

**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

AUG 03 2018

Circuit Court-1879

~~PROPOSED~~ **FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE**

This matter came before the Court for a hearing pursuant to the Order Preliminarily Approving Settlement and Providing for Notice of Proposed Settlement (“Preliminary Approval Order”), dated April 23, 2018, on the application of Plaintiffs for approval of the Settlement set forth in the Stipulation of Settlement dated April 12, 2018 (the “Stipulation”), which has been entered into by Plaintiffs (on behalf of themselves and the Settlement Class, as defined below) and the Auditor Defendants¹ (collectively, the “Settling Parties”). Due and adequate notice having been given to the Settlement Class as required in the Preliminary Approval Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully informed in the premises and good cause appearing therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

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.

1. This Final Judgment and Order of Dismissal with Prejudice (the “Final Judgment”) incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation unless otherwise defined herein.

2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Settlement Class Members.

3. The distribution of the Notices, as provided for in the Preliminary Approval Order, constituted the best notice practicable under the circumstances, including individual notice to all Settlement Class Members who could be identified through reasonable effort. Said Notices fully satisfied the requirements of Illinois Code of Civil Procedure, §§ 735 ILCS 5/2-801, *et seq.*, the requirements of due process, and any other applicable law.

4. The Court finds, for purposes of the 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.

5. 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 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) the Defendants and their past or present shareholders, officers, directors, and employees (collectively, the “Settlement Class”).

6. Pursuant to Illinois Code of Civil Procedure, §§ 735 ILCS 5/2-801, *et seq.*, this Court hereby approves the Settlement set forth in the Stipulation and finds that the Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of Plaintiffs, the Settlement Class, and each of the Settlement Class Members. This Court further finds the Settlement set forth in the Stipulation is the result of good faith, arm’s-length negotiations between experienced counsel representing the interests of Plaintiffs, Settlement Class Members, and the Auditor Defendants. Accordingly, the Settlement embodied in the Stipulation is hereby approved in all respects and shall be consummated in accordance with its terms and provisions. The Settling Parties are hereby directed to perform the terms of the Stipulation.

7. In accordance with Paragraph I(d) of the Stipulation, for purposes of this Final Judgment, the term “Claims” shall mean any and all manner of claims, demands, rights, actions, potential actions, causes of action, liabilities, duties, damages, losses, diminutions in value, obligations, agreements, suits, fees, attorneys’ fees, expert or consulting fees, debts, expenses, costs, sanctions, judgments, decrees, matters, issues, and controversies of any kind or nature whatsoever, whether known or unknown, contingent or absolute, liquidated or not liquidated, accrued or unaccrued, suspected or unsuspected, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, which now exist, or heretofore or previously existed, or may hereafter exist (including, but not limited to, any claims arising under federal, state or foreign law, common law, bankruptcy law, statute, rule, or regulation relating to alleged fraud, breach of any duty, breach of any contract, negligence,

fraudulent conveyance, avoidance, violations of the federal securities laws, or otherwise), whether individual, class, direct, derivative, representative, on behalf of others, legal, equitable, regulatory, governmental, or of any other type or in any other capacity.

8. In accordance with Paragraph I(ll) of the Stipulation, for purposes of this Final Judgment, the term “Settling Party” shall mean any one of, and “Settling Parties” means all of, the parties to the Stipulation, namely the Auditor Defendants and Plaintiffs on behalf of themselves and the Settlement Class.

9. In accordance with Paragraph I(dd) of the Stipulation, for purposes of this Final Judgment, the term “Released Parties” shall mean: (i) each of the Auditor Defendants, their respective past, present and future, direct or indirect parent entities, subsidiaries, member firms, and other affiliates, predecessors and successors of each and all such entities, and each and all of the foregoing entities’ respective past, present, and future directors, officers, employees, partners (in the broadest concept of that term), principals, alleged partners, stockholders, members and owners, attorneys, advisors, consultants, trustees, insurers, co-insurers, reinsurers, representatives, and assigns; (ii) to the extent not included in (i) above, any and all persons, firms, trusts, corporations, and other entities in which any of the Auditor Defendants has a financial interest or was a founder, settler, or creator of the entity, and, in their capacity as such, any and all officers, directors, employees, trustees, beneficiaries, settlers, creators, attorneys, consultants, insurers, co-insurers, reinsurers, agents, or representatives of any such person, firm, trust, corporation or other entity; and (iii) in their capacity as such, the legal representatives, heirs, executors, and administrators, of any of the foregoing.

