all of the Released
2 Plaintiffs' Claims.

3 32. No person or entity shall have any claim against Plaintiffs, Plaintiffs' Counsel, the
4 Claims Administrator, or any other agent designated by Lead Counsel, Defendants, Defendants'
5 Counsel, or Defendant Releasees and/or their respective counsel, arising from distributions made
6 substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or
7 any order of the Court. Plaintiffs and Defendants, and their respective counsel, and Plaintiffs'
8 damages expert and all other Releasees shall have no liability whatsoever for the investment or
9 distribution of the Settlement Fund or the Net Settlement Fund, the plan of allocation approved by
10 the Court, or the determination, administration, calculation, or payment of any claim or
11 nonperformance of the Claims Administrator, the payment or withholding of taxes (including
12 interest and penalties) owed by the Settlement Fund, or any losses incurred in connection
13 therewith.

14 33. All proceedings with respect to the administration, processing and determination of
15 Claims and the determination of all controversies relating thereto, including disputed questions of
16 law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.
17 All Settlement Class Members, other Claimants, and parties to this Settlement expressly waive
18 trial by jury (to the extent any such right may exist) and any right of appeal or review with respect
19 to such determinations.

20 **TERMS OF THE JUDGMENT**

21 34. If the Settlement contemplated by this Stipulation is approved by the Court, Lead
22 Counsel shall request that the Court enter a Judgment, substantially in the form attached hereto as
23 Exhibit B.

24 35. The Judgment shall, as a material condition of the Settlement, contain a bar order
25 ("Bar Order") substantially in the form set forth in ¶ 14 of Exhibit B that permanently bars, enjoins,
26 and restrains any individual or entity from commencing, prosecuting, or asserting any claims,
27 future claims, or claims against any of the Defendant Releasees, and by the Defendant Releasees
28 against any individual or entity, whether asserted in the Action or any other proceeding, in this

1 Court, in any federal or state court, or in any other court, arbitration proceeding, administrative
2 agency, or other forum in the United States or elsewhere, for (a) contribution or indemnity (or any
3 other claim, however denominated, whether as a claim, cross-claim, counterclaim, third-party
4 claim, or otherwise, on whatsoever theory) based upon, arising out of, or related to the claims or
5 allegations asserted by Plaintiffs in the Action, or (b) any other claim of any type, whether arising
6 under state, federal, common or foreign law, for which the injury claimed is that person's or
7 entity's actual or threatened liability to Plaintiffs and/or members of the Settlement Class;
8 provided, however, the order shall not preclude Defendants from seeking to enforce any rights or
9 claims they may have under their applicable insurance policies or that the Individual Defendants
10 may have based on the charter and by-laws of the Debtors or their agreements with the Debtors.
11 Moreover, except as provided in an Insurance Release Agreement between the Silvergate
12 Defendants and certain insurers, nothing in the Bar Order shall be construed to impair, negate,
13 diminish, or adversely affect any rights of the Defendant Releasees or their successors or assigns
14 under or with respect to any insurance policies, including, but without limitation, any rights to seek
15 to recover or to recover insurance proceeds or payments under any insurance policies with respect
16 to amounts paid pursuant to the Settlement or incurred in connection with the Action, or any other
17 actual or alleged loss or liability, and Defendant Releasees expressly reserve all rights, claims,
18 positions, arguments, contentions, and defenses with respect to such matters. The Bar Order shall
19 be the broadest permitted under the PSLRA, common law, and the District Court's inherent
20 authority, as applicable. The Bar Order shall also provide that any final verdict or judgment that
21 may be obtained against any individual or entity subject to the Bar Order shall be reduced by the
22 greater of: (a) an amount that corresponds to the percentage of responsibility of the Defendants for
23 common damages; or (b) the amount paid by or on behalf of the Defendants to the Settlement
24 Class or Settlement Class Members, for common damages. If the Judgment fails to include any
25 material part of the Bar Order, or if appellate review of the Bar Order is sought and on such review
26 any material part of the Bar Order is vacated, modified or reversed, then Defendants shall have the
27 right to terminate the Settlement and this Stipulation as specified in ¶ 40 below.

