

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
(COLUMBIA DIVISION)

*In re SCANA Corporation Securities
Litigation*

Civil Action No. 3:17-CV-2616-MBS

**DECLARATION OF ALEXANDER P. VILLANOVA IN SUPPORT OF LEAD
PLAINTIFFS' MOTION FOR APPROVAL OF SETTLEMENT DISTRIBUTION PLAN**

I, Alexander P. Villanova, declare and state as follows:

1. I am a Project Director for Epiq Class Action and Claims Solutions, Inc. (“Epiq”). I am over 21 years of age and am not a party to the above-captioned class action (the “Action”). I have personal knowledge of the facts set forth in this declaration (the “Declaration”) and, if called as a witness, could and would testify competently thereto.¹

2. Pursuant to the Court’s Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement (ECF No. 219) (the “Preliminary Approval Order”), Epiq was retained by Lead Counsel to serve as the Claims Administrator in connection with the Settlement of the Action. As Claims Administrator, Epiq has, among other things: (i) mailed the Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an award of Attorneys’ Fees and Litigation Expenses (the “Notice”) and the Proof of Claim and Release Form (the “Claim Form” or “Proof of Claim Form,” and together with the Notice the “Notice Packet”) to potential Class Members,² brokers, and other nominees of

¹ Capitalized terms that are not defined in this Declaration have the same meanings as set forth in the Stipulation and Agreement of Settlement, dated as of December 20, 2019 (ECF No. 214-2) (the “Stipulation”).

² The Class consists of “all persons and entities who or which purchased or otherwise acquired publicly traded SCANA common stock during the period from October 27, 2015 through December 20, 2017, inclusive, and were damaged thereby.” Notice ¶ 27.

beneficial owners; (ii) created and continues to maintain a toll-free telephone helpline for inquiries during the course of the administration; (iii) created and continues to maintain a website for the Settlement (the “Settlement Website”) and posted case-specific documents on it; (iv) caused the Summary Notice to be published; (v) provided, upon request, additional copies of the Notice Packet to potential Class Members, brokers, and other nominees; and (vi) received and processed Claim Forms submitted to the Claims Administrator (a “Claim”).

3. On July 23, 2020, the Court issued its Order and Opinion on Plan of Allocation (ECF No. 239) and Order and Opinion Approving Settlement (ECF No. 238). Epiq has completed processing all Claims received through March 25, 2021, in accordance with the terms of the Stipulation and the Court-approved Plan of Allocation set forth in the Notice, and hereby submits its administrative determinations accepting and rejecting the Claims in preparation for a distribution of the Net Settlement Fund to Authorized Claimants. Epiq also presents this Declaration in support of Lead Plaintiffs’ Motion for Approval of Settlement Distribution Plan.

DISSEMINATION OF NOTICE

4. As more fully described in the Declaration of Alexander P. Villanova Regarding: (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion (ECF No. 229-3) (the “Mailing Decl.”) and the Supplemental Declaration of Alexander P. Villanova Regarding (A) Mailing of Notice and Claim Form and (B) Report on Requests for Exclusion and Objections (ECF No. 235) (the “Supp. Mailing Decl.”), through June 30, 2020, Epiq had mailed a cumulative total of 281,352 Notice Packets to potential Class Members and nominees. Supp. Mailing Decl. ¶ 2. Since that date, 1,199 additional Notice Packets have been disseminated. In total, Epiq has disseminated 282,551 Notice Packets to potential Class Members, brokers, and other nominees.

5. Epiq established and continues to maintain the Settlement Website (www.SCANASecuritiesLitigation.com) and a toll-free telephone helpline (1-833-947-1420) to assist potential Class Members. The Settlement Website (which provides access to important documents relevant to the Settlement) and the telephone helpline enable Class Members to obtain information about the Settlement.

6. In accordance with Paragraph 7(d) of the Preliminary Approval Order, on April 8, 2020, Epiq caused the Summary Notice to be published once in the national edition of The Wall Street Journal and to be transmitted over the PR Newswire. Mailing Decl. ¶ 10.

PROCEDURES FOLLOWED IN PROCESSING CLAIMS

7. Under the terms of the Preliminary Approval Order and as set forth in the Notice, each Class Member who wished to be eligible to receive a distribution from the Net Settlement Fund was required to complete and submit to Epiq a properly executed Claim Form postmarked no later than July 25, 2020, together with adequate supporting documentation for the transactions and holdings reported in the Claim. Through March 25, 2021, Epiq has received and fully processed 60,094 Claims.

