

ENTERED

October 12, 2018

David J. Bradley, Clerk

**IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE CONN'S, INC. SECURITIES
LITIGATION

§ Civil Action No. 4: 14-cv-00548 (KPE)
§ (Consolidated Action)
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§

PROPOSED FINAL ORDER AND JUDGMENT

WHEREAS:

A. As of June 13, 2018, Laborers Pension Trust Fund – Detroit and Vicinity, Connecticut Carpenters Pension Fund and Connecticut Carpenters Annuity Fund, St. Paul Teachers’ Retirement Fund Association, and Universal Investment Gesellschaft mbH (collectively, “Class Representatives”), on behalf of themselves and all members of the certified Class, and Conn’s Inc. (“Conn’s” or the “Company”), Theodore Wright, and Michael J. Poppe (collectively, “Defendants”) entered into the Stipulation and Agreement of Settlement (the “Stipulation”) in the Action;

B. On June 29, 2017, this Court certified a class consisting of all persons and entities who purchased or otherwise acquired Conn’s publicly traded common stock and/or call options, or who sold/wrote Conn’s put options during the period from April 9, 2013, through December 9, 2014, inclusive (the “Class Period”), and who were damaged thereby. Excluded from the Class are Defendants and their immediate family members; the officers and directors of the Company during the Class Period and their immediate family members; any entity in which Defendants

Exhibit 1

have or had a controlling interest; and the legal representatives, heirs, successors, assigns, or affiliates of any excluded Person;¹

C. Pursuant to the Order Granting Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of Settlement, entered June 28, 2018 (the “Preliminary Approval Order”), the Court scheduled a hearing for October 11, 2018 (the “Settlement Hearing”) to, among other things: (i) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate, and should be approved by the Court; (ii) determine whether the proposed Final Order and Judgment as provided under the Stipulation should be entered, and to determine whether the release by the Class of the Released Plaintiffs’ Claims, as provided in the Stipulation, should be provided to the Released Defendant Parties; (iii) determine whether the proposed Plan of Allocation for the net proceeds of the Settlement is fair and reasonable and should be approved by the Court; (iv) consider Class Counsel’s application for an award of attorneys’ fees and expenses (which may include an application for reimbursement to Class Representatives of their reasonable costs and expenses (including lost wages) directly related to their representations of the Class, pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”)); and (v) rule upon any other matters that the Court may deem appropriate;

D. The Court ordered that the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys’ Fees and Expenses (the “Notice”) and the Proof of Claim and Release form (“Proof of Claim”), substantially in the forms attached to the Preliminary Approval Order as Exhibits 1 and 2, respectively, be mailed by first-class mail, postage prepaid,

¹ Also excluded from the Class are those persons listed on the annexed Exhibit A as having submitted an exclusion request accepted by the Court.

by July 13, 2018, to all potential Class Members who could be identified through reasonable effort, and that the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Summary Notice"), substantially in the form attached to the Preliminary Approval Order as Exhibit 3, be published in *The Wall Street Journal* and transmitted over *PR Newswire* by July 27, 2018 (14 days after the notice date);

E. The Notice and the Summary Notice advised potential Class Members of the date, time, place, and purpose of the Settlement Hearing, and that the date of the Settlement Hearing may change without further notice being sent to the Class. The Notice further advised that any objections to the Settlement were required to be filed with the Court and served on counsel for the Parties such that they were received by September 20, 2018 (21 days before the Settlement Hearing);

F. The provisions of the Preliminary Approval Order as to notice were complied with;

G. On September 6, 2018, Class Representatives moved for final approval of the Settlement, as provided in the Preliminary Approval Order.

H. This Court has duly considered Class Representatives' motion for final approval of the Settlement, the affidavits, declarations, and memoranda of law submitted in support of the motion, the Stipulation, and all of the other submissions and arguments presented related to the proposed Settlement;

NOW, THEREFORE, after due deliberation, IT IS ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference: (i) the Stipulation filed with the Court on June 14, 2018; and (ii) the Notice, which was filed with the Court on June 14, 2018. Capitalized terms not defined in this Judgment have the meanings set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Action, and all matters related to the Settlement, as well as personal jurisdiction over all parties to the Action and all Class Members.

3. The Court finds that the mailing of the Notice and Proof of Claim and publication of the Summary Notice: (i) complied with the Preliminary Approval Order; (ii) constituted the best notice practicable under the circumstances; (iii) constituted notice that was reasonably calculated to apprise Class Members of the effect of the Settlement, of the proposed Plan of Allocation, of Class Counsel's request for an award of attorneys' fees and payment of expenses incurred in connection with the prosecution of the Action, of Class Members' right to object or seek exclusion from the Class, and of their right to appear at the Settlement Hearing; (iv) constituted due, adequate, and sufficient notice to all Persons entitled to receive notice of the proposed Settlement; and (v) satisfied the notice requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), and Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the PSLRA.

4. In accordance with Fed. R. Civ. P. 23, excluded from the Class are the persons listed in Exhibit A to this Judgment, who are excluded from the Class pursuant to request.

5. There have been no objections to the Settlement.

6. In light of the benefits to the Class, the complexity, expense, and possible duration of further litigation against Defendants, the risks of establishing liability and damages,

and the costs of continued litigation, the Court fully and finally approves the Settlement provided for in the Stipulation in all respects, and finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of Class Representatives and the Class. This Court further finds that the Settlement is the result of arm's-length negotiations between experienced counsel representing the interests of Class Representatives, the Class, and Defendants. The Settlement shall be consummated in accordance with the terms and conditions of the Stipulation.