**CONDITIONS OF SETTLEMENT AND EFFECT OF DISAPPROVAL,
CANCELLATION OR TERMINATION**

36. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver of all of the following events:

a. the Court has entered the Preliminary Approval Order, substantially in the form set forth in Exhibit A attached hereto;

b. the Settlement Amount has been deposited into the Escrow Account in accordance with the provisions of ¶ 10 above;

c. Silvergate Capital has not exercised its option to terminate the Settlement pursuant to the provisions of this Stipulation (including the Supplemental Agreement described in ¶ 42 below);

d. Plaintiffs have not exercised their option to terminate the Settlement pursuant to the provisions of this Stipulation;

e. the Court has approved the Settlement as described herein, following notice to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure, and entered the Judgment and the Judgment has become Final; and

f. the conditions set forth in ¶ 37 below have been met.

37. The Settlement is also contingent on the Debtors having filed the Rule 9019 Motion, and the Bankruptcy Court having entered the Bankruptcy Court Approval Order granting the Rule 9019 Motion as discussed in ¶ 3 above. The Settlement is also contingent on the Debtors having filed the Chapter 11 Plan, as soon as practicable after execution of the Stipulation, which shall not be inconsistent with and not derogate from any of the terms of the Settlements and be in a form and substance acceptable to the *Ad Hoc* Group, and, with respect to any terms of the Chapter 11 Plan that materially affect the terms set forth herein, the Indemnified Individuals, the Individual Defendants, the Underwriter Defendants, and the Plaintiffs. The Chapter 11 Plan shall include the Underwriter Defendants and their respective affiliates, advisors, attorneys, agents, employees, officers, directors, and representatives as beneficiaries of any provisions of the Chapter 11 Plan that seek to provide third-party releases on the same terms provided to the members of the *Ad Hoc*

1 Group, but, for the avoidance of doubt, shall in each case be subject to the terms of such provision
2 as agreed to by the members of the *Ad Hoc* Group. The Settlement is also contingent on the release
3 of all claims held or potentially held by the Debtors (and their affiliates and assigns) against the
4 Defendant Releasees and the Indemnified Individuals, as approved by a non-appealable order of the
5 Bankruptcy Court, with such release occurring upon the Chapter 11 Plan Effective Date and the
6 release of all claims held or potentially held by the Indemnified Individuals against the D&O
7 Insurance Policies, which shall not be unduly delayed or unreasonably withheld by the Indemnified
8 Individuals. Separately, the Settlement shall not be effective until final District Court and
9 Bankruptcy Court approval and the occurrence of the Chapter 11 Plan Effective Date (which may
10 occur simultaneously with payment of the Settlement Amount).

11 38. Upon the occurrence or waiver of all of the events referenced in ¶¶ 36 and 37 above,
12 any and all remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be
13 absolutely and forever extinguished and the Releases herein shall be effective.

14 39. If (i) Defendants exercise their right to terminate the Settlement as provided in this
15 Stipulation; (ii) Plaintiffs exercise their right to terminate the Settlement as provided in this
16 Stipulation; (iii) the Court disapproves the Settlement (however any decision with respect to an
17 application for attorneys' fees or Litigation Expenses, or with any respect to any Plan of
18 Allocation, shall not be considered grounds for termination); or (iv) the Effective Date as to the
19 Settlement otherwise fails to occur, then:

20 a. The Settlement and the relevant portions of this Stipulation shall be
21 canceled and terminated without prejudice and this Stipulation shall be null and void and shall
22 have no further force or effect.

23 b. Plaintiffs and Defendants shall revert to their respective litigation positions
24 in the Action as of March 25, 2025.

25 c. The terms and provisions of this Stipulation and the fact of this Settlement,
26 with the exception of this ¶ 39 and ¶¶ 17, 19, 43, 44, 63, and 64 herein, shall have no further force
27 and effect with respect to the Parties and shall not be enforceable, or used in the Action or in any
28

1 other proceeding for any purpose, and any Judgment or order entered by the Court in accordance
2 with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

3 d. Within five (5) business days after (a) joint written notification of
4 termination is sent by Defendants' Counsel and Lead Counsel to the Escrow Agent, or (b) this
5 Settlement fails to become effective for any reason (including because the Bankruptcy Court or
6 the District Court issues a Final order declining to approve the Settlement), the Settlement Fund
7 (including accrued interest thereon, and change in value as a result of the investment of the
8 Settlement Fund, and any funds received by Lead Counsel consistent with ¶ 19 above), less any
9 Notice and Administration Costs actually incurred, paid or payable, and less any Taxes paid, due
10 or owing shall be refunded by the Escrow Agent to Defendants (or such other persons or entities
11 as Defendants may direct) pursuant to written instructions from Defendants' Counsel. Any such
12 Notice and Administration Costs or Taxes shall be deducted in thirds from each of the D&O
13 Insurance Contribution, the Underwriter Contribution, and the Preferred Equity Holder Contribution.
14 In the event that the funds received by Lead Counsel consistent with ¶ 19 above have not been
15 refunded to the Settlement Fund within the five (5) business days specified in this paragraph, those
16 funds shall be refunded by the Escrow Agent to Defendants (or such other persons or entities as
17 Defendants may direct) pursuant to written instructions from Defendants' Counsel immediately
18 upon their deposit into the Escrow Account consistent with ¶ 19 above. The Escrow Agent or its
19 designee shall apply for any tax refund owed to the Settlement Fund and pay the proceeds, after
20 deduction of any fees or expenses reasonably incurred in connection with such application(s) for
21 refund, to the Defendants.