8. In preparation for receiving and processing Claims, Epiq: (i) conferred with Lead Counsel to define the guidelines for processing Claims; (ii) created a unique database to store Claim details, images of Claims, and supporting documentation (the “Settlement Database”); (iii) trained staff in the specifics of the Settlement so that Claims would be properly processed; (iv) formulated a system so that telephone and email inquiries would be properly responded to; (v) developed various computer programs and screens for entry of Class Members’ identifying information and their transactional information; and (vi) developed a proprietary “calculation

module” to calculate the value of Claims pursuant to the Court-approved Plan of Allocation for the Net Settlement Fund as stated in the Notice.³

9. The Notice advised Class Members seeking to share in the Net Settlement Fund to submit their Claims to a post office box address specifically designated for the Settlement. Any correspondence received at the post office box was reviewed and, when necessary, appropriate responses were provided to the senders.

PROCESSING CLAIMS

A. Paper and Online Claims

10. Of the 60,094 Claims, 11,946 Claims were submitted as paper Claims (“Paper Claims”) or submitted using the Settlement Website (“Online Claims”). Once received, the Paper Claims were opened and prepared for scanning. This process included unfolding documents, removing staples, copying nonconforming-sized documents, and sorting documents. This manual task of preparing the Paper Claims is very laborious and time intensive. Once prepared, Paper Claims were scanned into the Settlement Database together with all submitted documentation. Online Claims were similarly uploaded to the Settlement Database.

11. Subsequently, each Claim was assigned a unique Claim number. Once scanned, the information from each Claim Form (including the Claimant’s name, address, and account number/information from the supporting documentation, and the Claimant’s purchase/acquisition

³ “A Claimant’s ‘Recognized Claim’ will be the sum of his, her, or its Recognized Loss Amounts [] *minus* the sum of his, her, or its Recognized Gain Amounts as calculated” under the Proposed Plan of Allocation. Notice ¶ 63. “If a Recognized Loss Amount or Recognized Gain Amount calculates to a negative number or zero [], that number will be zero.” *Id.* ¶ 61. “If a Recognized Claim calculates to a negative number or zero, that number will be zero.” *Id.* ¶ 63. “Recognized Loss Amounts are based primarily on the difference in the amount of alleged artificial inflation in the respective prices of SCANA common stock at the time of purchase or acquisition and at the time of sale or the difference between the actual purchase price and sale price.” *Id.* ¶ 59.

transactions, sale transactions, and holdings listed on the Claim Form) was entered into the Settlement Database. Once entered into the Settlement Database, each Claim was reviewed to verify that all required information had been provided. The documentation provided by the Claimant in support of the Claim was reviewed for authenticity and compared to the information provided in the Claim to verify the Claimant's identity and the purchase/acquisition transactions, sale transactions, and holdings listed on the Claim Form.

12. To process the transactions detailed in the Claims, Epiq utilized internal codes ("message codes") to identify and classify deficiency or ineligibility conditions existing within the Claims. Appropriate message codes were assigned to the Claims as they were processed. For example, where a Claim was submitted by a Claimant who did not have any eligible transactions in SCANA common stock during the Class Period (e.g., the Claimant purchased SCANA common stock only before or after the Class Period), that Claim would receive a message code that denoted ineligibility.⁴ Similar defect message codes were used to denote other ineligibility conditions, such as duplicate Claims. These message codes indicated to Epiq that the Claimant was not eligible to receive any payment from the Net Settlement Fund with respect to that Claim unless the deficiency was cured. Examples of conditions of ineligibility are as follows:

- No Documentation Submitted for the Entire Claim
- Duplicate Claim Submitted
- No Eligible Purchase During the Class Period
- No Signature
- No Recognized Claim

⁴ "The only security that is included in the Settlement is publicly traded SCANA common stock." *Id.* ¶ 54.