7. The Fourth Consolidated Amended Complaint filed on July 21, 2015, and all claims contained therein are hereby dismissed in their entirety, with prejudice, and without costs to any Party, except as otherwise provided in the Stipulation.

8. The Court finds that during the course of the Action, the Parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

9. As of the Effective Date, Class Representatives and each and every other Class Member, on behalf of themselves and each of their respective heirs, executors, trustees, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have fully, finally, and forever waived, released, discharged, and dismissed each and every one of the Released Plaintiffs' Claims against each and every one of the Released Defendant Parties, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Plaintiffs' Claims against any and all of the Released Defendant Parties.

10. As of the Effective Date, Defendants, on behalf of themselves and each of their respective heirs, executors, trustees, administrators, predecessors, successors, and assigns in their

capacities as such, shall be deemed to have fully, finally, and forever waived, released, discharged, and dismissed each and every one of the Released Defendants' Claims against each and every one of the Released Plaintiff Parties, and shall forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released Defendants' Claims against any and all of the Released Plaintiff Parties.

11. Notwithstanding paragraphs 9 and 10 above, nothing in this Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

12. Each Class Member, whether or not the Class Member executes and delivers a Proof of Claim, is bound by this Judgment, including, without limitation, the release of claims provided for herein.

13. This Judgment and the Stipulation, whether or not consummated, and any discussion, negotiation, proceeding, or agreement related to the Stipulation, the Settlement, and any matter related to settlement discussions or negotiations, proceedings, or agreements, shall not be used against or to the prejudice of the Parties or their respective counsel, for any purpose other than in an action to enforce this Judgment and the Stipulation, and in particular:

(a) do not constitute, and shall not be used against or to the prejudice of Defendants as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by Defendants related to the truth of any allegation by Class Representatives and the Class, or the validity of any claim that has been or could have been asserted in the Action or in any litigation, including but not limited to the Released Plaintiffs' Claims, or of any liability, damages, negligence, fault, or wrongdoing of Defendants or any Person whatsoever;

(b) do not constitute, and shall not be used against or to the prejudice of Defendants as evidence of a presumption, concession, or admission of any fault, misrepresentation, or omission related to any statement or written document approved or made by Defendants, or against or to the prejudice of Class Representatives or any other member of the Class as evidence of any infirmity in the claims of Class Representatives or the other members of the Class;

(c) do not constitute, and shall not be used against or to the prejudice of Defendants, Class Representatives, any other member of the Class, or their respective counsel, as evidence of a presumption, concession, or admission related to any liability, damages, negligence, fault, infirmity, or wrongdoing, or in any way referred to for any other reason against or to the prejudice of any of the Defendants, Class Representatives, other members of the Class, or their respective counsel, in any other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation;

(d) do not constitute, and shall not be construed against Defendants, Class Representatives, or any other member of the Class, as an admission or concession that the consideration to be given under the Stipulation represents the amount that could be or would have been recovered after trial; and

(e) do not constitute, and shall not be construed as or received in evidence as an admission, concession, or presumption against Class Representatives or any other member of the Class that any of their claims are without merit or infirm or that damages recoverable under the Complaint would not have exceeded the Settlement Amount.

14. The administration of the Settlement, and the decision of all disputed questions of law and fact with respect to the validity of any claim or right of any Person to participate in the distribution of the Net Settlement Fund, shall remain under the authority of this Court.

15. If the Settlement is terminated or the Effective Date of the Settlement otherwise fails to occur, then this Judgment shall be rendered null and void to the extent provided by the Stipulation and shall be vacated, and in such event, all orders entered and releases delivered in connection with this Judgment shall be null and void to the extent provided by the Stipulation.

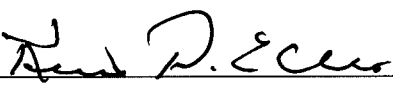
16. Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

17. The Court directs the Parties to consummate the Stipulation and to perform its terms.

18. A separate order shall be entered regarding Class Counsel's application for attorneys' fees and payment of expenses as allowed by the Court. A separate order shall also be entered regarding the proposed Plan of Allocation for the Net Settlement Fund. Those orders shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

19. Without affecting the finality of this Judgment in any way, this Court retains continuing jurisdiction over: (i) implementation of the Settlement; (ii) the allowance, disallowance, or adjustment of any claim to the Settlement Fund on equitable grounds and any award or distribution of the Settlement Fund; (iii) disposition of the Settlement Fund; (iv) hearing and determining applications for attorneys' fees, costs, interest and payment of expenses in the Action; (v) all Parties for the purpose of construing, enforcing, and administering the Settlement and this Judgment; and (vi) any other related matters. There is no just reason for delay in the entry of this Judgment and the Clerk of the Court is directed to immediately enter it.

Dated: October 11, 2018



Keith P. Ellison
UNITED STATES DISTRICT JUDGE

Exclusion Requests

Count	Name	City	State
1	DEAN WAXSTEIN	BURBANK	IL
2	MICROCAPITAL FUND LP	WESTPORT	CT
3	MICROCAPITAL FUND LTD.	WESTPORT	CT
4	MICROCAPITAL FUND LLC	WESTPORT	CT

Exhibit A