

**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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**STIPULATION AND AGREEMENT OF SETTLEMENT**

This stipulation and agreement of settlement (the “Stipulation”) is made and entered into by and between Lead Plaintiffs Laborers Pension Trust Fund – Detroit and Vicinity (“Detroit”), Connecticut Carpenters Pension Fund and Connecticut Carpenters Annuity Fund (“Connecticut”), St. Paul Teachers’ Retirement Fund Association (“St. Paul”), and Universal Investment Gesellschaft m.b.H. (“Universal”) (collectively, “Class Representatives” or “Lead Plaintiffs”), on behalf of themselves and all members of the certified Class (defined below), and Conn’s, Inc. (“Conn’s” or the “Company”) and Theodore Wright and Michael J. Poppe (collectively, “Defendants” and together with Class Representatives, the “Parties”), and embodies the terms and provisions of the settlement of the above-captioned action (the “Action”). Subject to the approval of the United States District Court for the Southern District of Texas (the “Court”) and the terms and conditions expressly provided herein, this Stipulation is intended to fully, finally and forever compromise, settle, release, resolve, and dismiss with prejudice all claims asserted in the Action.

**WHEREAS:**

A. Unless otherwise defined herein, all words or terms used in this Stipulation that are capitalized shall have the meanings ascribed to those words or terms in ¶ 1 below entitled “Definitions.”

B. On March 5, 2014, a securities class action complaint was filed in this Court on behalf of a putative class of investors in Conn's common stock. Further securities class action complaints on behalf of putative classes of investors in Conn's common stock were filed in this Court on March 7, 2014, and May 5, 2014. All three complaints alleged a putative class period of April 3, 2013, through February 19, 2014, inclusive.

C. On June 3, 2014, the Court entered an Order appointing Detroit, Connecticut, St. Paul, and Universal as Lead Plaintiffs pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") and consolidating the three actions and all new securities class actions into the litigation, *In re Conn's, Inc. Securities Litigation*, Civil Action No. 4:14-CV-00548. By the same Order, the Court approved Lead Plaintiffs' selection of Motley Rice LLC and Scott+Scott, Attorneys at Law, LLP as Lead Counsel for the class.

D. On July 21, 2014, Lead Plaintiffs filed the Consolidated Amended Complaint for Violations of Federal Securities Laws (the "First Amended Complaint"), asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder. In general, the First Amended Complaint alleges that Defendants violated the federal securities laws by making materially false and misleading statements and omitting material information concerning Conn's loosening of lending policies and underwriting standards, contrary to assurances to investors, which exposed the Company to high amounts of bad debt and increased collections risks.

E. Before filing the First Amended Complaint, Lead Plaintiffs, through Lead Counsel, conducted a thorough investigation relating to the claims and transactions that are the subject of the Action. This included reviewing and analyzing: (i) documents filed publicly by Conn's with the U.S. Securities and Exchange Commission ("SEC"); (ii) research reports issued

by financial analysts concerning the Company; (iii) economic analyses of securities movement and pricing data; and (iv) transcripts of investor calls with Conn's senior management. Lead Counsel also contacted former Conn's employees and other persons who allegedly had potentially relevant knowledge.

F. On September 4, 2014, Defendants filed a motion to dismiss the First Amended Complaint. On October 1, 2014, Lead Plaintiffs filed a Motion to File a Second Consolidated Amended Complaint for Violations of Federal Securities Laws, to expand the end date of the Class Period from February 19, 2014, to August 29, 2014, to account for factual developments since the filing on the First Amended Complaint. The Court granted Lead Plaintiffs' motion on October 15, 2014 and Lead Plaintiffs filed the Second Consolidated Amended Complaint for Violations of Federal Securities Laws ("Second Amended Complaint") on October 29, 2014.

G. On December 15, 2014, Defendants filed a motion to dismiss the Second Amended Complaint, which Lead Plaintiffs opposed on January 29, 2015. Defendants filed a reply memorandum of law in response to Lead Plaintiffs' response to the motion to dismiss on March 2, 2015.

H. On December 12, 2014, Eric Pittel ("Pittel") filed a complaint against Conn's and several of its officers (the "Pittel Action"). On December 22, 2014, Martin Indik ("Indik") filed a complaint against Conn's and several of its officers (the "Indik Action"). Both actions alleged similar to those in the Second Amended Complaint, but through December 9, 2014. On December 23, 2014, Lead Plaintiffs moved to consolidate the Pittel Action and the Indik Action into this Action. Indik and Pittel opposed the motion to consolidate on January 12, 2015, and January 13, 2015, respectively.

I. On March 31, 2015, the Court granted Lead Plaintiffs' motion to consolidate the Pittel Action and the Indik Action and gave Lead Plaintiffs ten days to file a further amended complaint to expand the class period through December 9, 2014.

J. On April 10, 2015, Lead Plaintiffs filed a Third Amended Complaint for Violations of Federal Securities Laws (the "Third Amended Complaint"). On April 20, 2015, Defendants filed a supplemental memorandum of law in support of their pending motion to dismiss to address the new allegations in the Third Amended Complaint. Lead Plaintiffs filed their response on April 27, 2015, and Defendants filed a reply memorandum of law on May 4, 2015. The Court heard oral argument on Defendants' motion to dismiss on June 30, 2015, and gave Lead Plaintiffs 21 days to file a further amended complaint.

K. On July 21, 2015, Lead Plaintiffs filed the Fourth Consolidated Amended Complaint for Violations of Federal Securities Laws ("Fourth Amended Complaint"). Defendants moved to dismiss the Fourth Amended Complaint on August 28, 2015, and Lead Plaintiffs filed a memorandum of law in opposition on October 5, 2015. Defendants filed a reply memorandum of law in support of their motion to dismiss on October 26, 2015. The Court heard oral argument on Defendants' motion to dismiss on March 25, 2016, and held a telephonic conference with the Parties on March 29, 2016. On May 5, 2016, the Court entered an Order that granted in part and denied in part Defendants' motion to dismiss the Fourth Amended Complaint.

L. On May 5, 2016, Defendants filed a Motion to Certify for Immediate Appeal and to Stay Proceedings, which Lead Plaintiffs opposed on May 26, 2016. Defendants filed a reply memorandum of law in support of their motion on June 6, 2016. The Court denied Defendants' motion on June 10, 2016.

M. On June 24, 2016, Defendants answered the Fourth Amended Complaint, denying Lead Plaintiffs' claims and asserting various affirmative defenses.

N. On November 10, 2016, Lead Plaintiffs filed their motion for class certification, which Defendants opposed on February 13, 2017. Lead Plaintiffs filed their reply brief on March 27, 2017. The Court heard oral argument on the matter on June 29, 2017, and granted Lead Plaintiffs' motion the next day. Defendants requested leave to appeal the Court's decision to grant Lead Plaintiffs' motion for class certification under Rule 23(f), which was granted by the United States Court of Appeals for the Fifth Circuit ("Fifth Circuit") on August 21, 2017. Briefing on Defendants' appeal was completed on December 13, 2017.

O. The Parties engaged in comprehensive fact discovery, which continued during the pendency of the appeal to the Fifth Circuit. Lead Plaintiffs reviewed and analyzed: (i) approximately 661,162 pages of documents produced by Defendants; and (ii) approximately 28,114 pages of documents produced by third-parties. Lead Plaintiffs took nine depositions of Conn's representatives in connection with fact discovery, as well as a deposition of a corporate representative under Rule 30(b)(6). Representatives of each of the Lead Plaintiffs sat for Rule 30(b)(6) depositions in connection with Lead Plaintiffs' motion for class certification.

P. During the prosecution of the litigation, the Parties engaged in various efforts to settle the Action, including face-to-face meetings and other communications among counsel. In 2017, the Parties engaged an experienced and well-respected mediator, Robert A. Meyer, Esq., to assist them in exploring a potential negotiated resolution of the Action. Following an exchange of mediation statements and exhibits, the Parties met with Mr. Meyer on May 3, 2017 in an attempt to reach a settlement in a full-day mediation. The mediation session did not result in an agreement to settle the Action. The parties submitted additional mediation materials and met

with Mr. Meyer for a second full-day mediation session on June 14, 2017. A third full-day mediation session was held on January 23, 2018. Following the third mediation session, Mr. Meyer continued to assist the Parties in coming to a resolution of the Action. After numerous communications, on February 27, 2018, Mr. Meyer made a mediator's proposal to settle the Action for \$22.5 million, which was accepted by the Parties on March 7, 2018. The Parties then negotiated and finalized the remaining settlement terms.

Q. Defendants have denied and continue to deny any wrongdoing or that they have committed any act or omission giving rise to any liability or violation of law, including the U.S. securities laws. Defendants have denied and continue to deny each and every one of the claims alleged by Class Representatives in the Action on behalf of the Class, including all claims in the Fourth Amended Complaint. Defendants are entering into this Settlement solely to eliminate the burden, expense, uncertainty, and distraction of further litigation.

R. This Stipulation, whether or not consummated, any proceedings relating to the Settlement, or any of the terms of the Settlement, whether or not consummated, shall in no event be construed as, or deemed to be evidence of, any admission or concession on the part of the Defendants, or any of them, with respect to any fact or matter alleged in the Action, or any claim of fault or liability or wrongdoing or damage whatsoever, or any infirmity in any defense that has been or could have been asserted by Defendants. Similarly, this Stipulation, whether or not consummated, any proceedings relating to the Settlement, or any of the terms of the Settlement, whether or not consummated, shall in no event be construed as, or deemed to be evidence of, an admission or concession on the part of the Class Representatives, or any of them, with respect to any infirmity in any of the claims asserted in the Action, or an admission or concession that any of Defendants' defenses had any merit.

S. Class Representatives believe that the claims asserted in the Action have merit and that the evidence developed to date supports the claims asserted. However, Class Representatives and Class Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action through summary judgment, trial, and appeals. Class Representatives and Class Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Action, as well as the difficulties and delays inherent in such litigation. Class Counsel also are mindful of the inherent problems of proof and Defendants' asserted defenses to the claims alleged in the Action. Based on their evaluation, Class Representatives and Class Counsel believe that the Settlement set forth in this Stipulation confers substantial monetary benefits upon the Class and is in the best interests of Class Representatives and the Class.

**NOW THEREFORE**, without any concession by Class Representatives that the Action lacks merit, and without any concession by Defendants of any liability or wrongdoing or lack of merit in their defenses, it is hereby **STIPULATED AND AGREED**, by and among the Parties, through their respective attorneys, subject to approval by the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to the Parties hereto, all Released Plaintiffs' Claims as against all Released Defendant Parties and all Released Defendants' Claims as against all Released Plaintiff Parties, shall be fully, finally, and forever compromised, settled, released, discharged, and dismissed with prejudice, and without costs, upon and subject to the following terms and conditions:

#### **DEFINITIONS**

1. As used in this Stipulation, and any exhibit attached hereto and made a part hereof, the following terms shall have the meanings set forth below. In the event of any

inconsistency between any of the definitions set forth below and any of the definitions in any other document related to the Settlement, the definition set forth below shall control.

(a) “Action” means the consolidated civil action captioned *In re Conn’s, Inc. Securities Litigation*, Civil Action No. 14-cv-00548, pending in the United States District Court for the Southern District of Texas before the Honorable Keith P. Ellison, and includes all actions consolidated therein.

(b) “Alternate Judgment” means a form of final judgment that may be entered by the Court but in a form other than the form of Judgment provided for in this Stipulation and where none of the Parties elects to terminate this Settlement by reason of such variance.

(c) “Authorized Claimant” means a Class Member who submits a valid Proof of Claim and Release form to the Claims Administrator that is accepted for payment from the Net Settlement Fund by the Court.

(d) “Claims Administrator” means the firm retained by Class Counsel, subject to Court approval, to provide all notices approved by the Court to Class Members, to process Proofs of Claim, and to administer the Settlement.

(e) “Class” means 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 3, 2013 through December 9, 2014 (inclusive), and 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 have or had a controlling interest; and the legal representatives, heirs, successors, assigns, or affiliates of any excluded Person. Also excluded

from the Class will be any persons or entities who timely and validly seek exclusion from the Class or whose request for exclusion is accepted by the Court.

(f) “Class Counsel” means Motley Rice LLC and Scott+Scott, Attorneys at Law, LLP.

(g) “Class Member” means each person or entity who or which is a member of the Class.

(h) “Class Period” means the period from April 3, 2013, through December 9, 2014, inclusive.

(i) “Class Representatives” means 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 m.b.H.

(j) “Defendants” means Conn’s, Theodore Wright and Michael J. Poppe.

(k) “Defendants’ Counsel” means the law firm of Vinson & Elkins LLP.

(l) “Distribution Order” means an order of the Court approving the Claims Administrator’s determinations concerning the acceptance and rejection of the claims submitted and approving any fees and expenses not previously paid, including the fees and expenses of the Claims Administrator, and, if the Effective Date has occurred, directing payment of the Net Settlement Fund to Authorized Claimants.

(m) “Effective Date” means the date upon which the Settlement shall have become effective, as set forth in ¶ 35 below.

(n) “Escrow Account” means the separate escrow account maintained at Huntington National Bank, into which the Settlement Amount will be deposited for the benefit of the Class.

(o) “Escrow Agent” means Huntington National Bank.

(p) “Fee and Expense Application” means Class Counsel’s application, on behalf of Plaintiffs’ Counsel, for an award of attorneys’ fees and payment of litigation expenses incurred in commencing, prosecuting, and settling the Action, including any costs and expenses of Class Representatives pursuant to 15 U.S.C. § 78u-4(a)(4) of the PSLRA.

(q) “Final,” with respect to a court order, means the later of: (i) if there is an appeal from the court order, the date of final affirmance on appeal and the expiration of the time for any further judicial review whether by appeal, reconsideration, or a petition for a writ of *certiorari* and, if *certiorari* is granted, the date of final affirmance of the order following review pursuant to the grant; or (ii) the date of final dismissal of any appeal from the order or the final dismissal of any proceeding on *certiorari* to review the order; or (iii) the expiration of the time for the filing or noticing of any appeal or petition for *certiorari* from the order (or, if the date for taking an appeal or seeking review of the order is extended beyond this time by order of the issuing court, by operation of law or otherwise, or if an extension of that kind is requested, the date of expiration of any extension if any appeal or review is not sought), without any filing or noticing of any appeal or petition for *certiorari* being made. However, any appeal or proceeding seeking subsequent judicial review pertaining solely to the Plan of Allocation of the Net Settlement Fund, or to the Court’s award of attorneys’ fees or expenses, shall not in any way delay or affect the time set forth above for the Judgment or Alternate Judgment, if applicable, to become Final or otherwise preclude the Judgment or Alternate Judgment, if applicable, from becoming Final.

(r) “Immediate Family(ies)” means, as set forth in 17 C.F.R. § 229.404, children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-law, fathers-in-law,

sons-in-law, daughters-in-law, brothers-in-law, and sisters-in-law. “Spouse” as used in this definition means a husband, a wife, or a partner in a state-recognized domestic partnership, civil union, or marriage.

(s) “Individual Defendants” means Theodore Wright and Michael J. Poppe.

(t) “Judgment” means the proposed judgment to be entered by the Court approving the Settlement, substantially in the form attached hereto as Exhibit B.

(u) “Liaison Counsel” means Ajamie LLP.

(v) “Mediator(s)” means Robert A. Meyer, Esq.

(w) “Net Settlement Fund” means the Settlement Fund less: (i) Court-awarded attorneys’ fees and expenses, including any costs and expenses of Class Representatives pursuant to 15 U.S.C. § 78u-4(a)(4) of the PSLRA; (ii) Notice and Administration Expenses; (iii) Taxes; and (iv) any other fees or expenses approved by the Court.

(x) “Notice” means the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys’ Fees and Expenses to be sent to Class Members, which, subject to approval of the Court, shall be substantially in the form attached hereto as Exhibit 1 to Exhibit A hereto.

(y) “Notice and Administration Expenses” means all costs, fees, and expenses incurred in connection with providing notice to the Class and administering the Settlement, including but not limited to: (i) providing notice of the proposed Settlement by mail, publication, and other means to Class Members, including reimbursements to nominee owners for forwarding the Notice to their beneficial owners; (ii) receiving and reviewing claims; (iii) applying the Plan of Allocation; (iv) communicating with Persons regarding the proposed Settlement and claims administration process; and (v) distributing the proceeds of the Settlement,

as well as all costs, fees, and expenses related to the Escrow Account and investment of the Settlement Fund.

(z) “Person(s)” means any individual and any business or legal entity, including without limitation, any corporation, corporate division, subsidiary, general partnership, limited partnership, association, joint stock company, joint venture, limited liability company, professional corporation, estate, legal representative, trust, unincorporated association, government, political subdivision, or political agency.

(aa) “Plan of Allocation” means the proposed Plan of Allocation of Net Settlement Fund, which, subject to the approval of the Court, shall be substantially in the form described in the Notice.

(bb) “Plaintiffs’ Counsel” means Class Counsel, Liaison Counsel, Labaton Sucharow LLP, and all other legal counsel who performed services in the Action on behalf of the Class Representatives or, at Class Counsel’s direction, the Class.

(cc) “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of Settlement, which, subject to the approval of the Court, shall be substantially in the form attached hereto as Exhibit A.

(dd) “Proof of Claim” or “Claim Form” means the Proof of Claim and Release form for submitting a claim, which, subject to approval of the Court, shall be substantially in the form attached as Exhibit 2 to Exhibit A hereto.