10. In accordance with Paragraph I(ee) of the Stipulation, for purposes of this Final

Judgment, the term “Releasing Parties” shall mean Plaintiffs, each and every Settlement Class Member, and each of their respective predecessors, successors, assigns, parents, subsidiaries and other affiliates, officers, directors, employees, partners, members, managers, owners, agents, trustees, beneficiaries, advisors, consultants, insurers, reinsurers, stockholders, investors, nominees, custodians, attorneys, heirs, representatives, administrators, executors, devisees, legatees, and estates.

11. In accordance with Paragraph I(cc) of the Stipulation, for purposes of this Final Judgment, the term “Released Claims” shall mean any and all Claims, including Unknown Claims, that have been, could have been, or in the future can or might be asserted in any federal, state or foreign court, or in any arbitration proceeding, tribunal, or any other proceeding or forum by or on behalf of any of the Releasing Parties against any one or more of the Released Parties, regardless of whether any such Released Parties were named in the Action, which have arisen, could have arisen, arise now, or hereafter arise out of or relate in any manner to the allegations, facts, events, matters, acts, occurrences, statements, representations, purported misrepresentations or omissions, or any other matter, thing or cause whatsoever, or any series thereof, embraced, involved, at issue, or set forth in, or referred to or otherwise related in any way, directly or indirectly, to: (i) the Action, and the allegations, claims, defenses, and counterclaims asserted in the Action; (ii) audits or reviews of the financial statements of the Lancelot Fund; (iii) any disclosures or failures to disclose, by one or more of the Auditor Defendants and/or the Released Parties; (iv) any fiduciary, contractual, common law or other obligations of one or more of the Auditor Defendants and/or the Released Parties (to the extent such duties existed) related to the Lancelot Fund or the investors of the Lancelot Fund; (v) any other services provided to the Lancelot Fund by one or

more of the Auditor Defendants and/or the Released Parties; (vi) due diligence by one or more of the Auditor Defendants and/or the Released Parties related to the Lancelot Fund, (viii) purchases of, sales of (or decisions not to sell), or fees paid in relation to, direct or indirect investments in the Lancelot Fund; (ix) any direct or indirect investment in the Lancelot Fund; or (x) any claims in connection with, based upon, arising out of, or relating to the Settlement (but excluding any claims to enforce the terms of the Settlement).

12. In accordance with Paragraph I(pp) of the Stipulation, for purposes of this Final Judgment, the term "Unknown Claims" shall mean all claims, demands, rights, liabilities, and causes of action of every nature and description which any Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Parties which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Parties, or might have affected his, her, or its decision not to opt-out of or object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs shall expressly waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of this Final Judgment shall have expressly waived, the provisions, rights, and benefits of California Civil Code § 1542, which provides:

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

13. Plaintiffs shall expressly waive and each of the Settlement Class Members shall be deemed to have waived, and by operation of this Final Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state, territory, country, or principle of common law, which is similar, comparable or equivalent to California

Civil Code § 1542. Settlement Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Plaintiffs shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any fiduciary, contractual, or other duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs acknowledge, and the Settlement Class Members shall be deemed to have, and by operation of this Final Judgment shall have, acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

14. This Action (including all claims contained therein) is dismissed as against each and all of the Auditor Defendants. Except as to any Prior Opt-Out identified in Exhibit D to the Stipulation, and any individual claim of those Persons who timely requested exclusion from the Settlement Class before the June 22, 2018 deadline, the dismissal is with prejudice. The parties are to bear their own costs, except as otherwise provided in the Stipulation.

15. As of the Effective Date (as defined in the Stipulation), the Releasing Parties, on behalf of themselves, and any other Person claiming (now or in the future) through or on behalf of them, regardless of whether any such Releasing Party ever seeks or obtains by any means any disbursement from the Settlement Fund, shall be deemed to have, and by operation of this

Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims (including Unknown Claims) against the Released Parties and shall have covenanted not to sue the Released Parties with respect to all such Released Claims, and shall be permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or prosecution of any action or other proceeding, in any forum, asserting any Released Claim, either directly, representatively, derivatively, or in any other capacity, against any of the Released Parties. Nothing contained herein shall, however, bar the Releasing Parties from bringing any action or claim to enforce the terms of the Stipulation or this Final Judgment.