22 40. It is further stipulated and agreed that Defendants and Plaintiffs shall each have the
23 right to terminate the Settlement and this Stipulation, by providing written notice of their election
24 to do so ("Termination Notice") to the other Parties to this Stipulation within thirty (30) days of:
25 (a) the Court's final refusal to enter the Preliminary Approval Order in any material respect ; (b) the
26 Court's final refusal to approve the Settlement or any material part thereof; (c) the Court's final
27 refusal to enter the Judgment in any material respect as to the Settlement; or (d) the date upon
28 which the Judgment is modified or reversed in any material respect by the United States Court of

1 Appeals for the Ninth Circuit or the United States Supreme Court. However, any decision or
2 proceeding, whether in this Court or any appellate court, with respect to an application for
3 attorneys' fees or Litigation Expenses or with respect to any plan of allocation, shall not be
4 considered material to the Settlement, shall not affect the finality of any Judgment, and shall not
5 be grounds for termination of the Settlement.

6 41. In addition to the grounds set forth in ¶ 40 above, Plaintiffs shall also have the right
7 to terminate the Settlement in the event that (i) the Settlement Amount has not been paid as
8 provided for in ¶ 10 above; (ii) Plaintiffs thereafter provide written notice of the election to
9 terminate to Defendants' Counsel; and (iii) there is a failure to pay the Settlement Amount within
10 fourteen (14) calendar days of such written notice.

11 42. In addition to the grounds set forth in ¶ 40 above, Defendants shall have the
12 unilateral right to terminate the Settlement in the event that collective requests for exclusion from
13 the Settlement Class by Settlement Class Members meet the conditions set forth in Defendants'
14 confidential supplemental agreement with Plaintiffs (the "Supplemental Agreement"), in
15 accordance with the terms of that agreement. The Supplemental Agreement, which is being
16 executed concurrently herewith, shall not be filed with the Court and its terms shall not be
17 disclosed in any other manner (other than the statements herein and in the Notice, to the extent
18 necessary, or as otherwise provided in the Supplemental Agreement) unless and until the Court
19 otherwise directs or a dispute arises between Plaintiffs and Defendants concerning its
20 interpretation or application. If submission of the Supplemental Agreement is required for
21 resolution of a dispute or is otherwise ordered by the Court, Plaintiffs and Defendants will
22 undertake to have the Supplemental Agreement submitted to the Court *in camera*.

23 **NO ADMISSION OF WRONGDOING**

24 43. The Parties agree that, by entering into the Settlement and Stipulation, Defendants
25 are not admitting any liability, fault or violation of law. The Parties agree and acknowledge that
26 Defendants vigorously deny all allegations and claims asserted against them but are signing this
27 Settlement and Stipulation to avoid the risk, burden and expense of continued litigation.
28

1 44. Neither the Term Sheet, this Stipulation (whether or not consummated), including
2 the exhibits hereto and the Plan of Allocation contained therein (or any other plan of allocation
3 that may be approved by the Court), the Judgment, the Supplemental Agreement, the negotiations
4 leading to the execution of the Term Sheet and this Stipulation, nor any proceedings taken pursuant
5 to or in connection with this Stipulation, and/or approval of the Settlement (including any
6 arguments proffered in connection therewith):

7 a. shall be offered or received against any of the Defendant Releasees as
8 evidence of, or construed as, or deemed to be evidence of any presumption, concession, or
9 admission by any of the Defendant Releasees with respect to the truth of any fact alleged
10 by Plaintiffs or the validity of any claim or alleged damages that were or could have been
11 asserted or the deficiency of any defense that has been or could have been asserted in this
12 Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing
13 of any kind of any of the Defendant Releasees or in any way used or referred to for any
14 other reason as against any of the Defendant Releasees, in any arbitration proceeding or
15 other civil, criminal, or administrative action or proceeding, other than such proceedings as
16 may be necessary to effectuate the provisions of this Stipulation;