(ee) “Released Defendant Parties” means Defendants, Defendants’ Counsel, and each of their respective past or present subsidiaries, parents, affiliates, principals, successors, predecessors, assigns, officers, directors, trustees, partners, partnerships, employees, attorneys,

accountants, and insurers; the members of the Immediate Families, representatives, executors, administrators, and heirs of the Individual Defendants, as well as any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant's Immediate Family members; and any firm, trust, corporation, or other entity in which any Defendant has a controlling interest, in their capacities as such.

(ff) "Released Defendants' Claims" means any and all claims, liabilities, demands, causes of action, or lawsuits of every nature and description, including both known claims and Unknown Claims (as defined below), whether arising under federal, state, common, or foreign law, whether legal, statutory, equitable, or of any other type or form, that Defendants could have asserted against any of the Released Plaintiff Parties that arise out of or relate in any way to the institution, prosecution, or settlement of the claims in the Action, except for claims relating to the enforcement of the Settlement.

(gg) "Released Parties" means the Released Defendant Parties and the Released Plaintiff Parties.

(hh) "Released Plaintiff Parties" means Class Representatives, each and every other Class Member, Plaintiffs' Counsel, and each of their respective past or present subsidiaries, parents, affiliates, principals, successors, predecessors, assigns, officers, directors, trustees, partners, partnerships, employees, attorneys, accountants, and insurers; the members of the Immediate Families, representatives, executors, administrators, and heirs of any Released Plaintiff Party who is an individual, as well as any trust of which any Released Plaintiff Party is the settlor or which is for the benefit of any of their Immediate Family members; and any firm, trust, corporation, or other entity in which any Released Plaintiff Party has a controlling interest, in their capacities as such. Released Plaintiff Parties does not include any Person who timely

and validly seeks exclusion from the Class and whose request for exclusion is accepted by the Court.

(ii) “Released Plaintiffs’ Claims” means any and all claims, liabilities, demands, causes of action, or lawsuits of every nature and description, including both known claims and Unknown Claims (defined below), whether arising under federal, state, common, or foreign law, whether legal, statutory, equitable, or of any other type or form, and whether brought in a representative or individual capacity, that (i) were at issue in the Action; or (ii) could have been asserted by Class Representatives or any other Class Member in the Action that are based upon, arise out of, or relate to the allegations asserted in or the subject matter of the Action and the purchase of Conn’s common stock during the Class Period. Released Plaintiffs’ claims do not include claims relating to the enforcement of the Settlement or claims alleged in *Hack, et al., v. Wright, et al.*, Civil Action No. 14-3442 (S.D. Tex.); *95250 Canada LTEE, et al., v. Wright, et al.*, Cause No. 15-00521 (S.D. Tex.); or *Dohn, et al., v. Wright, et al.*, Cause No. 2015-04405 (281<sup>st</sup> Judicial Dist. Ct.).

(jj) “Releases” means the releases set forth in ¶¶ 3-4 of this Stipulation.

(kk) “Settlement” means the resolution of the Action on the terms and conditions of this Stipulation.

(ll) “Settlement Amount” means the total principal amount of twenty-two million five-hundred thousand U.S. dollars (\$22,500,000).

(mm) “Settlement Fund” means the Settlement Amount and any and all interest earned thereon.

(nn) “Settlement Hearing” means the hearing to be held by the Court to determine whether the proposed Settlement is fair, reasonable, and adequate and should be approved.

(oo) “Stipulation” means this Stipulation and Agreement of Settlement.

(pp) “Summary Notice” means the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys’ Fees and Expenses for publication, which, subject to approval of the Court, shall be substantially in the form attached as Exhibit 3 to Exhibit A hereto.

(qq) “Taxes” means (i) all federal, state, or local taxes of any kind on any income earned by the Settlement Fund; and (ii) the expenses and costs incurred in connection with the taxation of the Settlement Fund (including, without limitation, interest, penalties and the reasonable expenses of tax attorneys and accountants).

(rr) “Unknown Claims” means any and all Released Plaintiffs’ Claims that Class Representatives or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims against the Released Defendant Parties, and any and all Released Defendants’ Claims that any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims against the Released Plaintiff Parties, which if known by him or it might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the Class. With respect to any and all Released Plaintiffs’ Claims and Released Defendants’ Claims, the Parties stipulate and agree that, upon the Effective Date, Class Representatives and Defendants shall expressly, and each other Class Member shall be deemed to have, and by operation of the Judgment or Alternate Judgment, if applicable, shall have, to the

fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. 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.**

Class Representatives, other Class Members, or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows or believes to be true with respect to the subject matter of the Released Plaintiffs' Claims and the Released Defendants' Claims, but Class Representatives and Defendants shall expressly, fully, finally, and forever settle and release, and each other Class Member shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment or Alternate Judgment, if applicable, shall have settled and released, fully, finally, and forever, any and all Released Plaintiffs' Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Class Representatives and Defendants acknowledge, and other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiffs' Claims and Released Defendants' Claims was separately bargained for and was a material element of the Settlement.

#### **SCOPE AND EFFECT OF SETTLEMENT**

2. The obligations incurred pursuant to this Stipulation are (a) subject to approval by the Court and the Judgment, or Alternate Judgment, if applicable, reflecting such approval

becoming Final; and (b) in full and final disposition of the Action with respect to the Released Parties and any and all Released Plaintiffs' Claims and Released Defendants' Claims.

3. By operation of the Judgment or Alternate Judgment, if applicable, 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.

4. By operation of the Judgment or Alternate Judgment, if applicable, 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.

#### **THE SETTLEMENT CONSIDERATION**

5. In full settlement of the claims asserted in the Action against Defendants and in consideration of the releases specified in ¶¶ 3-4 above, all of which the Parties agree are good and valuable consideration, Defendants shall pay, or cause to be paid, the Settlement Amount into the Escrow Account within twenty (20) business days after the later of (i) entry of the Preliminary Approval Order; or (ii) Class Counsel's provision to Vinson & Elkins LLP

information necessary to effectuate a transfer of funds to the Escrow Account, including but not limited to, wire transfer instructions, instructions for payment to be made by check via overnight mail, and a complete and executed Form W-9 for the Settlement Fund that reflects a valid tax identification number.

6. With the sole exception of Defendants' obligation to secure payment of the Settlement Amount into the Escrow Account as provided for in ¶ 5 above and their obligation pursuant to ¶ 33 below, Defendants and Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to: (i) any act, omission, or determination by Class Counsel, the Escrow Agent, or the Claims Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management, investment, or distribution of the Settlement Fund; (iii) the Plan of Allocation; (iv) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; (v) any loss suffered by, or fluctuation in value of, the Settlement Fund; or (vi) the payment or withholding of any Taxes, expenses, and/or costs incurred in connection with the taxation of the Settlement Fund, distributions or other payments from the Escrow Account, or the filing of any federal, state, or local tax or information returns.

7. Other than the obligation of Defendants to cause the payment of the Settlement Amount pursuant to ¶ 5 above, Defendants shall have no obligation to make any other payments into the Escrow Account or to any Class Member pursuant to this Stipulation or related to the Released Plaintiffs' Claims.

#### **USE AND TAX TREATMENT OF SETTLEMENT FUND**

8. The Settlement Fund shall be used: (i) to pay any Taxes; (ii) to pay Notice and Administration Expenses; (iii) to pay any attorneys' fees and expenses awarded to Plaintiffs' Counsel by the Court; (iv) to pay any costs and expenses allowed by the PSLRA and awarded to

Class Representatives by the Court; (v) to pay any other fees and expenses awarded by the Court; and (vi) to pay the claims of Authorized Claimants.

9. The Net Settlement Fund shall be distributed to Authorized Claimants as provided in ¶¶ 20-31 hereof. Except as otherwise provided herein, the Net Settlement Fund shall remain in the Escrow Account prior to the Effective Date. All funds held in the Escrow Account, and all earnings thereon, 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 have been disbursed or returned, pursuant to the terms of this Stipulation, or further order of the Court. The Escrow Agent shall invest any funds in the Escrow Account exclusively in United States Treasury Bills or Treasury Notes (or a mutual fund invested solely in instruments backed by the full faith and credit of the United States Government) and shall collect and reinvest all interest accrued thereon, except that any residual cash balances or funds needed for short-term placement up to the amount that is insured by the FDIC may be deposited in any account that is fully insured by the FDIC and held in cash. In the event that the yield on United States Treasury Bills or Treasury Notes is negative, in lieu of purchasing such Treasury Bills or Treasury Notes or a qualifying mutual fund, 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. Defendants and Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to investment of the Settlement Fund. All risks related to the investment of the Settlement Fund shall be borne solely by the Settlement Fund.

10. After the Settlement Amount has been paid into the Escrow Account, the Parties agree to treat the Settlement Fund as a "qualified settlement fund" within the meaning of Treas. Reg. § 1.468B-1. In addition, Class Counsel shall timely make, or cause to be made, such

elections as necessary or advisable to carry out the provisions of this ¶ 10, including the “relation-back election” (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted date, and upon request, Defendants will provide to Class Counsel the statement described in Treasury Regulation § 1.468B-3(e). Such election shall be made in compliance with the procedures and requirements contained in the Treasury Regulations. It shall be the responsibility of Class Counsel to timely and properly prepare and deliver, or cause to be prepared and delivered, the necessary documentation for signature by all necessary parties, and thereafter take all such actions as may be necessary or appropriate to cause the appropriate filing(s) to occur. Consistent with the foregoing:

(a) For the purposes of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. § 1.468B promulgated thereunder, the “administrators” shall be Class Counsel or their successors, who shall timely and properly file, or cause to be filed, all federal, state, or local tax returns and information returns (together, “Tax Returns”) necessary or advisable with respect to the earnings on the funds deposited in the Escrow Account (including without limitation the returns described in Treas. Reg. § 1.468B-2(k)). Such Tax Returns (as well as the election described above) shall be consistent with this subparagraph and in all events shall reflect that all Taxes (including any estimated taxes, earnings, or penalties) on the income earned on the funds deposited in the Escrow Account shall be paid out of such funds as provided in subparagraph (c) of this ¶ 10.

(b) In all events, Defendants and Defendants’ Counsel shall have no liability or responsibility whatsoever for the Taxes or the filing of any tax return or other document on behalf of the Settlement Fund with the Internal Revenue Service or any other state or local taxing authority. In the event any Taxes are owed by any of the Defendants on any earnings on the

funds on deposit in the Escrow Account, such amounts shall also be paid out of the Settlement Fund. Any Taxes, including Tax-related expenses, owed on any earnings on the Settlement Amount prior to its transfer to the Escrow Account shall be the sole responsibility of the Persons that make the deposit.

(c) All Taxes shall be timely paid, or caused to be paid, by Class Counsel out of the Settlement Fund without prior order from the Court or approval by Defendants, and Class Counsel shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay Taxes (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)). The Parties, through their counsel, agree to cooperate with each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶ 10.

11. This is not a claims-made settlement. As of the Effective Date, Defendants, and any other Person funding the Settlement on a Defendant's behalf, shall not have any right to the return of the Settlement Fund or any portion thereof for any reason.

#### **ATTORNEYS' FEES AND EXPENSES**

12. Class Counsel, on behalf of all Plaintiffs' Counsel, will apply to the Court for an award from the Settlement Fund of attorneys' fees and payment of litigation expenses incurred in connection with the institution, prosecution and settlement of the Action, which may include a request for reimbursement of the costs and expenses of the Class Representatives, pursuant to 15 U.S.C. § 78u-4(a)(4) of the PSLRA, plus any earnings on such amounts at the same rate and for the same periods as earned by the Settlement Fund.

13. The amount of attorneys' fees and expenses awarded by the Court is within the sole discretion of the Court. Any attorneys' fees and expenses awarded by the Court shall be paid from the Settlement Fund to Class Counsel immediately after entry of the Order awarding

such attorneys' fees and expenses, notwithstanding the existence of any timely filed objections thereto or to the Settlement, or potential for appeal therefrom, or collateral attack on the Fee and Expense Application, the Settlement, or any part thereof. Class Counsel shall allocate any Court-awarded attorneys' fees and expenses among Plaintiffs' Counsel in a manner which they, in good faith, believes reflects the contributions of such counsel to the institution, prosecution and settlement of the Action.

14. Any payment of attorneys' fees and expenses from the Settlement Fund pursuant to ¶¶ 12-13 above shall be subject to Plaintiffs' Counsel's obligation to make refunds or repayments to the Settlement Fund of any paid amounts, plus accrued interest at the same net rate as is earned by the Settlement Fund, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further proceedings on remand or successful collateral attack, the award of attorneys' fees and/or expenses is reduced or reversed and such order reducing or reversing the award has become Final. Plaintiffs' Counsel shall make the appropriate refund or repayment of the amount consistent with such reversal or modification no later than fifteen (15) business days after receiving notice of the termination of the Settlement pursuant to this Stipulation, notice from a court of appropriate jurisdiction of the disapproval of the Settlement by Final court order, or notice of any reduction or reversal of the award of attorneys' fees and/or expenses by Final court order. Plaintiffs' Counsel further agree that they are subject to the jurisdiction of the Court for purposes of enforcing this provision.

15. The Settlement Fund will be the sole source of payment from Defendants for any award of attorneys' fees and expenses ordered by the Court. Defendants shall have no responsibility for, and no liability whatsoever with respect to, any payment of attorneys' fees,

costs, or expenses to Plaintiffs' Counsel in the Action, or any attorneys' fees, costs, or expenses incurred by or on behalf of Class Members, whether or not paid from the Escrow Account.

16. Defendants shall have no responsibility for, and no liability whatsoever with respect to, any allocation of any attorneys' fees or expenses among Plaintiffs' Counsel in the Action, or to any other Person who may assert some claim to those attorneys' fees or expenses.

17. The procedure for and the allowance or disallowance by the Court of any Fee and Expense Application are not part of the Settlement, and are separate from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to any Fee and Expense Application, including without limitation an award of attorneys' fees or expenses in an amount less than the amount requested by Class Counsel, or any appeal from or reversal or modification of any order relating to attorneys' fees or expenses, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment or Alternate Judgment, if applicable, approving the Stipulation and the Settlement, including, but not limited to, the release, discharge, and relinquishment of the Released Plaintiffs' Claims against the Released Defendant Parties, or any other orders entered pursuant to the Stipulation. Class Representatives and Class Counsel may not cancel or terminate the Stipulation or the Settlement in accordance with ¶ 36 or otherwise based on the Court's or any appellate court's ruling with respect to fees and expenses in the Action.

#### **NOTICE AND ADMINISTRATION EXPENSES**

18. Except as otherwise provided herein, the Net Settlement Fund shall be held in the Escrow Account until the Effective Date.

19. Prior to the Effective Date, Class Counsel may pay from the Settlement Fund, without further approval from Defendants or the Court, Notice and Administration Expenses totaling \$250,000 or less. After the Effective Date, Notice and Administration Expenses may be

paid as incurred, without further approval of Defendants or the Court. Taxes and fees related to the Escrow Account and investment of the Settlement Fund may be paid as incurred, without further approval of Defendants or further order of the Court. Defendants shall be responsible for providing any required notice under the Class Action Fairness Act of 2005, at their own expense.

### **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

20. Class Counsel will apply to the Court for a Distribution Order, on notice to Defendants' Counsel, approving the Claims Administrator's determinations concerning the acceptance and rejection of the claims submitted in the Settlement, and, if the Effective Date has occurred, directing the payment of the Net Settlement Fund to Authorized Claimants.

21. Class Counsel shall be solely responsible for designating the Claims Administrator, subject to approval by the Court. The Claims Administrator shall administer the Settlement under Class Counsel's supervision in accordance with the terms of this Stipulation and subject to the jurisdiction of the Court. Defendants and Defendants' Counsel shall have no responsibility for (except as stated in ¶¶ 5 and 33 hereof), interest in, or liability whatsoever with respect to the administration of the Settlement, the actions or decisions of the Claims Administrator, the allocation of the Settlement Fund, or the reviewing or challenging of claims, and shall have no liability to the Class in connection with such administration.

22. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's recognized claim, as defined in the Plan of Allocation included in the Notice, or in such other plan of allocation as the Court may approve.

23. Defendants have no role in the development of, and will take no position with respect to, the Plan of Allocation. The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not

affect the validity or finality of the proposed Settlement. The Plan of Allocation is not a necessary term of this Stipulation, and it is not a condition of this Stipulation that any particular plan of allocation be approved by the Court. Class Representatives and Class Counsel may not cancel or terminate the Stipulation or the Settlement in accordance with ¶ 36 or otherwise based on the Court's or any appellate court's ruling with respect to the Plan of Allocation or any other plan of allocation in the Action. Defendants and Defendants' Counsel shall have no responsibility or liability for reviewing or challenging claims, the allocation of the Net Settlement Fund, or the distribution of the Net Settlement Fund.

#### **ADMINISTRATION OF THE SETTLEMENT**

24. Any Class Member who fails timely to submit a valid Proof of Claim (substantially in the form of Exhibit 2 to Exhibit A) will not be entitled to receive any of the proceeds from the Net Settlement Fund, except as otherwise ordered by the Court, but will otherwise be bound by all of the terms of this Stipulation and the Settlement, including without limitation the terms of the Judgment or Alternate Judgment, if applicable, to be entered in the Action and all releases provided for herein, and will be barred from bringing any action against the Released Defendant Parties concerning the Released Plaintiffs' Claims.

25. Class Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Settlement Fund by the Claims Administrator. Class Counsel shall have the right, but not the obligation, to advise the Claims Administrator to waive what Class Counsel deems to be *de minimis* or formal or technical defects in any Proof of Claim submitted.