16. As of the Effective Date (as defined in the Stipulation), the Released Parties shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged each and all of Plaintiffs, Settlement Class Members, and Plaintiffs' Counsel from all Claims which arise out of, concern or relate to the institution, prosecution, settlement, or dismissal of the Action (the "Auditor Defendant Released Claims"), and shall be permanently enjoined from prosecuting the Auditor Defendant Released Claims against Plaintiffs, Settlement Class Members, and Plaintiffs' Counsel. Nothing contained herein shall, however, bar the Auditor Defendants or the Released Parties from bringing any action or claim to enforce the terms of the Stipulation or this Final Judgment.

17. As of the Effective Date (as defined in the Stipulation), to the fullest extent permitted by law, all Persons shall be permanently enjoined, barred and restrained from bringing, commencing, prosecuting or asserting any claims, actions, or causes of action for contribution, indemnity, or otherwise against any of the Released Parties seeking as damages or otherwise the recovery of all or any part of any liability, judgment, or settlement which such

Person pays or is obligated to pay or agrees to pay to the Settlement Class or any Settlement Class Member arising out of, relating to, or concerning any acts, facts, statements, or omissions that were or could have been alleged in the Action, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, third-party claims or otherwise, in the Court or any other federal, state, or foreign court, or in any arbitration proceeding, tribunal, or any other proceeding or forum. For the avoidance of doubt, nothing in this Paragraph shall be deemed to apply to claims between and among the Auditor Defendants, on the one hand, and their insurers, co-insurers or reinsurers, on the other hand.

18. Any final verdict or judgment that may be obtained by one or more of Plaintiffs or one or more of the other Settlement Class Members, whether individually or on behalf of a class, against one or more Persons barred from seeking contribution pursuant to this Final Judgment (a “Non-Dismissed Defendant Judgment”) shall be reduced, to the extent permitted by applicable law, by the greater of (i) the amount that corresponds to the percentage of responsibility attributed to the Released Parties under the Non-Dismissed Defendant Judgment; and (ii) the gross monetary consideration provided to such Plaintiff or other Settlement Class Member or Settlement Class Members pursuant to this Stipulation.

19. The Court hereby finds that the proposed Plan of Allocation is a fair and reasonable method to allocate the Net Settlement Fund among the Settlement Class Members and directs that Plaintiffs’ Counsel implement the Plan of Allocation in accordance with the terms of the Stipulation.

20. Neither the Auditor Defendants, the Auditor Defendants’ Counsel, nor any other of the Released Parties shall have any responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the Net Settlement Fund, the Plan of Allocation, the

determination, administration, or calculation of claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith, and all Persons shall be enjoined from taking any action in contravention of this provision. Neither Plaintiffs, Plaintiffs' Counsel, the Claims Administrator, nor any of their respective employees and agents, shall be subject to or incur any liability to any Person based on distribution determinations or claim rejections substantially in accordance with the Stipulation and Settlement contained therein, the Plan of Allocation, this Final Judgment or any other Order of the Court approving the distribution of the Net Settlement Fund, and all Persons shall be enjoined from taking any action in contravention of this provision. Upon rejection of a claim substantially in accordance with the Stipulation and Settlement contained therein, the Plan of Allocation, this Final Judgment or any other Order of the Court approving the distribution of the Net Settlement Fund or upon the receipt and acceptance by a Settlement Class Member of a distribution from the Net Settlement Fund, such Settlement Class Member will be deemed to have released all claims that such Settlement Class Member may have against Plaintiffs, Plaintiffs' Counsel, or the Claims Administrator, including their respective employees and agents, in connection with the administration of the Net Settlement Fund, and shall be barred from prosecuting or asserting any such claims.