17 b. shall be offered or received against any of the Plaintiff Releasees, as
18 evidence of, or construed as, or deemed to be evidence of any presumption, concession, or
19 admission by any of the Plaintiff Releasees that any of their claims are without merit, that
20 any of the Defendant Releasees had meritorious defenses, or that damages recoverable under
21 the Complaint would not have exceeded the Settlement Amount or with respect to any
22 liability, negligence, fault, or wrongdoing of any kind, or in any way used or referred to for
23 any other reason as against any of the Plaintiff Releasees, in any arbitration proceeding or
24 other civil, criminal, or administrative action or proceeding, other than such proceedings as
25 may be necessary to effectuate the provisions of this Stipulation;

26 c. shall be construed against any of the Releasees as an admission, concession,
27 or presumption that the consideration to be given hereunder represents the amount which
28 could be or would have been recovered after trial;

1 d. shall be construed as or received in evidence as an admission, concession
2 or presumption that class certification is or was appropriate in this Action, except for
3 purposes of this Settlement.

4 *provided, however*, that if this Stipulation is approved by the Court, the Parties and the Releasees
5 and their respective counsel may refer to it to effectuate the protections from liability granted
6 hereunder or otherwise to enforce the terms of the Settlement, and Defendants and/or the
7 Defendant Releasees may file the Stipulation and/or the Judgment in any action that might be
8 brought against them to support a defense, claim, or counterclaim based on principles of res
9 judicata, collateral estoppel, release and discharge, good faith settlement, judgment bar or other
10 bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense,
11 claim, argument, or counterclaim.

12 **MISCELLANEOUS PROVISIONS**

13 45. All of the exhibits attached hereto are hereby incorporated by reference as though
14 fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or
15 inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto or
16 the Supplemental Agreement, the terms of the Stipulation shall prevail.

17 46. In the event of the entry of a final order of a court of competent jurisdiction
18 determining the transfer of money to the Settlement Fund or any portion thereof to be a preference,
19 voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to
20 be returned, and such amount is not promptly deposited into the Settlement Fund by others, then,
21 at the election of Plaintiffs, Plaintiffs and Defendants shall jointly move the Court to vacate and
22 set aside the Releases given and the Judgment, in which event the Releases and Judgment shall be
23 null and void, and the Parties shall be restored to their respective positions in the litigation as
24 provided in ¶ 39 above and any cash amounts in the Settlement Fund (less any Taxes paid, due or
25 owing with respect to the Settlement Fund and less any Notice and Administration Costs actually
26 incurred, paid or payable, shall be returned as provided in ¶ 39).

27 47. The Parties intend this Stipulation and the Settlement to be a final and complete
28 resolution of all disputes asserted or which could be asserted by Plaintiffs and any other Settlement

1 Class Members against the Defendant Releasees with respect to the Released Plaintiffs' Claims.
2 Accordingly, except in the event of termination of this Settlement, Plaintiffs, and their counsel,
3 and Defendants, and their counsel, agree not to assert in any forum that this Action was brought
4 by Plaintiffs or defended by Defendants in bad faith and without a reasonable basis. No Party shall
5 assert any claims of any violation of Rule 11 of the Federal Rules of Civil Procedure relating to
6 the institution, prosecution, defense, or settlement of this Action. The Parties agree that the
7 amounts paid and the other terms of the Settlement were negotiated at arm's length and in good
8 faith by the Parties, including through a mediation process supervised and conducted by the
9 Honorable Layn Phillips of Phillips ADR, and reflect the Settlement that was reached voluntarily
10 after extensive negotiations and consultation with experienced legal counsel, who were fully
11 competent to assess the strengths and weaknesses of their respective clients' claims or defenses.
12 In all events, Plaintiffs and their counsel and Defendants and their counsel shall not make any
13 accusations of wrongful or actionable conduct by any Party concerning the prosecution, defense,
14 and resolution of the Action, and shall not otherwise suggest that the Settlement constitutes an
15 admission of any claim or defense alleged.

16 48. The terms of the Settlement, as reflected in this Stipulation including the exhibits
17 thereto and the Supplemental Agreement, may not be modified or amended, nor may any of its
18 provisions be waived, except by a writing signed on behalf of both Plaintiffs and Defendants (or
19 their successors-in-interest).

20 49. The headings herein are used for the purpose of convenience only and are not meant
21 to have legal effect.