26. For purposes of determining the extent, if any, to which a claimant shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

(a) Each claimant shall be required to submit a Proof of Claim, substantially in the form attached hereto as Exhibit 2 to Exhibit A, supported by such documents as are designated therein, including proof of the claimant's loss, or such other documents or proof as the Claims Administrator or Class Counsel, in their discretion, may deem acceptable;

(b) All Proofs of Claim must be submitted by the date set by the Court in the Preliminary Approval Order and specified in the Notice, unless such deadline is extended by the Court. Any Class Member who fails to submit a Proof of Claim by such deadline shall be barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation (unless, by Order of the Court, late-submitted Proofs of Claim are accepted), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including without limitation the terms of the Judgment or Alternate Judgment, if applicable, and the Releases provided for herein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Defendant Party asserting the Released Plaintiffs' Claims. Provided that it is received before the motion for the Distribution Order is filed, a Proof of Claim shall be deemed to be submitted when mailed, if received with a postmark on the envelope and if mailed by first-class or overnight U.S. Mail and addressed in accordance with the instructions in the Claim Form. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator;

(c) Each Proof of Claim shall be submitted to and reviewed by the Claims Administrator, under the supervision of Class Counsel, who shall determine in accordance with this Stipulation the extent, if any, to which each claim shall be allowed, subject to review by the Court;

(d) Proofs of Claim that do not meet the submission requirements may be rejected. Prior to rejecting a Proof of Claim in whole or in part, the Claims Administrator shall communicate with the claimant in writing to give the claimant the chance to remedy any curable deficiencies in the Proof of Claim submitted. The Claims Administrator, under supervision of Class Counsel, shall notify, in a timely fashion and in writing, all claimants whose claims the Claims Administrator proposes to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of subparagraph (e) below;

(e) If any claimant whose claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty (20) calendar days after the date of mailing of the notice required in subparagraph (d) above, or a lesser period of time if the claim was untimely, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court for a final determination, without any right of appeal therefrom; and

(f) The determinations of the Claims Administrator accepting or rejecting disputed claims shall be presented to the Court, on notice to Defendants' Counsel with an opportunity to be heard, for approval by the Court in the Distribution Order.

27. Each claimant who submits a Proof of Claim shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such

investigation and discovery shall be limited to the claimant's status as a Class Member and the validity and amount of the claimant's claim. In connection with processing the Proofs of Claim, no discovery shall be allowed on the merits of the Action or the Settlement.

28. Payment pursuant to the Distribution Order shall be deemed final and conclusive against any and all claimants. All Class Members whose claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including without limitation the terms of the Judgment or Alternate Judgment, if applicable, to be entered in the Action and the Releases provided for herein and in the Judgment or Alternate Judgment, if applicable, and will be barred from bringing any action against the Released Defendant Parties asserting the Released Plaintiffs' Claims.

29. All proceedings with respect to the administration, processing, and determination of claims described by this Stipulation and the determination of all controversies relating thereto, including without limitation disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court, but shall not in any event delay or affect the finality of the Judgment or Alternate Judgment, if applicable.

30. No Person shall have any claim of any kind against the Released Defendant Parties or Defendants' Counsel with respect to the matters set forth in this section (i.e., ¶¶ 24-31) or any of its subsections, or otherwise related in any way to the administration of the Settlement, including without limitation the processing of claims and distributions.

31. No Person shall have any claim against Class Representatives, Plaintiffs' Counsel, or the Claims Administrator, or other agent designated by Class Counsel, based on the

distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

### **TERMS OF THE PRELIMINARY APPROVAL ORDER**

32. Concurrently with their application for preliminary approval by the Court of the Settlement contemplated by this Stipulation and promptly upon execution of this Stipulation, and no later than seven (7) calendar days after the execution of the Stipulation, Class Counsel shall move the Court for entry of the Preliminary Approval Order, which shall be substantially in the form annexed hereto as Exhibit A, which motion shall be unopposed by Defendants. The Preliminary Approval Order will, *inter alia*, preliminarily approve the Settlement, set the date for the Settlement Hearing, approve the form of notice, and prescribe the method for giving notice of the Settlement to the Class. Within ten (10) calendar days of Class Counsel's filing the motion for entry of the Preliminary Approval Order, the Parties shall jointly request that the Fifth Circuit extend the abatement of the appeal of the Court's June 30, 2017 class certification order until the Court approves or rejects the Parties' proposed Settlement.

33. Defendants, to the extent they have not already done so, shall provide, or cause to be provided, to Class Counsel or the Claims Administrator, at no cost to Class Representatives or the Class, no later than seven (7) calendar days following entry of the Preliminary Approval Order, transfer records in electronic searchable form, such as Excel, containing the names and addresses of registered shareholders who purchased or otherwise acquired Conn's publicly traded common stock during the Class Period.

### **TERMS OF THE JUDGMENT**

34. If the Settlement contemplated by this Stipulation is approved by the Court, Class Counsel and Defendants' Counsel shall jointly request that the Court enter a Judgment substantially in the form annexed hereto as Exhibit B. Within ten (10) calendar days of the

Judgment becoming Final, Defendants shall file an unopposed or joint motion to voluntarily dismiss the appeal of the Court's June 30, 2017 class certification order under Federal Rule of Appellate Procedure 42(b). The unopposed or joint motion shall specify that each party shall bear its own costs, fees, and expenses arising out of the proceedings.

### **EFFECTIVE DATE OF SETTLEMENT**

35. The Effective Date of this Settlement shall be the first business day on which all of the following shall have occurred or been waived:

(a) entry of the Preliminary Approval Order, which shall be in all material respects substantially in the form set forth in Exhibit A annexed hereto;

(b) payment of the Settlement Amount into the Escrow Account;

(c) Defendants have not exercised their option to terminate the Settlement pursuant to the Supplemental Agreement described in ¶ 37 below;

(d) approval by the Court of the Settlement, following notice to the Class and the Settlement Hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure; and

(e) the Judgment, which shall be in all material respects substantially in the form set forth in Exhibit B annexed hereto, has been entered by the Court and become Final; or in the event that an Alternate Judgment has been entered, the Alternate Judgment has become Final.

### **WAIVER OR TERMINATION**

36. Defendants, provided they unanimously agree, and Class Representatives, provided they unanimously agree, shall have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so ("Termination Notice"), through counsel, to all other Parties hereto within fourteen (14) calendar days of: (i) the Court's Final refusal to enter the Preliminary Approval Order in any material respect; (ii) the Court's Final

refusal to approve this Stipulation or any material part of it; (iii) the Court's Final refusal to enter the Judgment in any material respect; or (iv) the date upon which the Judgment or Alternate Judgment, if applicable, is modified or reversed in any material respect by the United States Court of Appeals, or the Supreme Court of the United States. For the avoidance of doubt, Class Representatives shall not have the right to terminate the Settlement due to any decision, ruling, or order respecting the Fee and Expense Application or any plan of allocation.

37. In addition to the foregoing, Defendants shall also have the right to withdraw from the Settlement in the event the Termination Threshold (defined below) has been reached.

(a) Simultaneously with the execution of this Stipulation, Defendants and Class Representatives, through their counsel, are executing a Confidential Supplemental Agreement Regarding Requests for Exclusion ("Supplemental Agreement"). The Supplemental Agreement sets forth certain conditions under which the Defendants shall have the option, which must be exercised unanimously by Defendants, to terminate the Settlement and render this Stipulation null and void in the event that requests for exclusion from the Class exceed certain agreed-upon criteria stated in the Supplemental Agreement (the "Termination Threshold"). The Parties agree to maintain the confidentiality of the Supplemental Agreement, which shall not be filed with the Court unless a dispute arises as to its terms, or as otherwise ordered by the Court, and which will not otherwise be disclosed unless ordered by the Court. If submission of the Supplemental Agreement is required for resolution of a dispute or is otherwise ordered by the Court, the Parties will undertake to have the Termination Threshold submitted to the Court *in camera* or under seal. In the event of a termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect, with the exception of ¶¶ 42-44, which shall continue to apply.

(b) The Preliminary Approval Order, attached hereto as Exhibit A, shall provide that requests for exclusion shall be received no later than twenty-one (21) calendar days prior to the Settlement Hearing. Upon receiving any request for exclusion pursuant to the Notice, Class Counsel shall promptly, and in any event no later than five (5) calendar days after receiving a request for exclusion or fifteen (15) calendar days prior to the Settlement Hearing, whichever is earlier, provide copies of such request for exclusion and any documentation accompanying it to Defendants' Counsel by email.

38. In addition to all of the rights and remedies that Class Representatives have under the terms of this Stipulation, Class Representatives shall also have the right to terminate the Settlement in the event that the Settlement Amount has not been paid in the time period provided for in ¶ 5 above, by providing written notice of the election to terminate to all other Parties.

39. Defendants warrant that, as to the payments made or to be made by or on behalf of them, at the time of entering into this Stipulation and at the time of such payment they, or to their knowledge any persons or entities contributing to the payment of the Settlement Amount, were not insolvent, nor will the payment required to be made by or on behalf of them render them insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code, including §§ 101 and 547 thereof. This representation is made by each of the Defendants and not by their counsel.

40. If any Defendant files for protection under the Bankruptcy Code or any similar law or a trustee, receiver, conservator, or other fiduciary is appointed for any Defendant under Bankruptcy or any similar law, and if a Final order of a court of competent jurisdiction is entered determining the transfer of money or any portion thereof to the Settlement Fund by or on behalf of such Defendant to be a preference, voidable transfer, fraudulent transfer, or similar transaction

and any portion thereof is required to be returned, and an amount equal to that portion is not promptly deposited into the Settlement Fund by others, then, at the election of Class Representatives, the Parties shall jointly move the Court to vacate and set aside the Release given and the Judgment or Alternate Judgment, if applicable, entered in the Action, and Defendants and Class Representatives and the members of the Class shall be restored to their litigation positions in the Action immediately prior to March 7, 2018.

41. If an option to withdraw from and terminate this Stipulation and Settlement arises under any of ¶¶ 36-40 above, (i) neither Defendants nor Class Representatives (as the case may be) will be required for any reason or under any circumstance to exercise that option; and (ii) any exercise of that option shall be made in good faith, but in the sole and unfettered discretion of Defendants or Class Representatives, as applicable.

42. With the exception of this paragraph and ¶¶ 43-44 below, which shall continue to apply, in the event the Settlement is terminated pursuant to the terms of this Stipulation or cannot become effective for any reason, then the Settlement shall be without prejudice, and none of its terms shall be effective or enforceable except as specifically provided herein; the Parties shall be deemed to have reverted to their respective litigation positions in the Action immediately prior to March 7, 2018; and, except as specifically provided herein, the Parties shall proceed in all respects as if this Stipulation and any related order had not been entered. In such event, this Stipulation, and any aspect of the discussions or negotiations leading to this Stipulation, shall not be admissible in this Action and shall not be used against or to the prejudice of Defendants or against or to the prejudice of Class Representatives, in any court filing, deposition, trial, or otherwise.

43. In the event the Settlement is terminated pursuant to the terms of this Stipulation or cannot become effective for any reason, any portion of the Settlement Amount previously paid, together with any earnings thereon, less any Taxes paid or due, less any Notice and Administration Expenses actually incurred and paid or payable from the Settlement Amount, shall be returned to the Person(s) that made the deposit(s) within fifteen (15) business days after written notification of such event in accordance with instructions provided by Defendants' Counsel to Class Counsel. At the request of Defendants' Counsel, the Escrow Agent or its designees shall apply for any tax refund owed on the amounts in the Escrow Account and pay the proceeds, after any deduction of any fees or expenses incurred in connection with such application(s), of such refund to the Person(s) that made the deposits or as otherwise directed by Defendants' Counsel.

**NO ADMISSION**

44. Except as set forth in ¶ 45 below, this Stipulation, whether or not consummated, and whether or not approved by the Court, and any discussion, negotiation, proceeding, or agreement relating to the Stipulation, the Settlement, and any matter arising in connection with settlement discussions or negotiations, proceedings, or agreements, shall not be offered or received against or to the prejudice of the Parties or their respective counsel, for any purpose other than in an action to enforce the terms hereof, and in particular:

(a) do not constitute, and shall not be offered or received 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 with respect 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 offered or received against or to the prejudice of Defendants as evidence of a presumption, concession, or admission of any fault, misrepresentation, or omission with respect 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 offered or received 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 with respect 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 this 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 hereunder 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.

45. Notwithstanding ¶ 44 above, the Parties, and their respective counsel, may file this Stipulation and/or the Judgment or Alternate Judgment, if applicable, in any action that may be brought against them in order to effectuate the protections from liability granted them hereunder. The Parties may file this Stipulation and/or the Judgment or Alternate Judgment, if applicable, in any action that may be brought to enforce the terms of this Stipulation and/or the Judgment or Alternate Judgment, if applicable. All Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

#### **MISCELLANEOUS PROVISIONS**

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

47. The Parties intend the Settlement to be the full, final, and complete resolution of all claims asserted or that could have been asserted by the Parties with respect to the Released Plaintiffs' Claims and Released Defendants' Claims. Accordingly, the Parties agree not to assert in any forum that the Action was brought, prosecuted, or defended in bad faith or without a reasonable basis. The Parties and their respective counsel agree that each has complied fully with Rule 11 of the Federal Rules of Civil Procedure in connection with the maintenance, prosecution, defense, and settlement of the Action and shall not make any application for sanctions, pursuant to Rule 11 or any other court rule or statute, with respect to any claim or defense in this Action. The Parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's-length and in good faith by the Parties and their respective

counsel and reflect a settlement that was reached voluntarily based upon adequate information and after consultation with experienced legal counsel.

48. This Stipulation, along with its exhibits and the Supplemental Agreement, may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by counsel for the Parties hereto, or their successors that are materially and adversely affected by the modification, amendment, or waiver.

49. The headings in this Stipulation are used for the purpose of convenience only and are not meant to have legal effect.

50. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and any expenses, and implementing and enforcing the terms of this Stipulation.

51. The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

52. This Stipulation, its exhibits, and the Supplemental Agreement constitute the entire agreement among the Parties concerning the Settlement, and no representation, warranty, or inducement has been made by any Party concerning this Stipulation and its exhibits other than those contained and memorialized in such documents.

53. Nothing in the Stipulation, or the negotiations relating to it, is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, attorney-client privilege, joint defense privilege, or work product protection.

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

55. All designations and agreements made and orders entered during the course of the Action relating to the confidentiality of documents or information shall survive this Stipulation.

56. This Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Signatures sent by facsimile or via e-mail in pdf format shall be deemed originals.

57. This Stipulation shall be binding when signed, but the Settlement shall be effective upon the entry of the Judgment or Alternate Judgment, if applicable, and the payment in full of the Settlement Amount, subject only to the condition that the Effective Date will have occurred.

58. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties.

59. The construction, interpretation, operation, effect, and validity of this Stipulation, and all documents necessary to effectuate it, shall be governed by the laws of the State of Texas without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.

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

61. All counsel and any other Person executing this Stipulation and any of the exhibits hereto, or any related Settlement document, warrant and represent that they have the full

authority to do so, and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

62. The Parties and their respective counsel agree to cooperate fully with one another in promptly applying for preliminary approval by the Court of the Settlement and for the scheduling of a hearing for consideration of final approval of the Settlement and Class Counsel's Fee and Expense Application, and to agree promptly upon and execute all such other documentation that reasonably may be required to obtain final approval by the Court of the Settlement.

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

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 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 Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

**IN WITNESS WHEREOF**, the Parties have caused this Stipulation to be executed, by their duly authorized attorneys, as of June 13, 2018.

**MOTLEY RICE LLC**

By: \_\_\_\_\_

James M. Hughes (*pro hac vice*)  
Christopher F. Moriarty (*pro hac vice*)  
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*Class Counsel for Class Representatives and the Class*

**SCOTT+SCOTT, ATTORNEYS AT LAW, LLP**

By: \_\_\_\_\_

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*Class Counsel for Class Representatives and the Class*

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**MOTLEY RICE LLC**

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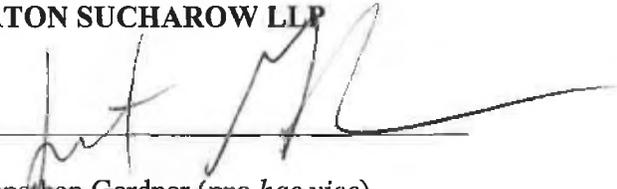
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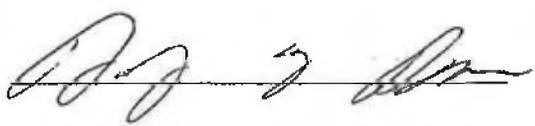
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*Attorneys for Defendants*

# **Exhibit A**

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

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IN RE CONN’S, INC. SECURITIES	§	Civil Action No. 4: 14-cv-00548 (KPE)
LITIGATION	§	(Consolidated Action)
	§	
	§	
	§	
	§	

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**[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION  
SETTLEMENT, APPROVING FORM AND MANNER OF NOTICE, AND SETTING  
DATE FOR HEARING ON FINAL APPROVAL OF SETTLEMENT**

WHEREAS, as of \_\_\_\_\_, 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 m.b.H. (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;

WHEREAS, on June 29, 2017, the 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 3, 2013 through December 9, 2014, inclusive (the “Class Period”), and 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 have or had a controlling interest; and the legal representatives, heirs, successors, assigns, or affiliates of any excluded Person;<sup>1</sup>

WHEREAS, the Court has reviewed and considered: (i) the motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith; and (ii) the Stipulation and the exhibits annexed thereto;

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

WHEREAS, all capitalized terms used in this Order that are not otherwise defined herein have the meanings set forth in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED, this \_\_\_\_\_ day of \_\_\_\_\_, 2018 that:

1. **Preliminary Approval of the Settlement.** The Court has reviewed the Stipulation and preliminarily finds the Settlement to be fair, reasonable, and adequate, subject to further consideration at the Settlement Hearing described below.