21. The Court hereby grants Plaintiffs' Counsel attorneys' fees of 33.33% of the \$27,500,000 Settlement Fund, plus interest, or \$9,191,889.79, and expenses in the amount of \$277,389.40. The Court finds that the amount of fees awarded is fair and reasonable under the percentage-of-recovery method and in light of: (1) the strength of the case for plaintiffs on the merits, balanced against the money or other relief offered in settlement; (2) the defendant's ability to pay; (3) the complexity, length and expense of further litigation; (4) the amount of

opposition to the settlement; (5) the presence of collusion in reaching the settlement; (6) the reaction of members of the class to the settlement; (7) the opinion of competent counsel; and (8) the stage of the proceedings and amount of discovery completed.

22. The awarded attorneys' fees and expenses, and interest earned thereon, shall be paid from the Settlement Fund in the Escrow Account to McLaughlin & Stern, LLP within five (5) business days from the date of this Final Judgment, together with interest accrued on such amount from the date of such order to the date of payment at the same rate as earned on the Settlement Fund, subject to the terms, conditions, and obligations of the Stipulation.

23. The Court hereby grants Plaintiffs an incentive award of \$50,000, which sum the Court finds to be fair and reasonable based upon the substantial time, effort, and expense incurred by Plaintiffs since inception of the Action. The incentive award shall be paid from the Settlement Fund in the Escrow Account to McLaughlin & Stern, LLP within five (5) business days from the date of this Final Judgment.

24. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission, concession, or evidence of, the validity or invalidity of any Released Claims, the truth or falsity of any allegation made by Plaintiffs, the sufficiency or deficiency of any defense that has been or could have been asserted in the Action, or of any wrongdoing, liability, negligence, or fault of the Auditor Defendants, the Released Parties, or any of them; (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or misrepresentation or omission with respect to any statement or written document attributed to, approved, or made by any of the Auditor Defendants or Released Parties in any civil, criminal, or administrative proceeding in

any court, administrative agency, or other tribunal; (c) is or may be deemed to be or shall be used, offered, or received against the Settling Parties or the Released Parties, or each or any of them, as an admission, concession, or evidence of the validity or invalidity of the Released Claims, the infirmity or strength of any claim raised in the Action, the truth or falsity of any allegation made by Plaintiffs or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action; and/or (d) is or may be deemed to be or shall be construed as or received in evidence as an admission or concession against the Settling Parties or the Released Parties, or each or any of them, that any of Plaintiffs' or Settlement Class Members' claims are with or without merit, that a litigation class should or should not be certified, that damages recoverable under the Amended Complaint would have been greater or less than the Settlement Amount, or that the consideration to be given pursuant to the Stipulation represents an amount equal to, less than, or greater than the amount that could have or would have been recovered after trial.

25. The Settling Parties may file the Stipulation and/or this Final Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

26. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Auditor Defendants in accordance with the terms of the Stipulation, then this Final Judgment shall be vacated and rendered null and void to the extent provided by and in accordance with the Stipulation and, in such event, all orders entered

and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

27. The rulings set forth in ¶ 17, ¶ 19, and ¶¶ 21–23, shall have no effect on finality for purposes of determining the date this Final Judgment becomes Final (as defined in the Stipulation).

28. Any Opt-Out shall not be deemed to have submitted to the jurisdiction of any Court in the United States for any matter on account of having submitted a Request for Exclusion.

29. 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, and any such information that is submitted to the Court shall be filed under seal.

30. In accordance with paragraph 21 of the Stipulation and the Court's Order of April 23, 2018, Plaintiffs' counsel and/or the administrator shall promptly apprise the Court of any residual funds eligible for distribution pursuant to 735 ILCS 5/2-807. If any such funds remain, they shall be distributed to an eligible organization(s) to be selected by Plaintiffs' counsel and the Court.

31. The Court expressly determines that there is no just reason for delay in entering this Final Judgment and directs the Clerk of the Court to enter this Final Judgment pursuant to Illinois Supreme Court Rule 272.

32. Without affecting the finality of this Final Judgment in any way, exclusive jurisdiction is hereby retained over the Settling Parties and the Settlement Class Members for all matters relating to the Action, including (i) the administration, interpretation, effectuation, or enforcement of the Stipulation and this Final Judgment and (ii) disposition of the Settlement Fund and payment of the attorneys' fees, costs, interest, and reimbursement of expenses awarded in this Final Judgment.

DATED: August 3, 2018

JUDGE DAVID B. ATKINS

AUG 03 2018

Circuit Court-1879



HON. DAVID B. ATKINS