22 50. All time periods set forth herein shall be computed in calendar days unless
23 otherwise expressly provided. In computing any period of time prescribed or allowed by the terms
24 of this Stipulation or by order of Court, the day of the act, event, or default from which the
25 designated period of time begins to run shall not be included. The last day of the period so
26 computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which case the
27 period shall run until the end of the next day that is not one of the aforementioned days. As used
28 in the preceding sentence, "legal holiday" includes New Year's Day, Martin Luther King, Jr. Day,

1 Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day,
2 Thanksgiving Day, Christmas Day, and any other day appointed as a federal holiday.

3 51. The administration and consummation of the Settlement as embodied in this
4 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the
5 purpose of entering orders providing for awards of attorneys' fees and Litigation Expenses to
6 Plaintiffs' Counsel and enforcing the terms of this Stipulation, including the Plan of Allocation (or
7 such other plan of allocation as may be approved by the Court) and the distribution of the Net
8 Settlement Fund to Settlement Class Members.

9 52. Any condition in this Stipulation may be waived by the Party entitled to enforce the
10 condition in a writing signed by that Party or its counsel. The waiver by one Party of any breach
11 of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent
12 breach of this Stipulation. Without further order of the Court, the Parties may agree to reasonable
13 extensions of time to carry out any of the provisions of this Stipulation.

14 53. This Stipulation and its exhibits and the Supplemental Agreement constitute the
15 entire agreement among Plaintiffs and Defendants concerning the Settlement and this Stipulation
16 and its exhibits. All Parties acknowledge that no other agreements, representations, warranties, or
17 inducements have been made by any Party hereto concerning this Stipulation, its exhibits, or the
18 Supplemental Agreement other than those contained and memorialized in such documents.

19 54. This Stipulation may be executed in one or more counterparts, including by
20 signature transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email.
21 The signatures so transmitted shall be given the same effect as the original signatures. All executed
22 counterparts and each of them shall be deemed to be one and the same instrument.

23 55. This Stipulation shall be binding upon and inure to the benefit of the successors and
24 assigns of the Parties, including any and all Releasees and any corporation, partnership, or other
25 entity into or with which any Party hereto may merge, consolidate, or reorganize.

26 56. The construction, interpretation, operation, effect, and validity of this Stipulation,
27 the Supplemental Agreement, and all documents necessary to effectuate them shall be governed
28

1 by the internal laws of the State of California without regard to conflicts of laws, except to the
2 extent that federal law requires that federal law govern.

3 57. Any action arising under or to enforce this Stipulation or any portion thereof, shall
4 be commenced and maintained only in the Court, except as may be necessary to defend against or
5 respond to an action against Defendant Releasees in any other forum that might be brought against
6 them, to support a defense, claim, or counterclaim based on principles of res judicata, collateral
7 estoppel, release and discharge, good faith settlement, judgment bar or other bar or reduction, or
8 any other theory of claim preclusion or issue preclusion or similar defense, claim, argument, or
9 counterclaim.

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

14 59. All counsel and any other person executing this Stipulation and any of the exhibits
15 hereto, and the Supplemental Agreement, or any related Settlement documents, warrant and
16 represent that they have the full authority to do so and that they have the authority to take
17 appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its
18 terms.

19 60. Lead Counsel and Defendants' Counsel agree to cooperate fully with one another
20 in seeking Court approval of the Preliminary Approval Order and the Settlement, as embodied in
21 this Stipulation, and to use best efforts to promptly agree upon and execute all such other
22 documentation as may be reasonably required to obtain final approval by the Court of the
23 Settlement.

24 61. If any Party is required to give notice to another Party under this Stipulation, such
25 notice shall be in writing and shall be deemed to have been duly given upon receipt of hand
26 delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided
27 as follows:
28

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62. Except as otherwise provided herein, each Party shall bear its own costs.

63. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed, and proceedings in connection with the Stipulation confidential.

64. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.

65. No opinion or advice concerning the tax consequences of the proposed Settlement to individual Settlement Class Members is being given or will be given by the Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Settlement Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Settlement Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Settlement Class Member.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed, by their duly authorized attorneys, as of May 9, 2025.



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IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed, by their duly authorized attorneys, as of May 9, 2025.

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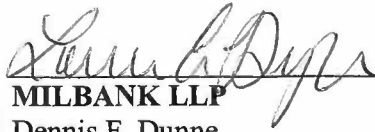
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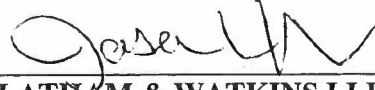
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26 * With authorization, as provided under S.D. Cal.
27 ECF Adm. Policies and Procedures ¶ 2.f.4.
28

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