2. **Settlement Hearing.** A hearing (the “Settlement Hearing”) in accordance with Rule 23(e) of the Federal Rules of Civil Procedure is hereby scheduled to be held before the Court on \_\_\_\_\_, 2018, at \_\_:\_\_\_ .m. for the following purposes: (a) to 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; (b) to determine whether the proposed Final Order and Judgment (“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

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<sup>1</sup> Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the provisions of this Order and whose request for exclusion is accepted by the Court.

Parties; (c) to 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; (d) to 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 (e) to rule upon any other matters that the Court may deem appropriate.

3. The Court reserves the right to approve the Settlement with or without modification and with or without further notice to the Class of any kind. The Court further reserves the right to enter the Judgment approving the Settlement regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and/or expenses. The Court may also adjourn the Settlement Hearing or modify any of the dates in this Order without further notice to members of the Class.

4. **Notice.** The Court approves the form, substance, and requirements of the Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses ("Notice") and the Proof of Claim and Release form ("Proof of Claim"), substantially in the forms annexed hereto as Exhibits 1 and 2, respectively.

5. The Court approves the retention of Epiq Class Action & Claims Solutions, Inc. as the Claims Administrator. The Claims Administrator shall cause the Notice and the Proof of Claim, substantially in the forms annexed hereto as Exhibits 1 and 2, respectively, to be mailed, by first-class mail, postage prepaid, no later than ten (10) business days after entry of this Order ("Notice Date"), to all Class Members who can be identified with reasonable effort, including those who are identified through Conn's transfer records. Conn's, to the extent it has not already

done so, and no later than five (5) business days following entry of this Order, shall provide, or cause to be provided, to Class Counsel or the Claims Administrator, at no cost to Class Representatives or the Class, the Company's transfer records in electronic searchable form, such as Excel, containing the names and addresses of Persons who purchased or otherwise acquired the publicly traded common stock and call options and sold/wrote Conn's put options during the Class Period.

6. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who purchased or otherwise acquired the publicly traded common stock and call options and sold/wrote Conn's put options during the Class Period as record owners but not as beneficial owners. These nominees SHALL EITHER: (a) WITHIN SEVEN (7) CALENDAR DAYS of receipt of the Notice, request from the Claims Administrator sufficient copies of the Notice to forward to all beneficial owners for whom they purchased or otherwise acquired the publicly traded common stock and/or call options, or sold/wrote Conn's put options during the Class Period and WITHIN SEVEN (7) CALENDAR DAYS of receipt of those Notices from the Claims Administrator forward them to all those beneficial owners; or (b) WITHIN SEVEN (7) CALENDAR DAYS of receipt of the Notice, provide a list of the names and addresses of all those beneficial owners to the Claims Administrator, and the Claims Administrator shall send the Notice promptly to the identified beneficial owners. Nominees who elect to send the Notice to their beneficial owners SHALL ALSO send a statement to the Claims Administrator confirming that the mailing was made and shall retain their mailing records for use in connection with any further notices that may be provided in the Action. Upon full and timely compliance with these directions, the nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Claims

Administrator with proper documentation supporting the expenses for which reimbursement is sought.

7. Class Counsel shall, at or before the Settlement Hearing, file with the Court proof of mailing of the Notice and Proof of Claim.

8. The Court approves the form of the Summary Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses ("Summary Notice"), substantially in the form annexed hereto as Exhibit 3, and directs that Class Counsel shall cause the Summary Notice to be published in *The Wall Street Journal* and to be transmitted over *PR Newswire* within fourteen (14) calendar days of the Notice Date. Class Counsel shall, at or before the Settlement Hearing, file with the Court proof of publication of the Summary Notice.

9. The form and content of the notice program described in this Order, and the methods provided in this Order of notifying the Class of the certification of the Action as a class action and the proposed Settlement of the Action and its terms and conditions, meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by the PSLRA, and Due Process; constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all persons and entities entitled to notice.

10. Class Counsel may pay from the Settlement Fund, without further approval from Defendants or the Court, Notice and Administration Expenses as provided in the Stipulation.

11. **Proof of Claim.** In order to be eligible to receive a distribution from the Net Settlement Fund, in the event the Settlement is effected in accordance with the Stipulation, each claimant must take the following actions and be subject to the following conditions:

(a) The claimant must submit a properly executed Proof of Claim, substantially in the form annexed hereto as Exhibit 2, to the Claims Administrator, at the address indicated in the Notice, postmarked or received no later than one hundred twenty (120) calendar days after the Notice Date. Each Proof of Claim shall be deemed to have been submitted when postmarked (if properly addressed and mailed by first-class or overnight mail, postage prepaid) as long as the Proof of Claim is actually received before the motion for an order of the Court approving distribution of the Net Settlement Fund. Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Notice. Any Class Member who does not timely submit a Proof of Claim within the time provided for shall be barred from sharing in the distribution of the Net Settlement Fund, unless otherwise ordered by the Court, but shall remain bound by all determinations and judgments in this Action concerning the Settlement, as provided by paragraph 13 of this Order. Notwithstanding the foregoing, Class Counsel may, at its discretion, accept for processing late Proofs of Claim provided such acceptance does not delay the distribution of the Net Settlement Fund to the Class.

(b) The Proof of Claim submitted by each claimant must satisfy the following conditions, unless otherwise allowed by the Stipulation: (i) it must be properly completed, signed, and submitted in a timely manner in accordance with the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported in it, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or other documentation that is deemed adequate by the Claims Administrator or Class Counsel; (iii) if the person executing the Proof of Claim is acting in a

representative capacity, a certification of his or her current authority to act on behalf of the claimant must be included in the Proof of Claim; and (iv) the Proof of Claim must be complete and contain no material deletions or modifications of any of the printed matter contained in it and must be signed under penalty of perjury.

(c) As part of the Proof of Claim, each claimant shall submit to the jurisdiction of the Court with respect to the claim submitted.

12. **Appearance.** Any Class Member may enter an appearance in this Action, at his, her, or its own expense, individually or through counsel of his, her, or its own choice, by filing with the Clerk of Court and delivering a notice of appearance to both Class Counsel and Defendants' Counsel, at the addresses set forth in paragraph 15 below, such that it is received no later than twenty-one (21) calendar days prior to the Settlement Hearing, or as the Court may otherwise direct. If any Class Member does not enter an appearance, he, she, or it will be represented by Class Counsel.

13. **Exclusion from the Class.** Class Members shall be bound by all orders, determinations, and judgments in this Action, whether favorable or unfavorable, unless they request exclusion from the Class in a timely and proper manner, as provided below. A putative Class Member wishing to request exclusion from the Class must mail the request in written form by first-class mail to the address designated in the Notice for exclusion requests, such that it is received no later than twenty-one (21) calendar days before the Settlement Hearing. The request for exclusion must state the name, address, and telephone number of the Person seeking exclusion and, in the case of entities, the name and address of the appropriate contact person for the entity; must state that the Person requests to be "excluded from the Class in *In re Conn's, Inc. Securities Litigation*, Civil Action No. 4:14-cv-00548 (KPE)" and must be signed by the Person

seeking exclusion. Persons requesting exclusion must also state, and provide documentation of, the following information requested in the Notice: the number of shares of Conn's common stock, call options, and put options purchased, acquired, and sold during the Class Period, as well as the dates, number of shares, call options, and put options, and prices of each such purchase, acquisition, and sale. The request for exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

14. Putative Class Members whose requests for exclusion from the Class are allowed by the Court shall not be eligible to receive any payment from the Net Settlement Fund.

15. **Objections.** Any Class Member who does not request exclusion from the Class may object to the proposed Settlement, the proposed Plan of Allocation, and/or Class Counsel's application for attorneys' fees and expenses. The Court will consider a Class Member's objection only if the Class Member has served by hand or by mail his, her, or its written objection and supporting papers, such that they are received no later than twenty-one (21) calendar days before the Settlement Hearing, upon Class Counsel: Christopher F. Moriarty, Motley Rice LLC, 28 Bridgeside Blvd., Mt. Pleasant, SC 29464; Deborah Clark-Weintraub, Scott+Scott, Attorneys at Law, LLP, 230 Park Ave., 17th Floor, New York, NY 10169; and Defendants' Counsel: Michael C. Holmes, Vinson & Elkins LLP, 1001 Fannin Street, Suite 2500, Houston, TX 77002, and has filed the objection and supporting papers with the Clerk of the Court, United States District Court for the Southern District of Texas, United States Courthouse, 515 Rusk Street, Houston, Texas 77002 no later than twenty-one (21) calendar days before the Settlement Hearing. Any Class Member who does not make his, her, or its objection in the manner provided for in this Order and in the Notice shall be deemed to have waived the

objection and shall forever be foreclosed from making any objection to any aspect of the Settlement, to the Plan of Allocation, or to the request for attorneys' fees and expenses, but shall otherwise be bound by the Judgment to be entered and the releases to be given. Class Members submitting written objections are not required to attend the Settlement Hearing, but any Class Member wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Allocation, and/or the application for an award of attorneys' fees and expenses must file a written objection and indicate in the written objection their intention to appear at the hearing. Persons who intend to object to the Settlement, the Plan of Allocation, and/or the application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

16. **Stay.** Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination of whether the Settlement should be approved, Class Representatives and all Class Members shall not institute, commence, or prosecute any action which asserts Released Plaintiffs' Claims against the Released Defendant Parties.

17. **Supporting Papers.** All papers in support of the Settlement, Plan of Allocation, and Class Counsel's request for an award of attorneys' fees and expenses shall be filed with the Court and served no later than thirty-five (35) calendar days before the date set in this Order for the Settlement Hearing. If reply papers are necessary, they must be filed with the Court and served no later than seven (7) calendar days before the Settlement Hearing.

18. **Settlement Fund.** All funds held in escrow shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court until the funds are disbursed pursuant to the Stipulation and/or further order of the Court.

19. **Plan of Allocation.** Neither Defendants nor their counsel have any responsibility for the Plan of Allocation or any application for attorneys' fees or expenses submitted by Class Counsel or Class Representatives, and these matters shall be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

20. **Termination.** If the Settlement is terminated or the Effective Date of the Settlement otherwise fails to occur, then the Stipulation, including any amendment(s) to it, except as expressly provided in the Stipulation, and this Order shall be null and void, of no further force or effect, and without prejudice to any Party, and may not be introduced as evidence or used in any actions or proceedings by any person or entity against the Parties, and the Parties shall be deemed to have reverted to their respective litigation positions in the Action immediately prior to March 7, 2018.

21. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of or connected with the Settlement.

Dated: \_\_\_\_\_, 2018

\_\_\_\_\_  
Keith P. Ellison  
UNITED STATES DISTRICT JUDGE

# **Exhibit A-1**

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

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IN RE CONN’S, INC. SECURITIES LITIGATION	§ § § § § §	Civil Action No. 4: 14-cv-00548 (KPE) (Consolidated Action)
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**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT,  
AND MOTION FOR ATTORNEYS’ FEES AND EXPENSES**

**If you purchased or otherwise acquired the publicly traded common stock and/or call options of Conn’s Inc. (“Conn’s” or the “Company”), or sold/wrote Conn’s put options, during the period from April 3, 2013 through December 9, 2014, inclusive (the “Class Period”) and were damaged thereby, you may be entitled to a payment from a class action settlement.**

*A Federal Court authorized this Notice. This is not a solicitation from a lawyer.*

- The purpose of this Notice is to inform you of: (i) the pendency of the above-captioned securities class action (the “Action”); (ii) the proposed settlement of the Action (the “Settlement”) on the terms and conditions provided for in the Stipulation and Agreement of Settlement, dated as of \_\_\_\_\_ (the “Stipulation”);<sup>1</sup> and (iii) the hearing to be held by the Court (the “Settlement Hearing”). At the Settlement Hearing, the Court will consider: (i) whether the Settlement should be approved; (ii) whether the proposed plan for allocating the net proceeds of the Settlement to eligible members of the Class (the “Plan of Allocation”) should be approved; (iii) Class Counsel’s application for attorneys’ fees and expenses; and (d) certain other matters. Please read this Notice carefully. This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement or wish to be excluded from the Class.<sup>2</sup>
- If approved by the Court, the Settlement will create a \$22.5 million cash fund, plus any interest earned thereon, for the benefit of eligible Class Members, less any attorneys’ fees and expenses awarded by the Court, Notice and Administration Expenses, and Taxes.
- The Settlement resolves claims by Court-appointed Lead Plaintiffs and Class Representatives Laborers Pension Trust Fund – Detroit and Vicinity (“Detroit”), Connecticut Carpenters Pension Fund and Connecticut Carpenters Annuity Fund (“Connecticut”), St. Paul Teachers’ Retirement Fund Association (“St. Paul”), and Universal Investment Gesellschaft m.b.H. (“Universal”) (collectively, “Class

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<sup>1</sup> The Stipulation can be viewed at [www.\\_\\_\\_\\_\\_.com](http://www._____.com).

<sup>2</sup> All capitalized terms not otherwise defined in this Notice have the same meanings as defined in the Stipulation.

Representatives” or “Lead Plaintiffs”) that have been asserted on behalf of the Class against Conn’s, Theodore Wright, and Michael J. Poppe (collectively, “Defendants”); avoids the costs and risks of continuing the litigation; pays money to eligible Class Members; and releases the Released Defendant Parties (defined below) from liability.

**If you are a Class Member, your legal rights will be affected by this Settlement whether you act or do not act. Please read this Notice carefully.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM POSTMARKED OR ONLINE NO LATER THAN _____, 2018</b>	The <u>only</u> way to be eligible to receive a payment from the Settlement Fund.
<b>EXCLUDE YOURSELF BY SUBMITTING A WRITTEN REQUEST SO THAT IT IS RECEIVED NO LATER THAN _____, 2018</b>	If you exclude yourself from the Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit against Defendants and/or the other Released Defendant Parties concerning the Released Plaintiffs’ Claims. <i>See</i> Question 13 below for details.
<b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN _____, 2018</b>	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or the Fee and Expense Application. If you object, you will still be a member of the Class. <i>See</i> Question 18 below for details.
<b>GO TO A HEARING ON _____, 2018 AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN _____, 2018</b>	Ask to speak in Court about the Settlement. If you submit an objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to Court about your objection. <i>See</i> Questions 20 and 21 below for details.
<b>DO NOTHING</b>	You will not be eligible to receive a payment from the Settlement Fund, you will give up rights, and you will still be bound by the Settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made to all Class Members who timely submit valid Claim Forms, if the Court approves the Settlement and after any appeals are resolved. Please be patient.

## SUMMARY OF THE NOTICE

### Statement of the Class's Recovery

1. Class Representatives have entered into the proposed Settlement with Defendants which, if approved by the Court, will resolve this Action in its entirety. Subject to Court approval, Class Representatives, on behalf of the Class, have agreed to settle the Action in exchange for a payment of \$22,500,000 in cash (the "Settlement Amount"), which will be deposited into an interest-bearing escrow account (the "Settlement Fund"). The Net Settlement Fund (as defined below) will be distributed to eligible Class Members according to a Court-approved plan of allocation. The proposed Plan of Allocation is set forth on pages \_\_\_-\_\_\_ below.

### Estimate of Average Amount of Recovery Per Share

2. Based on Class Representatives' damages expert's estimate of the number of shares of Conn's common stock eligible to participate in the Settlement, and assuming that all investors eligible to participate in the Settlement do so, Class Representatives' expert estimates that the average recovery, before deduction of any Court-approved fees and expenses, such as attorneys' fees, litigation expenses, Taxes, and Notice and Administration Expenses, would be approximately \$0.36 per allegedly damaged share.<sup>3</sup> If the Court approves the attorneys' fees and litigation expenses requested by Class Counsel (discussed below), the average recovery would be approximately \$0.26 per allegedly damaged share. **Class Members should note, however, that the foregoing average recovery amounts are only estimates and Class Members may recover more or less than these estimated amounts.** A Class Member's actual recovery will be a portion of the Net Settlement Fund, determined by comparing the Class Member's "Recognized Claim" to the total Recognized Claims of all Class Members who timely submit

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<sup>3</sup> An allegedly damaged share might have been traded, and potentially damaged, more than once during the Class Period, and the average recovery indicated above represents the estimated average recovery for each share that allegedly incurred damages.

valid Claim Forms, as described more fully below. An individual Class Member's actual recovery will depend on, for example: (i) the total number of claims submitted; (ii) the amount of the Net Settlement Fund; (iii) when the Class Member purchased or acquired Conn's common stock and/or call options, or sold/wrote put options, during the Class Period; and (iv) whether and when the Class Member sold Conn's common stock or options. See the Plan of Allocation beginning on page [ ] for information on the calculation of your Recognized Claim.

### **Statement of Potential Outcome of Case**

3. The Parties disagree about both liability and damages and do not agree on the damages that would be recoverable if Class Representatives were to prevail on each claim asserted against Defendants. The issues on which the Parties disagree include, for example: (i) whether Defendants made any statements or omitted any facts that were materially false or misleading, or otherwise actionable under the federal securities laws; (ii) whether any such allegedly materially false or misleading statements or omissions were made with the requisite level of intent or recklessness; (iii) the amounts by which the prices of Conn's common stock and options were allegedly artificially inflated (or deflated in the case of put options), if at all, during the Class Period; and (iv) the extent to which external factors, such as general market, economic and industry conditions, influenced the trading prices of Conn's common stock and options at various times during the Class Period.

4. Defendants have denied and continue to deny any wrongdoing, deny that they have committed any act or omission giving rise to any liability or violation of law, and deny that Class Representatives and the Class have suffered any loss attributable to Defendants' actions.