- No Recognized Claim Unless Defects Are Cured

13. Because a Claim may be deficient only in part, but otherwise acceptable, Epiq also utilized message codes that were applied only to specific transactions within a Claim. For example, if a Claimant submitted a Claim with supporting documentation for all but one purchase transaction, that one transaction would receive a defect message code. The message code indicated that although the transaction was deficient, the Claim was otherwise eligible for payment if other transactions in the Claim calculated to a Recognized Claim according to the Court-approved Plan of Allocation. Thus, even if the deficiency was never cured, the Claim could still be partially accepted. Examples of transaction-specific message codes are as follows:

- Claim Did Not Balance/Trade Discrepancy
- Inadequate Documentation for Transaction
- Received Shares or Delivered Shares (i.e., shares transferred into or out of an account)
- No Proof of Unsold Holdings

B. Electronic Claims

14. Of the 60,094 Claims, 48,148 were submitted to Epiq electronically (“Electronic Claims”). Electronic Claims are typically submitted by or on behalf of institutional investors (“Electronic Claim Filers” or “E-Claim Filers”) who may have hundreds or thousands of transactions during the Class Period. Rather than provide reams of paper requiring data entry, the E-Claim Filers either mail a computer disc or electronically submit a file to Epiq so that Epiq can upload all transactions to the Settlement Database.

15. Epiq maintains an electronic filing operations team (the “Electronic Filing Team”) to coordinate and supervise the receipt and handling of all Electronic Claims. In this case, the

Electronic Filing Team reviewed and analyzed each electronic file to ensure that it provided all information in accordance with Epiq's required format and to identify any potential data issues or inconsistencies within the file. If any issues or inconsistencies arose, Epiq notified the filer. If the electronic file was deemed to be in an acceptable format, it was then loaded to the Settlement Database.

16. Once each electronic file was loaded, the Electronic Claims were coded to denote any deficient or ineligible conditions that existed within them. These message codes are similar to those applied to Paper Claims and Online Claims. In lieu of manually applying message codes, the Electronic Filing Team performed programmatic reviews on Electronic Claims to identify deficient and ineligible conditions (such as, but not limited to, price out-of-range issues, out-of-balance conditions, transactions outside the Class Period, etc.). The output was thoroughly verified and confirmed as accurate.

17. The review process also included flagging any Electronic Claims that were not accompanied by a signed Claim Form, which serves as a "Master Proof of Claim Form" for all Claims referenced on the electronic file submitted. Epiq's Electronic Filing Team, where required, contacted the E-Claim Filers whose submissions were missing information. This ensured that only fully completed Claims, submitted by properly authorized representatives of the Claimants, were considered eligible for payment from the Net Settlement Fund.

18. Finally, at the end of this process, Epiq performed various targeted reviews of Electronic Claims. Specifically, Epiq used criteria such as the calculated Recognized Claim value and other identified criteria to reach out to a selection of E-Claim Filers to request that various sample purchases, sales, and holdings selected by Epiq be further documented by providing confirmation slips or other transaction-specific supporting documentation. These targeted reviews

help to ensure that electronic data supplied by E-Claim Filers does not contain inaccurate information.

EXCLUDED PERSONS

19. Epiq also reviewed all Claims to ensure that they were not submitted by or on behalf of “Excluded Persons” to the extent that the identities of such persons or entities were known to Epiq through the list of Defendants and other excluded persons and entities set forth in the Stipulation and the Notice and from the Claimants’ certifications on the Claim Forms. Epiq also reviewed all Claims against the list of persons who were excluded from the Settlement Class pursuant to request.

THE DEFICIENCY PROCESS

A. Paper and Online Claims

20. Approximately 60% of the Paper Claims and Online Claims, i.e., 7,163 of the 11,946 Claim Forms received, were incomplete or had one or more defects or conditions of ineligibility, such as the Claim was not signed, was not properly documented, or reported no eligible transactions in SCANA common stock during the Class Period. The “Deficiency Process,” which primarily involved mailing letters and sending emails to Claimants and responding to communications from Claimants by email and/or telephone, was intended to assist Claimants in properly completing their otherwise deficient submissions so that they could be eligible to participate in the Settlement.

21. If a Paper Claim or Online Claim was determined to be defective, a Notice of Deficient Proof of Claim Submission (“Deficiency Notice”) was sent to the Claimant describing the defect(s) in the Claim and what steps, if any, were necessary to cure the defect(s) in the Claim. The Deficiency Notice advised the Claimant that submission of appropriate information and/or

documentary evidence to complete the Claim had to be sent within twenty (20) days from the date of the Deficiency Notice or the Claim would be recommended for rejection to the extent that the deficiency or condition of ineligibility was not cured. The Deficiency Notice also advised Claimants that to contest an administrative determination, they were required to submit written statements to Epiq requesting Court review of their Claim and setting forth the basis for the request. Epiq sent a total of 7,315 Deficiency Notices to Claimants who filed Paper Claims or Online Claims that Epiq determined were defective. (It was possible for a Claimant to be sent more than one Deficiency Notice for their Claim and thus the number of Deficiency Notices sent exceeds the number of Deficient Claims discussed in paragraph 20.) Attached hereto as Exhibit A is an example of a Deficiency Notice.

