



MAX SCHWARTZ

+ Via Hand Delivery and ECF +

September 10, 2018

Hon. Keith P. Ellison
United States District Judge
United States District Court
For the Southern District of Texas
515 Rusk Street
Houston, TX 77002

Re: *In re Conn's, Inc. Securities Litigation*, Master File No. 4:14-CV-00548 (KPE)

Dear Judge Ellison:

My firm, Scott+Scott Attorneys at Law LLP (“Scott+Scott”), is Co-Lead Counsel for Plaintiffs and the Class in the above-referenced case and I write to follow-up with the Court regarding an inadvertent error in the notice of the proposed settlement (“Settlement Notice”), as well as the steps that have been taken to correct it.

Item 16 on page 10 of the Settlement Notice that was previously disseminated disclosed a referral obligation of Labaton Sucharow LLP (one of Plaintiffs’ counsel in this case) and a fee-sharing obligation of our Co-Lead Counsel, Motley Rice LLC. The Settlement Notice also stated that Scott+Scott has no similar obligations. That latter statement was an inadvertent error.

Upon identifying this mistake early last week, Co-Lead Counsel promptly took the following steps:

- On September 6, 2018, Scott+Scott posted a “Corrected Notice” on the dedicated Settlement Website in this matter, www.connssecuritieslitigation.com/Home/Documents. The Corrected Notice now discloses that, in addition to the obligations of other counsel discussed in the preceding paragraph, Scott+Scott has a referral obligation to the Sachs Waldman PC law firm, and that Detroit Laborers (the client and Lead Plaintiff that Sachs Waldman PC referred to Scott+Scott) consented to that referral obligation.
- At the same time, Co-Lead Counsel posted a separate “Notice of Correction” on the Settlement Website that also identifies and explains the foregoing correction. (A copy is attached as Exhibit A.)

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- Further, Scott+Scott described our initial error and the substance of Class Counsel's Notice of Correction in our publicly filed Motion for an Award of Attorneys Fees (ECF No. 185 at 20). That Motion, along with the other papers in support of final approval of the proposed settlement are also available on the Settlement Website, and we will promptly post a copy this Letter on that website as well.

The Settlement Notice, on pages 3 and 10, advised the Class that Plaintiffs' Counsel would seek an award of attorneys' fees equal to no more than 20% of the Settlement Fund, and the previously undisclosed referral obligation of Scott+Scott does not alter that in any way. Similarly, the statement in the Settlement Notice (at Item 16 on page 10) that any referral sharing obligations will *not* increase the amount of attorneys' fees payable from the Settlement Fund remains correct (any referral obligations are only payable from whatever gross fee award the Court approves to non-referring counsel, and do *not* represent an additional fee that would be payable by the Class on top of the requested 20% award).

I also respectfully submit that, because the Settlement Notice disclosed the referral or fee-sharing obligations of two other firms in this case (while explaining that such obligations would not increase the amount of any fee award), to the extent that it would be meaningful for Class members to have additional disclosure identifying Scott+Scott as a firm having a referral obligation, the corrective actions discussed above are appropriate and sufficient to correct the record.

Scott+Scott has a firm policy of disclosing any referral obligations, and we sincerely regret our inadvertent failure to disclose such an obligation in the original Settlement Notice.

Prior to taking our corrective measures on September 6, 2018, I also note that I attempted to call the Court to explain my firm's mistake and to describe in advance the corrective steps that Scott+Scott proposed to take in response. I was not able to reach the Court beyond leaving a message – and given the circumstances, Plaintiffs' counsel felt that it was important to take the corrective steps noted above that day. If, however, upon review of this letter the Court wishes to discuss any aspects of this matter further, we are of course at the Court's disposal.

Again, Scott+Scott sincerely regrets our earlier mistake.

Sincerely,
SCOTT+SCOTT ATTORNEYS AT LAW LLP

/s/ Max Schwartz
Max Schwartz