### **Statement of Attorneys' Fees and Expenses Sought**

5. Class Counsel, on behalf of all Plaintiffs' Counsel, will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 20% of the Settlement Fund, which includes any accrued interest. Class Counsel will also apply for

payment of litigation expenses incurred by Plaintiffs' Counsel in prosecuting the Action in an amount not to exceed \$1,500,000, plus accrued interest, which may include an application pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") for the reasonable costs and expenses (including lost wages) of Class Representatives directly related to their representation of the Class. If the Court approves the Fee and Expense Application in full, the average amount of fees and expenses, assuming claims are filed for all shares eligible to participate in the Settlement, will be approximately \$0.10 per allegedly damaged share of Conn's common stock.

### **Reasons for the Settlement**

6. For Class Representatives, the principal reason for the Settlement is the guaranteed cash benefit to the Class. This benefit must be compared to the uncertainty of being able to prove the allegations in the Complaint; the risk that the United States Court of Appeals for the Fifth Circuit would reverse, in whole or in part, the District Court's ruling certifying the Class; the risk that the Court may grant some or all of the anticipated summary judgment motions to be filed by Defendants; the uncertainty inherent in the Parties' competing theories of liability and damages; the risks of litigation, especially in complex actions like this; as well as the difficulties and delays inherent in such litigation (including any trial and appeals).

7. For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that any Class Members were damaged, the principal reasons for entering into the Settlement is to end the burden, expense, uncertainty, and risk of further litigation.

### **Identification of Attorneys' Representatives**

8. Class Representative and the Class are represented by Class Counsel: James M. Hughes, Esq., Motley Rice LLC, 28 Bridgeside Blvd., Mt. Pleasant, SC 29464, (800) 768-4026, www.motleyrice.com, and Deborah Clark-Weintraub, Esq., Scott+Scott Attorneys at Law LLP, 230 Park Ave., 17th Floor, New York, NY 10169, (800) 404-7770, www.scott-scott.com.

9. Further information regarding this Action, the Settlement, and this Notice may be obtained by contacting the Claims Administrator: \_\_\_\_\_, (\_\_\_\_) \_\_\_\_-\_\_\_\_, www.\_\_\_\_\_com, or Class Counsel.

**Please Do Not Call the Court with Questions About the Settlement.**

[END OF PSLRA COVER PAGE]

**BASIC INFORMATION**

**1. Why did I get this Notice?**

10. The Court authorized that this Notice be sent to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired the publicly traded common stock or options of Conn's during the period from April 3, 2013 through December 9, 2014, inclusive. **Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and wish to be eligible for a payment, you are required to submit the Claim Form that is being distributed with this Notice. See Question 10 below.**

11. This Notice is to inform you of the existence of this Action, that it has been certified as a class action by the Court, and of how you might be affected. It is also being sent to inform you of the terms of the proposed Settlement and of the Settlement Hearing to be held by the Court. The Court directed that this Notice be sent to Class Members because they have a right to know about the proposed Settlement, and about all of their options, including whether or not to object or exclude themselves from the Class, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

12. The Court in charge of the Action is the United States District Court for the Southern District of Texas, and the case is known as *In re Conn's, Inc. Securities Litigation*, Civil Action No. 4: 14-cv-00548 (KPE). The Action is assigned to the Honorable Keith P. Ellison, United States District Judge.

## **2. What is this case about?**

13. This Action stems principally from Conn's allegedly false and misleading statements regarding changes to its underwriting and credit practices during the Class Period.

14. On March 5, 2014, a securities class action complaint was filed in this Court on behalf of a putative class of investors in Conn's common stock. Further securities class action complaints on behalf of putative classes of investors in Conn's common stock were filed in this Court on March 7, 2014, and May 5, 2014. All three complaints alleged a putative class period of April 3, 2013, through February 19, 2014, inclusive. On June 3, 2014, the Court entered an Order appointing Detroit, Connecticut, St. Paul, and Universal as Lead Plaintiffs pursuant to the Private Securities Litigation Reform Act of 1995 ("PSLRA") and consolidating the three actions and all new securities class actions into the litigation, *In re Conn's, Inc. Securities Litigation*, Civil Action No. 4:14-CV-00548. By the same Order, the Court approved Lead Plaintiffs' selection of Motley Rice LLC and Scott+Scott Attorneys at Law LLP as Lead Counsel for the class.

15. On July 21, 2014, Lead Plaintiffs filed the Consolidated Amended Complaint for Violations of Federal Securities Laws (the "First Amended Complaint"), asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder. In general, the First Amended Complaint alleges that Defendants violated the federal securities laws by making materially false and misleading statements and omitting material information concerning Conn's loosening of lending policies and underwriting

standards, contrary to assurances to investors, which exposed the Company to high amounts of bad debt and increased collections risks.

16. On September 4, 2014, Defendants filed a motion to dismiss the First Amended Complaint. On October 1, 2014, Lead Plaintiffs filed a Motion to File a Second Consolidated Amended Complaint for Violations of Federal Securities Laws, to expand the end date of the Class Period from February 19, 2014, to August 29, 2014, to account for factual developments since the filing on the First Amended Complaint. The Court granted Lead Plaintiffs' motion on October 15, 2014 and Lead Plaintiffs filed the Second Consolidated Amended Complaint for Violations of Federal Securities Laws ("Second Amended Complaint") on October 29, 2014.

17. On December 15, 2014, Defendants filed a motion to dismiss the Second Amended Complaint, which Lead Plaintiffs opposed.

18. On December 12, 2014, Eric Pittel ("Pittel") filed a complaint against Conn's and several of its officers (the "Pittel Action"). On December 22, 2014, Martin Indik ("Indik") filed a complaint against Conn's and several of its officers (the "Indik Action"). Both actions contained substantive allegations similar to those in the Second Amended Complaint, but alleged a Class Period ending December 9, 2014. On December 23, 2014, Lead Plaintiffs moved to consolidate the Pittel Action and the Indik Action into this Action, and the Court granted the motion on March 31, 2015.

19. On April 10, 2015, Lead Plaintiffs filed a Third Amended Complaint for Violations of Federal Securities Laws (the "Third Amended Complaint") that extended the Class Period through December 9, 2014. After the parties supplemented their briefing on Defendants' pending motion to dismiss, the Court heard oral argument and, on June 30, 2015, gave Lead Plaintiffs 21 days to file a further amended complaint.

20. On July 21, 2015, Lead Plaintiffs filed the Fourth Consolidated Amended Complaint for Violations of Federal Securities Laws (“Fourth Amended Complaint”), and Defendants again moved to dismiss the action. The Court heard oral argument on March 25 and 29, 2016, and on May 5, 2016, the Court entered an Order that granted in part and denied in part Defendants’ motion to dismiss the Fourth Amended Complaint.

21. The Parties then engaged in significant document and deposition discovery concerning both class certification and merits issues. On November 10, 2016, Lead Plaintiffs filed their motion for class certification, which Defendants opposed. The Court heard oral argument on the matter on June 29, 2017, and granted Lead Plaintiffs’ motion the next day. Defendants sought leave to appeal the Court’s decision to grant Lead Plaintiffs’ motion for class certification under Rule 23(f), which was granted by the United States Court of Appeals for the Fifth Circuit (“Fifth Circuit”) on August 21, 2017. Briefing on the merits of this appeal was completed in December, 2017, and the Fifth Circuit scheduled oral argument for May 2, 2018.

22. During the prosecution of the litigation, the Parties engaged in various efforts to settle the Action, including face-to-face meetings and other communications among counsel. In 2017, the Parties engaged an experienced and well-respected mediator, Robert A. Meyer, Esq., to assist them in exploring a potential negotiated resolution of the Action. Following an exchange of mediation statements and exhibits, the Parties met with Mr. Meyer on May 3, 2017 in an attempt to reach a settlement in a full-day mediation. The mediation session did not result in an agreement to settle the Action. The parties submitted additional mediation materials and met with Mr. Meyer for a second full-day mediation session on June 14, 2017. A third full-day mediation session was held on January 23, 2018. Following the third mediation session, Mr. Meyer continued to assist the Parties in coming to a resolution of the Action. After numerous

communications, on February 27, 2018, Mr. Meyer made a mediator's proposal to settle the Action for \$22.5 million, which was accepted by the Parties on March 7, 2018.

23. The Parties engaged in comprehensive fact discovery, which continued during the pendency of the appeal to the Fifth Circuit. Lead Plaintiffs reviewed and analyzed: (i) approximately 661,162 pages of documents produced by Defendants; and (ii) approximately 28,114 pages of documents produced by third-parties. Lead Plaintiffs took nine depositions of persons with knowledge of Conn's lending practices and underwriting guidelines, including a deposition of a corporate representative of Conn's under Rule 30(b)(6). Representatives of each of the Lead Plaintiffs sat for Rule 30(b)(6) depositions in connection with Lead Plaintiffs' motion for class certification.

24. On \_\_\_\_\_, 2018, the Court entered the Preliminary Approval Order, authorizing that this Notice be sent to potential Class Members and scheduling the Settlement Hearing to consider whether to grant final approval to the Settlement, among other things.

### **3. Why is this a class action?**

25. In a class action, one or more persons or entities (in this case, Class Representatives), sue on behalf of people and entities who have similar claims. Together, these people and entities are a "class," and each is a "class member." Bringing a case, such as this one, as a class action allows the adjudication of many individuals' similar claims that might be too small to bring economically as individual actions. One court resolves the issues for all class members at the same time, except for those who exclude themselves, or "opt-out," from the class. In this Action, the Court has appointed Detroit, Connecticut, St. Paul, and Universal to serve as Class Representatives and has appointed Motley Rice LLC and Scott+Scott Attorneys at Law LLP to serve as Class Counsel.

#### **4. What are the reasons for the Settlement?**

26. The Court did not finally decide in favor of Class Representatives or Defendants. Instead, both sides agreed to a settlement.

27. Class Representatives and Class Counsel believe that the claims asserted in the Action have merit. Class Representatives and Class Counsel recognize, however, the expense and length of continued proceedings necessary to pursue their claims in the Action through trial and appeals, as well as the difficulties in establishing liability. Class Representatives and Class Counsel have considered the uncertain outcome and the risk of any litigation, especially in complex lawsuits like this one, as well as the difficulties and delays inherent in litigation. For example, Defendants have raised a number of arguments and defenses (which they would raise at summary judgment and trial) that they did not make false and misleading statements in violation of the federal securities laws and that Class Representatives would not be able to establish that Defendants acted with the requisite intent. Even assuming Class Representatives could establish liability, the amount of damages that could be attributed to the allegedly false statements would be hotly contested. In the absence of a settlement, the Parties would present factual and expert testimony on each of these issues, and there is a risk that the Court or jury would resolve these issues unfavorably against Class Representatives and the Class. In light of the Settlement and the guaranteed cash recovery to the Class, Class Representatives and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class.

28. Defendants have denied and continue to deny any wrongdoing and deny that they have committed any act or omission giving rise to any liability or violation of law. Defendants deny the allegations that they knowingly, or otherwise, made any material misstatements or omissions; that any member of the Class has suffered damages; that the prices of Conn's common stock were artificially inflated by reason of the alleged misrepresentations, omissions,

or otherwise; or that members of the Class were harmed by the conduct alleged in the Complaint. Nonetheless, Defendants have concluded that continuation of the Action would be protracted, time-consuming and expensive, and have taken into account the uncertainty and risks inherent in any litigation, especially a complex case like this Action, and believe that the Settlement is in the best interests of Defendants.

## WHO IS IN THE SETTLEMENT

### **5. How do I know if I am part of the Class?**

29. To be eligible for a payment from the proceeds of the Settlement, you must be a Class Member. The Court certified the following Class, subject to certain exceptions identified below:

*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 3, 2013 through December 9, 2014 (inclusive), and were damaged thereby.*

30. Everyone who fits the description of the Class above is a Class Member and subject to the Settlement, unless they are excluded by definition (*see* Question 6 below) or take steps to exclude themselves (*see* Question 13 below):

### **6. Are there exceptions to being included?**

31. Yes. There are some individuals and entities who are excluded from the Class by definition. 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 have or had a controlling interest; and the legal representatives, heirs, successors, assigns, or affiliates of any excluded Person. Also excluded

from the Class will be any persons or entities who timely and validly seek exclusion from the Class or whose request for exclusion is accepted by the Court.

**7. What if I am still not sure if I am included?**

32. If you are still not sure whether you are included in the Class, you can ask for free help. You can call the Claims Administrator toll-free at (\_\_\_\_) \_\_\_\_-\_\_\_\_, send an e-mail to the Claims Administrator at \_\_\_\_\_, or write to the Claims Administrator at *In re Conn's, Inc. Securities Litigation*, c/o \_\_\_\_\_. Or you can fill out and return the Claim Form described in Question 10, to see if you qualify. You may also want to contact your broker.

**THE SETTLEMENT BENEFITS — WHAT YOU GET**

**8. What does the Settlement provide?**

33. The Settlement creates a cash fund of \$22.5 million that, along with any interest earned on this amount, will be distributed after deduction of Court-awarded attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court (the "Net Settlement Fund"), among all Class Members who submit valid Claim Forms and are found by the Court to be eligible to receive a distribution from the Net Settlement Fund ("Authorized Claimants").

**9. How much will my payment be?**

34. If you are an Authorized Claimant entitled to a payment, your share of the Net Settlement Fund will depend on several things, including, among other things, how many Class Members timely send in valid Claim Forms; the amount of Conn's common stock or call options you purchased or otherwise acquired, or the amount of put options you sold, during the Class Period; the prices and dates of those purchases or acquisitions; and the prices and dates of any sales you made.

35. You can calculate your Recognized Claim in accordance with the formulas shown below in the Plan of Allocation. It is unlikely that you will receive a payment for all of your Recognized Claim. See the Plan of Allocation of Net Settlement Fund on pages\_\_\_ for more information on your Recognized Claim.

**HOW TO RECEIVE A PAYMENT:  
SUBMITTING A PROOF OF CLAIM FORM**

**10. How can I receive a payment?**

36. To qualify for a payment from the Net Settlement Fund, you must submit a timely and valid Claim Form. A Claim Form is included with this Notice. If you did not receive a Claim Form, you can obtain one from the website dedicated to the Settlement: [www.\\_\\_\\_\\_\\_.com](http://www._____.com). You can also request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at (\_\_\_\_) \_\_\_\_-\_\_\_\_.

37. Please read the instructions contained in the Claim Form carefully, fill out the Claim Form, include all the documents the form requests, sign it, and mail or submit it to the Claims Administrator so that it is **postmarked or submitted online no later than \_\_\_\_\_, 2018.**

**11. When will I receive my payment?**

38. The Court will hold a Settlement Hearing on \_\_\_\_\_, **2018** to decide, among other things, whether to finally approve the Settlement. Even if the Court approves the Settlement, there may be appeals that can take time to resolve, perhaps more than a year. It also takes a long time for all of the Claim Forms to be accurately reviewed and processed. Please be patient.

<b>12. What am I giving up to receive a payment or stay in the Class?</b>
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39. If you are a Class Member and do not timely and validly exclude yourself from the Class, you will remain in the Class and that means that, upon the “Effective Date” of the Settlement, you will release all “Released Plaintiffs’ Claims” against the “Released Defendant Parties.”

(a) **“Released Plaintiffs’ Claims”** means any and all claims, liabilities, demands, causes of action, or lawsuits of every nature and description, including both known claims and Unknown Claims (defined below), whether arising under federal, state, common, or foreign law, whether legal, statutory, equitable, or of any other type or form, and whether brought in a representative or individual capacity, that (i) were at issue in the Action; or (ii) could have been asserted by Class Representatives or any other Class Member in the Action that are based upon, arise out of, or relate to the allegations asserted in or the subject matter of the Action and the purchase of Conn’s common stock during the Class Period. Released Plaintiffs’ claims do not include claims relating to the enforcement of the Settlement or claims alleged in *Hack, et al., v. Wright, et al.*, Civil Action No. 14-3442 (S.D. Tex.); *95250 Canada LTEE, et al., v. Wright, et al.*, Cause No. 15-00521 (S.D. Tex.); or *Dohn, et al., v. Wright, et al.*, Cause No. 2015-04405 (281st Judicial Dist. Ct.).

(b) **“Released Defendant Parties”** means Defendants, Defendants’ Counsel, and each of their respective past or present subsidiaries, parents, affiliates, principals, successors, predecessors, assigns, officers, directors, trustees, partners, partnerships, employees, attorneys, accountants, and insurers; the members of the Immediate Families, representatives, executors, administrators, and heirs of the Individual Defendants, as well as any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant’s

Immediate Family members; and any firm, trust, corporation, or other entity in which any Defendant has a controlling interest, in their capacities as such.

(c) “**Unknown Claims**” means any and all Released Plaintiffs’ Claims that Class Representatives or any other Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims against the Released Defendant Parties, and any and all Released Defendants’ Claims that any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims against the Released Plaintiff Parties, which if known by him or it might have affected his, her, or its decision(s) with respect to the Settlement, including the decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the Class. With respect to any and all Released Plaintiffs’ Claims and Released Defendants’ Claims, the Parties stipulate and agree that, upon the Effective Date, Class Representatives and Defendants shall expressly, and each other Class Member shall be deemed to have, and by operation of the Judgment or Alternate Judgment, if applicable, shall have, to the fullest extent permitted by law, expressly waived and relinquished any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. 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.**

Class Representatives, other Class Members, or Defendants may hereafter discover facts, legal theories, or authorities in addition to or different from those which any of them now knows or believes to be true with respect to the subject matter of the Released Plaintiffs’ Claims and the Released Defendants’ Claims, but Class Representatives and Defendants shall expressly, fully, finally, and forever settle and release, and each other Class Member shall be deemed to have

settled and released, and upon the Effective Date and by operation of the Judgment or Alternate Judgment, if applicable, shall have settled and released, fully, finally, and forever, any and all Released Plaintiffs' Claims and Released Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. Class Representatives and Defendants acknowledge, and other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiffs' Claims and Released Defendants' Claims was separately bargained for and was a material element of the Settlement.

40. The "Effective Date" will occur when an Order entered by the Court approving the Settlement becomes Final and is not subject to appeal. If you remain a member of the Class, all of the Court's orders, whether favorable or unfavorable, will apply to you and legally bind you.

41. Upon the "Effective Date," Defendants will also provide a release of any claims against Class Representatives and the Class arising out of or related to the institution, prosecution, or settlement of the claims in the Action. The full terms of the release that Defendants will provide to Class Representatives and the Class are set forth in the Stipulation.

#### **EXCLUDING YOURSELF FROM THE CLASS**

42. If you do not want to be eligible to receive a payment, and you want to keep any right you may have to sue or continue to sue Defendants and the other Released Defendant Parties on your own, then you must take steps to remove yourself from the Class. **Please note:** If you decide to exclude yourself from the Class, there is a risk that any lawsuit you may file to pursue claims alleged in the Action may be dismissed, including because the suit is not filed within the applicable time periods for filing suit. Also, Defendants may terminate the Settlement

if Class Members who purchased or acquired in excess of a certain number of eligible shares of Conn's common stock seek exclusion from the Class.

<b>13. How do I exclude myself from the Class?</b>
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43. To exclude yourself from the Class, you must mail a signed letter stating that you “request to be excluded from the Class in *In re Conn’s, Inc. Securities Litigation*, Civil Action No. 4:14-cv-00548 (KPE).” You cannot exclude yourself by telephone or e-mail. Each request for exclusion must also state: (i) the name, address, e-mail, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person for the entity; (ii) the number of shares of Conn’s common stock, call options, and put options purchased, acquired, and sold during the Class Period, as well as the date, number of shares and price per share of each such purchase, acquisitions, and sale; and (iii) be signed by the person or entity requesting exclusion or an authorized representative. You must also submit copies of documents showing your transactions. A request for exclusion must be submitted so that it is **received no later than \_\_\_\_\_, 2018** to:

*In re Conn’s, Inc. Securities Litigation*  
c/o \_\_\_\_\_  
P.O. Box \_\_\_\_\_  
\_\_\_\_\_

44. Your exclusion request must comply with these requirements in order to be valid. If you ask to be excluded, do not submit a Claim Form because you cannot receive any payment from the Net Settlement Fund. Also, you cannot object to the Settlement because you will not be a Class Member. However, if you submit a valid exclusion request, you will not be legally bound by anything that happens in this Action, and you may be able to sue (or continue to sue) Defendants and the other Released Defendant Parties in the future.

**14. If I do not exclude myself, can I sue Defendants and the other Released Defendant Parties for the same thing later?**

45. No. Unless you properly exclude yourself, you will remain in the Class and you will give up any rights to sue Defendants and the other Released Defendant Parties for any and all Released Plaintiffs' Claims. If you have a pending lawsuit against any of the Released Defendant Parties, **speak to your lawyer in that case immediately**. You must exclude yourself from this Class to continue your own lawsuit.

**THE LAWYERS REPRESENTING YOU**

**15. Do I have a lawyer in this case?**

46. The Court appointed the law firms of Motley Rice LLC and Scott+Scott Attorneys at Law LLP to represent all Class Members. These lawyers are called "Class Counsel." You will not be separately charged for these lawyers. The Court will determine the amount of Plaintiffs' Counsel's fees and expenses, which will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

**16. How will the lawyers be paid?**

47. Plaintiffs' Counsel have been prosecuting the Action on a contingent basis and have not been paid for any of their work. Class Counsel will ask the Court to award Plaintiffs' Counsel attorneys' fees of no more than 20% of the Settlement Fund, which will include any accrued interest, for work performed by Scott+Scott, Motley Rice, Labaton Sucharow, and Ajamie LLP in this matter. Motley Rice has a fee-sharing agreement with Sturman LLC, which has served as counsel to Universal during this Action, and which has been consented to by Universal. Labaton Sucharow has a referral obligation to The Thornton Law Firm, which has been consented to by St. Paul. Neither of these obligations will increase the overall fee deducted from the Settlement Fund. S+S has no referral obligations. Class Counsel will also seek payment of litigation expenses incurred by Plaintiffs' Counsel in the prosecution of this Action

of no more than \$1,500,000, plus accrued interest, which may include an application in accordance with the PSLRA for the reasonable costs and expenses (including lost wages) of Class Representatives directly related to their representation of the Class. As explained above, any attorneys' fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

**OBJECTING TO THE SETTLEMENT, THE PLAN OF ALLOCATION, OR THE FEE  
AND EXPENSE APPLICATION**

**17. How do I tell the Court that I do not like something about the proposed Settlement?**

48. If you are a Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation of the Net Settlement Fund, and/or the Fee and Expense Application. You may give reasons why you think the Court should not approve any or all of the Settlement terms or related relief. If you would like the Court to consider your views, you must file a proper objection within the deadline, and according to the following procedures.

49. To object, you must send a signed letter stating that you object to the proposed Settlement in "*In re Conn's, Inc. Securities Litigation*, Civil Case No. 4:14-cv-00548 (KPE)." The objection must: (i) state the name, address, telephone number, and e-mail address of the person or entity objecting and must be signed by the objector; (ii) contain a statement of the Class Member's objection or objections and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; and (iii) include documents sufficient to prove membership in the Class, including the number of shares of Conn's common stock, call options, and put options purchased, acquired, and sold during the Class Period, as well as the date, number of shares, and price per share of each such purchase, acquisition, and sale. Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will be forever foreclosed from making any objection to the proposed Settlement,

the Plan of Allocation, and/or the Fee and Expense Application. Your objection must be filed with the Court **no later than** \_\_\_\_\_, **2018 and** mailed or delivered to the following counsel so that it is **received no later than** \_\_\_\_\_, **2018:**

<u><b>Court</b></u>	<u><b>Class Counsel</b></u>	<u><b>Defendants' Counsel</b></u>
Clerk of the Court United States District Court Southern District of Texas United States Courthouse 515 Rusk Street Houston, TX 77002	<b>Motley Rice LLC</b> James M. Hughes, Esq. 28 Bridgeside Blvd. Mt. Pleasant, SC 29464  <b>Scott+Scott Attorneys at Law LLP</b> Deborah Clark-Weintraub The Helmsley Building 230 Park Ave 17th Floor New York, NY 10169	<b>Vinson &amp; Elkins</b> Michael C. Holmes, Esq.

50. You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Class Member who has not submitted a request for exclusion and who has complied with the procedures described in this Question 17 and below in Question 21 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court, about their objection. An objector may appear in person or arrange, at his, her, or its own expense, for a lawyer to represent him, her, or it at the Settlement Hearing.

**18. What is the difference between objecting and seeking exclusion?**

51. Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Fee and Expense Application. You can still recover money from the Settlement. You can object *only* if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself from the Class, you have no basis to object because the Settlement and the Action no longer affect you.

## THE SETTLEMENT HEARING

### 19. When and where will the Court decide whether to approve the proposed Settlement?

52. The Court will hold the Settlement Hearing on \_\_\_\_\_, 2018 at \_\_\_\_\_.m., in Courtroom 3A at the United States Courthouse, 515 Rusk Street, Houston, TX 77002.

53. At this hearing, the Court will consider whether: (i) the Settlement is fair, reasonable, adequate, and should be finally approved; (ii) the Plan of Allocation is fair and reasonable, and should be approved; and (iii) the application of Class Counsel for an award of attorneys' fees and payment of litigation expenses, including those of Class Representatives, is reasonable and should be approved. The Court will take into consideration any written objections filed in accordance with the instructions in Question 17 above. We do not know how long it will take the Court to make these decisions.

54. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Class Counsel or visit the settlement website, [www.\\_\\_\\_\\_\\_.com](http://www._____.com), beforehand to be sure that the hearing date and/or time has not changed.

### 20. Do I have to come to the Settlement Hearing?

55. No. Class Counsel will answer any questions the Court may have. But, you are welcome to attend at your own expense. If you submit a valid and timely objection, the Court will consider it and you do not have to come to Court to discuss it. You may have your own lawyer attend (at your own expense), but it is not required. If you do hire your own lawyer, he or she must file and serve a Notice of Appearance in the manner described in the answer to Question 21 below **no later than** \_\_\_\_\_, 2018.

**21. May I speak at the Settlement Hearing?**

56. If you object to the Settlement or any aspect of it, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* Question 17), **no later than \_\_\_\_\_, 2018**, a statement that you, or your attorney, intend to appear in “*In re Conn’s, Inc. Securities Litigation*, Civil Case No. 4:14-cv-00548 (KPE).” Persons who desire to present evidence at the Settlement Hearing must also include in their objections (prepared and submitted in accordance with the answer to Question 17 above) the identities of any witnesses they may wish to call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you exclude yourself from the Class or if you have not provided written notice of your objection and intention to speak at the Settlement Hearing in accordance with the procedures described in this Question 21 and Question 17 above.

**IF YOU DO NOTHING**

**22. What happens if I do nothing at all?**

57. If you do nothing and you are a member of the Class, you will receive no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiffs’ Claims. To share in the Net Settlement Fund, you must submit a Claim Form (*see* Question 10 above). To start, continue, or be a part of any other lawsuit against Defendants and the other Released Defendant Parties concerning the Released Plaintiffs’ Claims, you must exclude yourself from the Class (*see* Question 13 above).

## GETTING MORE INFORMATION

### 23. Are there more details about the Settlement?

58. This Notice summarizes the proposed Settlement. More details are contained in the Stipulation. You may review the Stipulation filed with the Court or other documents in the case during business hours at the Office of the Clerk of the United States District Court, Southern District of Texas, United States Courthouse, 515 Rusk Street, Houston, TX 77002. Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Action through the Court's on-line Case Management/Electronic Case Files System at <https://www.pacer.gov>.

59. You can also get a copy of the Stipulation, and other documents related to the Settlement, as well as additional information about the Settlement by visiting the website dedicated to the Settlement, [www.\\_\\_\\_\\_\\_.com](http://www._____.com), where you will find answers to common questions about the Settlement, can download copies of the Stipulation or Claim Form, and can locate other information about the Settlement and whether you are eligible for a payment. You may also call the Claims Administrator toll free at (\_\_\_\_) \_\_\_\_-\_\_\_\_ or write to the Claims Administrator at *In re Conn's, Inc. Securities Litigation*, c/o\_\_\_\_\_. **Please do not call the Court with questions about the Settlement.**

## PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

### 24. How will my claim be calculated?

60. As discussed above, the Settlement provides \$22.5 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund." If the Settlement is approved by the Court, the Net Settlement Fund

will be distributed to eligible Authorized Claimants – i.e., members of the Class who timely submit valid Claim Forms that are accepted for payment by the Court – in accordance with this proposed Plan of Allocation (“Plan of Allocation” or “Plan”) or such other plan of allocation as the Court may approve. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the settlement website, [www.\\_\\_\\_\\_\\_.com](http://www._____.com).

61. The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation is not a formal damage analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement, because the Settlement Fund is less than the total losses alleged to be suffered by Class Members. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making *pro rata* allocations of the Net Settlement Fund. An Authorized Claimant’s Recognized Claim will be the amount used to calculate the Authorized Claimant’s *pro rata* share of the Net Settlement Fund. The *pro rata* share will be the Authorized Claimant’s Recognized Claim divided by the total of the Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

62. The Plan of Allocation was developed in consultation with Class Representatives’ damages expert. In developing the Plan of Allocation, Class Representatives’ damages expert calculated the estimated amount of alleged artificial inflation (or deflation) in the per share prices

of Conn's common stock and options that was allegedly caused by Defendants' alleged materially false and misleading statements and omissions, adjusting those price changes for factors that were attributable to market or industry forces, and for non-fraud related Conn's-specific information.

63. In order to have recoverable damages under the federal securities laws, disclosure of the alleged misrepresentation and/or omission must be the cause of the decline in the price of the security. In this Action, Class Representatives allege that corrective information allegedly impacting the prices of Conn's securities (referred to as a "corrective disclosure") was released to the market on September 5, 2013 (prior to market open), February 20, 2014 (prior to market open), September 2, 2014 (prior to market open), and prior to market open on December 9, 2014, which impacted the market price of Conn's securities in a statistically significant manner and removed the alleged artificial inflation (or deflation for put options) from the security prices on September 5-6, 2013, February 20, 2014, September 2, 2014, and December 9-11, 2014. Accordingly, in order to have a compensable loss in this Settlement, Conn's common stock or Conn's call options must have been purchased or otherwise acquired during the Class Period and held through at least one of the alleged corrective disclosures listed above and, with respect to put options, those options must have been sold (written) during the Class Period and not closed through at least one of the alleged corrective disclosures.

64. Defendants, their respective counsel, and all other Released Defendant Parties will have no responsibility or liability for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation or the payment of any claim. Class Representatives, Plaintiffs' Counsel, and anyone acting on their behalf, likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

### **CALCULATION OF RECOGNIZED CLAIMS**

65. For purposes of determining whether a claimant has a “Recognized Claim,” purchases, acquisitions, and sales of eligible Conn’s securities will first be matched on a First In/First Out (“FIFO”) basis. If a Class Member has more than one purchase/acquisition or sale of any eligible Conn’s security during the Class Period, all purchases/acquisitions and sales of the like security shall be matched on a FIFO basis. With respect to Conn’s common stock and call options, Class Period sales will be matched first against any holdings at the beginning of the Class Period and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period. For Conn’s put options, Class Period purchases will be matched first to close out positions open at the beginning of the Class Period, and then against put options sold (written) during the Class Period in chronological order.

66. A “Recognized Loss Amount” and a “Recognized Gain Amount” will be calculated as set forth below for each purchase of Conn’s common stock and call options and each sale of Conn’s put options during the Class Period (April 3, 2013 through December 9, 2014, inclusive) that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero. To the extent that the calculation of a Claimant’s Recognized Gain Amount results in a negative number, that number shall be set to zero.

### **COMMON STOCK CALCULATIONS**

67. For each share of Conn’s publicly traded common stock purchased or otherwise acquired during the Class Period and sold before the close of trading on March 10, 2015, an “Out of Pocket Loss” will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and

commissions). To the extent that the calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero. To the extent that the calculation of a Claimant's Recognized Gain Amount results in a negative number, that number shall be set to zero.

**For each share of Conn's publicly traded common stock purchased or otherwise acquired from April 3, 2013 through and including December 9, 2014, and:**

- A. **Sold before the opening of trading on September 5, 2013, the Recognized Loss Amount for each such share shall be zero and the Recognized Gain Amount for each such share shall be zero.**
- B. **Sold after the opening of trading on September 5, 2013, and before the close of trading on December 10, 2014:**
  - a. the Recognized Loss Amount for each such share shall be *the lesser of*:
    - i. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below minus the dollar artificial inflation applicable to each such share on the date of sale as set forth in **Table 1** below; or
    - ii. the Out of Pocket Loss.
  - b. the Recognized Gain Amount for each such share shall be:
    - i. the dollar artificial inflation applicable to each such share on the date of sale as set forth in **Table 1** below minus the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below, only for purchases made between September 5, 2013 and December 4, 2013.<sup>4</sup>
    - ii. zero for all other purchases.
- C. **Sold after the close of trading on December 10, 2014, and before the close of trading on March 10, 2015:**
  - a. the Recognized Loss Amount for each such share shall be *the least of*:
    - i. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or

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<sup>4</sup> Purchases made between September 5, 2013 and December 4, 2014 which were sold between December 5, 2013 and February 19, 2014, benefitted from an increase in the artificial inflation entering Conn's common stock, and these inflationary gains will be used to offset a Claimant's inflationary losses.

- ii. the actual purchase/acquisition price of each such share minus the average closing price from December 11, 2014, up to the date of sale as set forth in **Table 2** below; or
  - iii. the Out of Pocket Loss.
- b. the Recognized Gain Amount for each such share shall be zero.
- D. Held as of the close of trading on March 10, 2015:**
- a. the Recognized Loss Amount for each such share shall be *the lesser of*:
    - i. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or
    - ii. the actual purchase/acquisition price of each such share minus \$20.16.<sup>5</sup>
  - b. the Recognized Gain Amount for each such share shall be zero.

### **CALL AND PUT OPTIONS CALCULATIONS**

68. Exchange-traded options are traded in units called “contracts” which entitle the holder to buy (in the case of a call option) or sell (in the case of a put option) 100 shares of the underlying security, which in this case is Conn’s common stock. Throughout this Plan of Allocation, all price quotations are per share of the underlying security (i.e., 1/100 of a contract).

69. Each option contract specifies a strike price and an expiration date. Contracts with the same strike price and expiration date are referred to as a “series” and each series

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<sup>5</sup> Pursuant to Section 21D(e)(1) of the Exchange Act, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the Exchange Act, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Conn’s common stock during the “90-day look-back period,” December 11, 2014 through March 10, 2015. The mean (average) closing price for Conn’s common stock during this 90-day look-back period was \$20.16.

represents a different security that trades in the market and has its own market price (and thus artificial inflation or deflation). Under the Plan of Allocation, the dollar artificial inflation per share (i.e., 1/100 of a contract) for each series of Conn's call options and the dollar artificial deflation per share (i.e., 1/100 of a contract) for each series of Conn's put options has been calculated by Co-Lead Plaintiffs' damages expert.

70. Table 3, available at [www.\\_\\_\\_\\_](#), sets forth the dollar artificial inflation per share in Conn's call options during the Class Period. Table 4, available at [www.\\_\\_\\_\\_](#), sets forth the dollar artificial deflation per share in Conn's put options during the Class Period. Tables 3 and 4 list only series of Conn's options that expired on or after September 5, 2013 – the date of first alleged corrective disclosure.

71. Transactions in Conn's options that expired before September 5, 2013 have a Recognized Loss Amount of zero and a Recognized Gain Amount of zero under the Plan of Allocation.

72. For each Conn's call option purchased or otherwise acquired during the Class Period and sold before the close of trading on December 10, 2014, and for each Conn's put option sold (written) during the Class Period and purchased before the close of trading on December 10, 2014, an "Out of Pocket Loss" will be calculated. For Conn's call options closed through sale, the Out of Pocket Loss is the purchase/acquisition price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). For Conn's call options closed through exercise or expiration, the Out of Pocket Loss is the purchase/acquisition price (excluding all fees, taxes, and commissions) minus the value per option on the date of exercise or expiration.<sup>6</sup> For Conn's put options closed through purchase,

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<sup>6</sup> The "value" of the call option on the date of exercise or expiration shall be the closing price of Conn's common stock on the date of exercise or expiration minus the strike price of the option. If this number is less than zero, the value of the call option is zero.

the Out of Pocket Loss is the purchase/acquisition price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). For Conn's put options closed through exercise or expiration, the Out of Pocket Loss is the value per option on the date of exercise or expiration<sup>7</sup> minus the sale price (excluding all fees, taxes, and commissions). To the extent that the calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero.

73. Maximum Recovery for Options: The Settlement proceeds available for Conn's call options purchased during the Class Period and Conn's put options sold (written) during the Class Period shall be limited to a total amount equal to 5% of the Net Settlement Fund.

**For each Conn's call option purchased or otherwise acquired from April 3, 2013 through and including December 9, 2014, and:**

- A. **Closed (through sale, exercise, or expiration) before the opening of trading on September 5, 2013, the Recognized Loss Amount for each such share shall be zero and the Recognized Gain Amount for each such share shall be zero.**
- B. **Closed (through sale, exercise, or expiration) after the opening of trading on September 5, 2013, and before the close of trading on December 10, 2014:**
  - a. the Recognized Loss Amount for each such share shall be *the lesser of*:
    - i. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 3** *minus* the dollar artificial inflation applicable to each such share on the date of close as set forth in **Table 3**; or
    - ii. the Out of Pocket Loss.
  - b. the Recognized Gain Amount for each such share shall be:
    - i. the dollar artificial inflation applicable to each such share on the date of sale as set forth in **Table 3** *minus* the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 3**, only for purchases made between September 5, 2013 and December 4, 2013.

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<sup>7</sup> The "value" of the put option on the date of exercise or expiration shall be the strike price of the option minus the closing price of Conn's common stock on the date of exercise or expiration. If this number is less than zero, the value of the put option is zero.

- ii. zero for all other purchases.
- C. **Open as of the close of trading on December 10, 2014:**
- a. the Recognized Loss Amount for each such share shall be *the lesser of*:
    - i. the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 3**; or
    - ii. the actual purchase/acquisition price of each such share minus the closing price on December 11, 2014 (i.e., the “Holding Price”) as set forth in **Table 3**.
  - b. the Recognized Gain Amount for each such share shall be zero.

**For each Conn’s put option sold (written) from April 3, 2013 through and including December 9, 2014, and:**

- A. **Closed (through purchase, exercise, or expiration) before the opening of trading on September 5, 2013, the Recognized Loss Amount for each such share shall be zero and the Recognized Gain Amount for each such share shall be zero.**
- B. **Closed (through purchase, exercise, or expiration) after the opening of trading on September 5, 2013, and before the close of trading on December 10, 2014:**
- a. the Recognized Loss Amount for each such share shall be *the lesser of*:
    - i. the dollar artificial deflation applicable to each such share on the date of sale (writing) as set forth in **Table 4** minus the dollar artificial deflation applicable to each such share on the date of close as set forth in **Table 4**; or
    - ii. the Out of Pocket Loss.
  - b. the Recognized Gain Amount for each such share shall be:
    - i. the dollar artificial deflation applicable to each such share on the date of close as set forth in **Table 4** minus the dollar artificial deflation applicable to each such share on the date of sale (writing) as set forth in **Table 4**, only for put options sold (written) between September 5, 2013 and December 4, 2013.
    - ii. zero for all other put options sold (written).
- C. **Open as of the close of trading on December 10, 2014:**
- a. the Recognized Loss Amount for each such share shall be *the lesser of*:

- i. the dollar artificial deflation applicable to each such share on the date of sale (writing) as set forth in **Table 4**; or
  - ii. the closing price on December 11, 2014 (i.e., the “Holding Price”) as set forth in **Table 4 minus** the sale (writing) price.
- b. the Recognized Gain Amount for each such share shall be zero.

#### **ADDITIONAL PROVISIONS**

74. The sum of a Claimant’s Recognized Loss Amounts minus the sum of a Claimant’s Recognized Gain Amounts will be a Claimant’s “Recognized Claim”. If the Claimant’s Recognized Claim is zero or a negative number, the Claimant’s Recognized Claim will be zero.

75. Publicly traded Conn’s common stock, Conn’s call options, and Conn’s put options are the only securities eligible for recovery under the Plan of Allocation. With respect to Conn’s publicly traded common stock purchased or sold through the exercise of an option, the purchase/sale date of the Conn’s common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

76. Purchases, acquisitions, and sales of Conn’s securities shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” or “sale” date. The receipt or grant by gift, inheritance or operation of law of Conn’s securities during the Class Period shall not be deemed a purchase, acquisition, or sale of these shares of Conn’s securities for the calculation of a claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of such Conn’s securities unless (i) the donor or decedent purchased or otherwise acquired such Conn’s securities during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of Conn’s securities; and (iii) it is specifically so provided in the instrument of gift or assignment.

77. In accordance with the Plan of Allocation, the Recognized Loss Amount on any portion of a purchase or acquisition that matches against (or “covers”) a “short sale” is zero. The Recognized Loss Amount on a “short sale” that is not covered by a purchase or acquisition is also zero. In the event that a Claimant has an opening short position in Conn’s common stock at the start of the Class Period, the earliest Class Period purchases or acquisitions shall be matched against such opening short position in accordance with the FIFO matching described above and any portion of such purchases or acquisition that covers such short sales will not be entitled to recovery. In the event that a claimant newly establishes a short position during the Class Period, the earliest subsequent Class Period purchase or acquisition shall be matched against such short position on a FIFO basis and will not be entitled to a recovery.

78. If a Class Member has “written” call options, thereby having a short position in the call options, the date of covering such a written position is deemed to be the date of purchase or acquisition of the call option. The date on which the call option was written is deemed to be the date of sale of the call option. In accordance with the Plan of Allocation, the earliest Class Period purchases or acquisitions shall be matched against such short positions in accordance with the FIFO matching described above and any portion of such purchases or acquisitions that cover such short positions will not be entitled to recovery.

79. If a Class Member has purchased or acquired put options, thereby having a long position in the put options, the date of purchase/acquisition is deemed to be the date of purchase/acquisition of the put option. The date on which the put option was sold, exercised, or expired is deemed to be the date of sale of the put option. In accordance with the Plan of Allocation, the earliest sales or dispositions of like put options during the Class Period shall be matched against such long positions in accordance with the FIFO matching described above and any portion of the sales that cover such short positions shall not be entitled to a recovery.

80. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and an initial distribution will not be made to that Authorized Claimant.

81. Distributions to Authorized Claimants will be made after claims have been processed. After an initial distribution of the Net Settlement Fund, if there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement Fund, Class Counsel shall, if feasible and economical, redistribute such balance among Authorized Claimants who have cashed their checks in an equitable and economic fashion, after payment of Notice and Administration Expenses, Taxes, and attorneys' fees and expenses. These redistributions shall be repeated until the balance in the Net Settlement Fund is no longer feasible to distribute to Authorized Claimants. Any balance that still remains in the Net Settlement Fund after re-distribution(s), which is not feasible or economical to reallocate, after payment of Notice and Administration Expenses, Taxes, and attorneys' fees and expenses, shall be donated to a non-sectarian, not-for-profit charitable organization serving the public interest designated by Class Representatives and approved by the Court.

82. Payment according to this Plan of Allocation, or such other plan as the Court may approve, will be deemed conclusive against all claimants. Recognized Claims will be calculated as defined herein by the Claims Administrator and cannot be less than zero. No person shall have any claim against Class Representatives, Plaintiffs' Counsel, their damages expert, the Claims Administrator, or other agent designated by Class Counsel arising from determinations or distributions to claimants made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Defendants and their counsel

shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Plan of Allocation, the determination, administration, calculation, or payment of any claim or any actions taken (or not taken) by the Claims Administrator, the payment or withholding of Taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

83. Each claimant is deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of Texas, Houston Division, with respect to his, her, or its claim.

**TABLE 1**

**Conn's Common Stock Artificial Inflation  
For Purposes of Calculating Purchase and Sale Inflation**

<b>Transaction Date</b>	<b>Artificial Inflation Per Share</b>
April 3, 2013 - September 4, 2013	\$12.35
September 5, 2013	\$10.57
September 6, 2013 - December 4, 2013	\$9.19
December 5, 2013 - February 19, 2014	\$11.58
February 20, 2014 - September 1, 2014	\$6.51
September 2, 2014 - December 8, 2014	\$3.67
December 9, 2014	\$0.69
December 10, 2014 (Sales Only)	\$0.28

**TABLE 2**

**Conn's Closing Price and Average Closing Price  
December 11, 2014 – March 10, 2015**

<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Between December 11, 2014 and Date Shown</b>		<b>Date</b>	<b>Closing Price</b>	<b>Average Closing Price Between December 11, 2014 and Date Shown</b>
12/11/2014	\$17.09	\$17.09		1/27/2015	\$16.24	\$17.22
12/12/2014	\$17.44	\$17.27		1/28/2015	\$15.55	\$17.17
12/15/2014	\$15.78	\$16.77		1/29/2015	\$15.82	\$17.13

Date	Closing Price	Average Closing Price Between December 11, 2014 and Date Shown	Date	Closing Price	Average Closing Price Between December 11, 2014 and Date Shown
12/16/2014	\$14.15	\$16.12	1/30/2015	\$15.74	\$17.09
12/17/2014	\$16.09	\$16.11	2/2/2015	\$15.73	\$17.05
12/18/2014	\$16.80	\$16.23	2/3/2015	\$16.52	\$17.03
12/19/2014	\$16.64	\$16.28	2/4/2015	\$16.65	\$17.02
12/22/2014	\$16.94	\$16.37	2/5/2015	\$20.72	\$17.12
12/23/2014	\$17.00	\$16.44	2/6/2015	\$22.49	\$17.26
12/24/2014	\$18.23	\$16.62	2/9/2015	\$24.39	\$17.44
12/26/2014	\$18.09	\$16.75	2/10/2015	\$25.11	\$17.62
12/29/2014	\$18.35	\$16.88	2/11/2015	\$24.88	\$17.80
12/30/2014	\$18.25	\$16.99	2/12/2015	\$24.76	\$17.96
12/31/2014	\$18.69	\$17.11	2/13/2015	\$24.69	\$18.11
1/2/2015	\$18.79	\$17.22	2/17/2015	\$25.26	\$18.27
1/5/2015	\$18.40	\$17.30	2/18/2015	\$25.30	\$18.42
1/6/2015	\$17.38	\$17.30	2/19/2015	\$25.67	\$18.58
1/7/2015	\$18.03	\$17.34	2/20/2015	\$25.60	\$18.72
1/8/2015	\$18.66	\$17.41	2/23/2015	\$25.82	\$18.87
1/9/2015	\$18.06	\$17.44	2/24/2015	\$25.55	\$19.00
1/12/2015	\$18.28	\$17.48	2/25/2015	\$25.45	\$19.13
1/13/2015	\$18.68	\$17.54	2/26/2015	\$25.64	\$19.25
1/14/2015	\$18.26	\$17.57	2/27/2015	\$25.85	\$19.38
1/15/2015	\$17.62	\$17.57	3/2/2015	\$25.19	\$19.49
1/16/2015	\$17.51	\$17.57	3/3/2015	\$25.36	\$19.59
1/20/2015	\$15.85	\$17.50	3/4/2015	\$26.07	\$19.71
1/21/2015	\$15.46	\$17.43	3/5/2015	\$28.16	\$19.86
1/22/2015	\$15.35	\$17.35	3/6/2015	\$27.87	\$19.99
1/23/2015	\$16.02	\$17.31	3/9/2015	\$26.00	\$20.10
1/26/2015	\$15.69	\$17.25	3/10/2015	\$23.99	\$20.16

**SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES**

84. If you purchased or otherwise acquired publicly traded Conn’s common stock (ISIN: \_\_\_\_\_) or call options, or sold Conn’s put options during the Class Period for the beneficial interest of a person or entity other than yourself, the Court has directed that **WITHIN**

**SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, YOU MUST EITHER:** (a) provide to the Claims Administrator the name and last known address of each person or entity for whom or which you purchased or otherwise acquired Conn's common stock or options during the Class Period; or (b) request additional copies of this Notice and the Claim Form from the Claims Administrator, which will be provided to you free of charge, and **WITHIN SEVEN (7) DAYS** of receipt, mail the Notice and Claim Form directly to all the beneficial owners of those securities. If you choose to follow procedure (b), the Court has also directed that, upon making that mailing, **YOU MUST SEND A STATEMENT** to the Claims Administrator confirming that the mailing was made as directed and keep a record of the names and mailing addresses used. Upon full and timely compliance with these directions, you may seek reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*In re Conn's, Inc. Securities Litigation*

c/o \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dated: \_\_\_\_\_, 2018

BY ORDER OF THE UNITED STATES  
DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS

# **Exhibit A-2**

*In re Conn's, Inc. Securities Litigation*  
c/o Epiq  
P.O. Box \_\_\_\_\_

Toll-Free Number: (\_\_\_\_) \_\_\_\_ - \_\_\_\_  
Email: \_\_\_\_\_@\_\_\_\_\_.com  
Settlement Website: www.\_\_\_\_\_.com

**PROOF OF CLAIM AND RELEASE FORM**

To be eligible to receive a share of the Net Settlement Fund in connection with the Settlement of this Action, you must be a Class Member and complete and sign this Proof of Claim and Release Form ("Claim Form") and either mail it by first-class mail to the above address or submit it online at [www.\\_\\_\\_\\_\\_.com](http://www._____.com), **no later than \_\_\_\_\_, 2018.**

Failure to submit your Claim Form by the date specified will subject your claim to rejection and may preclude you from being eligible to recover any money in connection with the Settlement.

**Do not mail or deliver your Claim Form to the Court, the parties to the Action, or their counsel. Submit your Claim Form only to the Claims Administrator.**

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## **PART II – GENERAL INSTRUCTIONS**

1. It is important that you completely read the Notice of Pendency of Class Action, Proposed Settlement, and Motion for an Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice") that accompanies this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form.

2. If you are not a class member (*see* the definition of the class on page \_\_\_ of the notice), or if you, or someone acting on your behalf, submitted a request for exclusion, **DO NOT SUBMIT A CLAIM FORM. You may not participate in the settlement if you are not a Class Member.** If you are not a Class Member, any claim form that is submitted for you, will not be accepted.

3. **Submission of this Claim Form does not guarantee that you will receive a payment. The distribution of the Net Settlement Fund will be governed by the Plan of Allocation approved by the Court.**

4. Use the Schedules of Transactions in Part III of this Claim Form to supply all required details of your transaction(s) (including free transfers and deliveries) in and holdings of Conn's, Inc. ("Conn's") publicly traded common stock, call options, and put options. On these schedules, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales, whether such transactions resulted in a profit or a loss. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

5. **Please note:** Only Conn's publicly traded common stock and call options purchased or otherwise acquired, and put options sold or written, during the Class Period (i.e., from April 3, 2013 through December 9, 2014, inclusive) are eligible under the Settlement. However, under the "90-day look-back period" (described in the Plan of Allocation set forth in the Notice), your sales of Conn's publicly traded common stock and call options, and purchases of put options, during the period from December 11, 2014 through March 10, 2015, inclusive, will be used for purposes of calculating your claim under the Plan of Allocation. Therefore, in order for the Claims Administrator to be able to balance your claim, the requested purchase information during the 90-day look-back period must also be provided.

6. You are required to submit genuine and sufficient documentation for all of your transactions in and holdings of Conn's publicly traded common stock, call options, and put options set forth in the Schedules of Transactions in Part III of this Claim Form. Documentation may consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from your broker containing the required transactional and holding information found in a broker confirmation slip or account statement. The parties and the Claims Administrator do not independently have information about your investments in Conn's common stock, call options, or put options. **IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OF THE DOCUMENTS OR EQUIVALENT DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION MAY RESULT IN THE REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS.**

7. Separate Claim Forms should be submitted for each separate legal entity (e.g., a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal

entity including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (e.g., a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

8. All joint beneficial owners must each sign this Claim Form and their names must appear as “Claimants” in Part I of this Claim Form. If you purchased or otherwise acquired Conn’s publicly traded common stock and/or call options, and/or sold/wrote Conn’s put options, during the Class Period and held the shares in your name, you are the beneficial owner as well as the record owner and you must sign this Claim Form to participate in the Settlement. If, however, you purchased or otherwise acquired Conn’s publicly traded common stock and/or call options, and sold/wrote Conn’s put options, during the relevant time period and the securities were registered in the name of a third party, such as a nominee or brokerage firm, you are still the beneficial owner of these shares, and the third party is the record owner. The beneficial owner, not the record owner, must sign this Claim Form to be eligible to participate in the Settlement.

9. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons represented by them, and they must:

- (a) expressly state the capacity in which they are acting;
- (b) identify the name, account number, Social Security Number (or taxpayer identification number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Conn’s common stock, call options, and/or call options; and
- (c) furnish herewith evidence of their authority.

10. **PLEASE NOTE:** As set forth in the Plan of Allocation, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

11. **NOTICE REGARDING ELECTRONIC FILES:** Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the settlement website at [www.\\_\\_\\_\\_\\_.com](http://www._____.com) or you may email the Claims Administrator’s electronic filing department at [\\_\\_\\_\\_@\\_\\_\\_\\_\\_.com](mailto:____@_____.com). Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect after processing your file with your claim numbers and respective account information. **Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at [\\_\\_\\_\\_@\\_\\_\\_\\_\\_.com](mailto:____@_____.com) to inquire about your file and confirm it was received and acceptable.**

**YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM BY MAIL, WITHIN 60 DAYS. IF YOU DO NOT RECEIVE A POSTCARD WITHIN 60 DAYS, PLEASE CALL THE CLAIMS ADMINISTRATOR TOLL FREE AT (\_\_\_\_) \_\_\_\_-\_\_\_\_.**

**PART III – SCHEDULE OF TRANSACTIONS IN  
CONN’S PUBLICLY TRADED COMMON STOCK**

<b>1. HOLDINGS AS OF APRIL 3, 2013</b> – State the total number of shares of Conn’s publicly traded common stock held as of the opening of trading on April 3, 2013. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="checkbox"/>
<b>2. PURCHASES/ACQUISITIONS FROM APRIL 3, 2013 THROUGH DECEMBER 9, 2014</b> – Separately list each and every purchase/acquisition (including free receipts) of Conn’s publicly traded common stock from after the opening of trading on April 3, 2013 through and including the close of trading on December 9, 2014. (Must be documented.)				
Date of Purchase/ Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/ Acquired	Purchase/ Acquisition Price Per Share	Total Purchase/ Acquisition Price (excluding taxes, commissions, and fees)	Confirm Proof of Purchase/ Acquisition Enclosed
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>
<b>3. PURCHASES/ACQUISITIONS FROM DECEMBER 11, 2014 THROUGH MARCH 10, 2015</b> – State the total number of shares of Conn’s publicly traded common stock purchased/acquired (including free receipts) from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015. If none, write “zero” or “0.” <sup>1</sup> _____				
<b>4. SALES FROM APRIL 3, 2013 THROUGH MARCH 10, 2015</b> – Separately list each and every sale/disposition (including free deliveries) of Conn’s publicly traded common stock from after the opening of trading on April 3, 2013 through and including the close of trading on March 10, 2015. (Must be documented.)				<b>IF NONE, CHECK HERE</b> <input type="checkbox"/>
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Confirm Proof of Sale Enclosed
/ /		\$	\$	<input type="checkbox"/>
/ /		\$	\$	<input type="checkbox"/>

<sup>1</sup> **Please note:** Information requested with respect to your purchases/acquisitions of Conn’s publicly traded common stock from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015 is needed in order to balance your claim; purchases during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

/ /		\$	\$	○
/ /		\$	\$	○
<b>5. HOLDINGS AS OF MARCH 10, 2015</b> – State the total number of shares of Conn’s publicly traded common stock held as of the close of trading on March 10, 2015. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed ○
<b>IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST          PHOTOCOPY THIS PAGE AND CHECK THIS BOX <input type="checkbox"/>          IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL <u>NOT</u> BE REVIEWED</b>				

**PART III – SCHEDULE OF TRANSACTIONS IN  
CONN’S CALL OPTIONS**

<b>1. HOLDINGS AS OF APRIL 3, 2013</b> – State the total number of shares of Conn’s call options held as of the opening of trading on April 3, 2013. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="radio"/>
<b>2. PURCHASES/ACQUISITIONS FROM APRIL 3, 2013 THROUGH DECEMBER 9, 2014</b> – Separately list each and every purchase/acquisition (including free receipts) of Conn’s call options from after the opening of trading on April 3, 2013 through and including the close of trading on December 9, 2014. (Must be documented.)				
Date of Purchase/ Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/ Acquired	Purchase/ Acquisition Price Per Share	Total Purchase/ Acquisition Price (excluding taxes, commissions, and fees)	Confirm Proof of Purchase/ Acquisition Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>3. PURCHASES/ACQUISITIONS FROM DECEMBER 11, 2014 THROUGH MARCH 10, 2015</b> – State the total number of shares of Conn’s call options purchased/acquired (including free receipts) from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015. If none, write “zero” or “0.” <sup>2</sup> _____				
<b>4. SALES FROM APRIL 3, 2013 THROUGH MARCH 10, 2015</b> – Separately list each and every sale/disposition (including free deliveries) of Conn’s call options from after the opening of trading on April 3, 2013 through and including the close of trading on March 10, 2015. (Must be documented.)				<b>IF NONE, CHECK HERE</b> <input type="radio"/>
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Confirm Proof of Sale Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>

<sup>2</sup> **Please note:** Information requested with respect to your purchases/acquisitions of Conn’s call options from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015 is needed in order to balance your claim; purchases during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

/ /		\$	\$	○
<b>5. HOLDINGS AS OF MARCH 10, 2015</b> – State the total number of shares of Conn’s call options held as of the close of trading on March 10, 2015. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed ○
<b>IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST          PHOTOCOPY THIS PAGE AND CHECK THIS BOX <input type="checkbox"/>          IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL <u>NOT</u> BE REVIEWED</b>				

**PART III – SCHEDULE OF TRANSACTIONS IN  
CONN’S PUT OPTIONS**

<b>1. HOLDINGS AS OF APRIL 3, 2013</b> – State the total number of shares of Conn’s put options held as of the opening of trading on April 3, 2013. (Must be documented.) If none, write “zero” or “0.” _____				Confirm Proof of Position Enclosed <input type="radio"/>
<b>2. SALES FROM APRIL 3, 2013 THROUGH DECEMBER 9, 2014</b> – Separately list each and every sale (including free receipts) of Conn’s put options from after the opening of trading on April 3, 2013 through and including the close of trading on December 9, 2014. (Must be documented.)				
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Confirm Proof of Sale Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>3. SALES FROM DECEMBER 11, 2014 THROUGH MARCH 10, 2015</b> – State the total number of shares of Conn’s put options sold/written (including free receipts) from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015. If none, write “zero” or “0.” <sup>3</sup> _____				
<b>4. PURCHASES FROM APRIL 3, 2013 THROUGH MARCH 10, 2015</b> – Separately list each and every purchase (including free deliveries) of Conn’s put options from after the opening of trading on April 3, 2013 through and including the close of trading on March 10, 2015. (Must be documented.)				<b>IF NONE, CHECK HERE</b> <input type="radio"/>
Date of Purchase (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Purchase Price Per Share	Total Purchase Price (excluding taxes, commissions, and fees)	Confirm Proof of Purchase Enclosed
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
/ /		\$	\$	<input type="radio"/>
<b>5. HOLDINGS AS OF MARCH 10, 2015</b> – State the total number of shares of Conn’s put				Confirm Proof of

<sup>3</sup> **Please note:** Information requested with respect to your sales of Conn’s put options from after the opening of trading on December 11, 2014 through and including the close of trading on March 10, 2015 is needed in order to balance your claim; sales during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

options held as of the close of trading on March 10, 2015. (Must be documented.) If none,  
write "zero" or "0." \_\_\_\_\_

Position Enclosed  
○

**IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST  
PHOTOCOPY THIS PAGE AND CHECK THIS BOX**

**IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED**

## PART VI – RELEASE OF CLAIMS AND SIGNATURE

### YOU MUST SIGN ON PAGE \_\_ OF THIS CLAIM FORM.

I (we) hereby acknowledge that as of the Effective Date of the Settlement, pursuant to the terms set forth in the Stipulation, I (we), on behalf of myself (ourselves) and my (our) 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.

### CERTIFICATION

By signing and submitting this Claim Form, the claimant(s) or the person(s) who represent(s) the claimant(s) agree(s) to the release above and certifies (certify) as follows:

1. that I (we) have read the contents of the Notice and this Claim Form, including the releases provided for in the Settlement and the terms of the Plan of Allocation;
2. that the claimant(s) is a (are) Class Member(s), as defined in the Notice, and is (are) not excluded by definition from the Class as set forth in the Notice;
3. that the claimant has **not** submitted a request for exclusion from the Class;
4. that I (we) own(ed) the Conn's publicly traded common stock and/or call options and/or put options identified in the Claim Form and have not assigned the claim against any of the Defendants or any of the other Released Defendant Parties to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
5. that the claimant(s) has (have) not submitted any other claim covering the same purchases of Conn's publicly traded common stock and/or call options and/or sales of Conn's put options and knows (know) of no other person having done so on the claimant's (claimants') behalf;
6. that I (we) agree to furnish such additional information with respect to this Claim Form as Class Counsel, the Claims Administrator, or the Court may require; and
7. that the claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a)(1)(C) of the Internal Revenue Code because (a) the claimant(s) is (are) exempt from backup withholding or (b) the claimant(s) has (have) not been notified by the IRS that he/she/it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the claimant(s) that he/she/it is no longer subject to backup withholding. **If the IRS has notified the claimant(s) that he/she/it is subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**

I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS CLAIM FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS SUBMITTED HEREWITH ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

---

Signature of claimant

Date

---

Print your name here

---

Signature of joint claimant, if any

Date

---

Print your name here

***If the claimant is other than an individual, or is not the person completing this form, the following also must be provided:***

---

Signature of person signing on behalf of claimant

Date

---

Print your name here

---

Capacity of person signing on behalf of claimant, if other than an individual, *e.g.*, executor, president, trustee, custodian, *etc.* (Must provide evidence of authority to act on behalf of claimant – see paragraph \_\_ on page \_\_\_ of this Claim Form.)

**REMINDER CHECKLIST:**

1. Please sign above. If this Claim Form is submitted on behalf of joint claimants, then both must sign.
2. Do not highlight any portion of the Claim Form or any supporting documents.
4. Attach only **copies** of supporting documentation. Do not send original security certificates or documentation. These items cannot be returned to you by the Claims Administrator.
5. Keep copies of the completed Claim Form and documentation for your own records.
6. Your claim is not deemed filed until you receive an acknowledgement postcard. **If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at ( ) \_\_\_ - \_\_\_.**
7. If your address changes, or if this Claim Form was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
8. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address below, by email at \_\_\_\_\_@\_\_\_\_\_.com, or toll-free at ( ) \_\_\_ - \_\_\_, or visit www.\_\_\_\_\_.com. Please DO NOT call Conn's or any of the other Defendants or their counsel with questions regarding your claim.

THIS CLAIM FORM MUST BE **POSTMARKED OR SUBMITTED ONLINE NO LATER THAN \_\_\_\_\_, 2018**, AS FOLLOWS:

In re Conn's, Inc. Securities Litigation  
c/o Epiq  
P.O. Box \_\_\_\_\_

\_\_\_\_\_  
www.\_\_\_\_\_

It will take a significant amount of time to fully process all of the Claim Forms. Please be patient and notify the Claims Administrator of any change of address.

# **Exhibit A-3**

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

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IN RE CONN'S, INC. SECURITIES LITIGATION	§ § § § § §	Civil Action No. 4: 14-cv-00548 (KPE) (Consolidated Action)
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**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED  
SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES**

**To: All Persons and Entities Who Purchased or Otherwise Acquired Conn's, Inc.'s Publicly Traded Common Stock and/or Call Options, or Who Sold/Wrote Conn's Put Options, During the Period from April 3, 2013 through December 9, 2014, Inclusive (the "Class Period"), and Were Damaged Thereby (the "Class").**

**PLEASE READ THIS NOTICE CAREFULLY. IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.**

YOU ARE HEREBY NOTIFIED, in accordance with Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of Texas, that the above-captioned litigation (the "Action") has been certified as a class action on behalf of the Class, except for certain persons and entities who are excluded from the Class by definition as set forth in the full printed Notice of Pendency of Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses (the "Notice").

YOU ARE ALSO NOTIFIED that the Court-appointed Class Representatives 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 m.b.H., on behalf of themselves and the Class, and Defendants Conn's, Inc., Theodore Wright, and Michael J. Poppe (collectively, "Defendants") have reached a proposed settlement of the Action in the amount of \$22,500,000 in cash (the

“Settlement Amount”) that, if approved by the Court, will resolve all claims in the Action (the “Settlement”).

A hearing will be held before the Honorable Keith P. Ellison of the United States District Court for the Southern District of Texas in the United States Courthouse, 515 Rusk Street, Houston, TX 77002 at \_\_\_:\_\_\_ \_\_.m. on \_\_\_\_\_, 2018 (the “Settlement Hearing”) to, among other things, determine whether the Court should: (i) approve the proposed Settlement as fair, reasonable, and adequate; (ii) dismiss the Action with prejudice as provided in the Stipulation and Agreement of Settlement, dated as of \_\_\_\_\_, 2018; (iii) approve the proposed Plan of Allocation for distribution of the Net Settlement Fund; and (iv) approve Class Counsel’s application for an award of attorneys’ fees and payment of expenses. The Court may change the date of the Settlement Hearing without providing another notice. You do NOT need to attend the Settlement Hearing to receive a distribution from the Net Settlement Fund.

**IF YOU ARE A MEMBER OF THE CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO A MONETARY PAYMENT.** If you have not yet received the Notice and a Proof of Claim and Release form (“Claim Form”), you may obtain copies of these documents by visiting the website dedicated to this Action, [www.\\_\\_\\_\\_\\_.com](http://www._____.com), or by contacting the Claims Administrator at:

*In re Conn’s, Inc. Securities Litigation*  
Claims Administrator  
c/o \_\_\_\_\_  
\_\_\_\_\_  
(\_\_\_\_) \_\_\_\_ - \_\_\_\_

Inquiries, other than requests for the Notice/Claim Form or for information about the status of a claim, may also be made to Class Counsel:

James M. Hughes, Esq.  
Christopher F. Moriarty, Esq.  
**MOTLEY RICE LLC**  
28 Bridgeside Blvd.

Deborah Clark-Weintraub, Esq.  
Beth Kaswan, Esq.  
**SCOTT+SCOTT**  
**ATTORNEYS AT LAW LLP**

Mt. Pleasant, SC 29464  
www.motleyrice.com  
(800) 768-4026

230 Park Ave., 17<sup>th</sup> Floor  
New York, NY 10169  
www.scott-scott.com  
(800) 404-7770

If you are a Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form *postmarked or online no later than* \_\_\_\_\_, **2018**. If you are a Class Member and do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by all judgments or orders entered by the Court in the Action, whether favorable or unfavorable.

If you are a Class Member and wish to exclude yourself from the Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice such that it is *received no later than* \_\_\_\_\_, **2018**. If you properly exclude yourself from the Class, you will not be bound by any judgments or orders entered by the Court in the Action, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund.

Any objections to the proposed Settlement, the proposed Plan of Allocation, and/or Class Counsel's application for attorneys' fees and payment of expenses must be filed with the Court and mailed to counsel for the Parties in accordance with the instructions in the Notice, such that they are *filed and received no later than* \_\_\_\_\_, **2018**.

**PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR  
DEFENDANTS' COUNSEL REGARDING THIS NOTICE.**

**All questions about this notice, the Settlement, or your eligibility to participate in  
the Settlement should be directed to the Claims Administrator or Class Counsel.**

DATED: \_\_\_\_\_, 2018

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS

# **Exhibit B**

**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 \_\_\_\_\_, 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 m.b.H. (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 3, 2013 through December 9, 2014, inclusive (the “Class Period”), and 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

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

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 \_\_\_\_\_, 2018 (the “Preliminary Approval Order”), the Court scheduled a hearing for \_\_\_\_\_, 2018 (the “Settlement Hearing”) to, among other things: (i) determine whether the proposed Settlement provided for in the Stipulation is fair, reasonable, and adequate, and should be approved by the Court; and (ii) determine whether a judgment as provided for in the Stipulation should be entered;

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, on or before ten (10) business days after the date of entry of the Preliminary Approval Order (“Notice Date”) 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* within fourteen (14) calendar days of 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. The Notice further advised that any

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

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 \_\_\_\_\_, 2018;

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

G. On \_\_\_\_\_, 2018, Class Representatives moved for final approval of the Settlement, as provided in the Preliminary Approval Order. The Settlement Hearing was duly held before this Court on \_\_\_\_\_, 2018, at which time all interested Persons were afforded the opportunity to be heard; and

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 with respect 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 \_\_\_\_\_, 2018; and (ii) the Notice, which was filed with the Court on \_\_\_\_\_, 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 relating 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 attorney's 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 Private Securities Litigation Reform Act of 1995 (the "PSLRA").

4. [In accordance with Fed. R. Civ. P. 23, excluded from the Class are the persons and entities 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 For Violations of Federal Securities Laws 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 relating to the Stipulation, the Settlement, and any matter arising in connection with settlement discussions or negotiations, proceedings, or agreements, shall not be offered or received 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 offered or received 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 with respect 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 offered or received against or to the prejudice of Defendants as evidence of a presumption, concession, or admission of any fault, misrepresentation, or omission with respect 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 offered or received 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 with respect 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 and in

accordance with 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 and in accordance with 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) other matters related or ancillary to the foregoing. There is no just reason for delay in the entry of this Judgment and the Clerk of the Court is directed to enter it immediately.

Dated: \_\_\_\_\_, 2018

\_\_\_\_\_  
Honorable Keith P. Ellison  
UNITED STATES DISTRICT JUDGE

**EXHIBIT A**

**[List of Persons and Entities Excluded from the Class Pursuant to Request]**