22. Claimants' responses to Deficiency Notices were scanned into the Settlement Database and associated with the corresponding Claims. The responses were then carefully reviewed and evaluated by Epiq's team of processors. If a Claimant's response corrected the defect(s), Epiq manually updated the Settlement Database to reflect the changes in the status of the Claim.

B. Electronic Claims

23. For Electronic Claims, Epiq used the following process to contact the banks, brokers, nominees, and other E-Claim Filers, who submitted their data electronically, to confirm receipt of their submissions and to notify the E-Claim Filers of any deficiencies or Electronic Claims that were ineligible. These E-Claim Filers were each sent an email to the email address included with their Claim Form ("Status Email"), which attached a report containing detailed information associated with the Claims and indicating which of the Claims within the filing were deficient and/or rejected ("Transaction Report").

24. The Status Email:

- (a) Notified the E-Claim Filer that any Claims with deficiencies not corrected within twenty (20) days from the date of the Status Email may be rejected;
- (b) Advised the E-Claim Filer of the right to contest the rejection of the Claim(s) and request the Court's review of Epiq's administrative determination within twenty (20) days from the date of the Status Email; and
- (c) Provided instructions for how to submit corrections.

25. The Transaction Report attached to the Status Email identified each of the individual Claims that were found to be deficient or ineligible and the basis for that deficiency or condition of ineligibility.

26. Epiq has mailed a Status Email and Transaction Report to 202 E-Claim Filers. Samples of a Status Email and Transaction Report are attached hereto as Exhibits B and C, respectively.

27. The E-Claim Filers' responses were reviewed by the Electronic Filing Team, scanned and/or loaded into the Settlement Database, and associated with the corresponding Electronic Claims. If a response corrected the defect(s) or affected an Electronic Claim's status, Epiq manually and/or programmatically updated the Settlement Database to reflect the change in status of the Electronic Claim.

DISPUTED CLAIMS

28. As noted above, Claimants were advised that they had the right to contest Epiq's administrative determination of deficiencies or ineligibility within twenty (20) days from the date of notification and that they could request that the dispute be submitted to the Court for review.

More specifically, Claimants were advised in the Deficiency Notice or Status Email that, if they disputed Epiq's determination, they had to provide a statement of reasons indicating the grounds for contesting the determination, along with supporting documentation, and if the dispute concerning the Claim could not otherwise be resolved, Lead Counsel would thereafter present the request for review to the Court for a final determination.

29. A total of 32 Claimants contested Epiq's administrative determinations and requested review by the Court. To resolve the disputes without necessitating the Court's intervention, Epiq contacted all persons requesting Court review and, with respect to those Claimants who were reached, Epiq answered all their questions, fully explained Epiq's determination of the Claim's status and facilitated the submission of missing information or documentation where applicable. As a result of these efforts, 31 requests for Court review have either been cured or the request for Court review has been retracted.

30. Of the 32 Claimants that had contested Epiq's determination to reject their Claims, only 1 Claimant ("Disputing Claimant") has an outstanding request for Court review ("Disputed Claim"). Exhibit D attached hereto contains a copy of the Claim submitted by the Disputing Claimant, and other documents related to the Disputed Claim.⁵

31. The Claim was rejected because the Claimant did not submit any information about his transactions in SCANA common stock during the Class Period. The Claimant believes that Epiq and the parties should already have the information and be able to complete a Claim for him. Accordingly, Epiq is unable to calculate the amount of loss under the Plan of Allocation.

⁵ For privacy reasons, the documents included in Exhibit D have been redacted to remove all personal information such as street addresses, email addresses, telephone numbers, account numbers, Taxpayer ID or Social Security Numbers.

32. Epiq emailed the Disputing Claimant and explained that neither Epiq nor the parties have his confidential financial information and that the claims process requires Claimants to provide their transactional information to Epiq. An Epiq representative answered all his questions and fully explained Epiq's determination of the Claim's status. However, the Claimant has indicated his desire to maintain the request for Court review.

LATE BUT OTHERWISE ELIGIBLE CLAIMS

33. Of the Claims, 3,720 were received or postmarked after the July 25, 2020 Claim submission deadline established by the Court. Epiq processed all late Claims received through March 25, 2021, and 779 have been found to be otherwise eligible in whole or in part (the "Late But Otherwise Eligible Claims"). Epiq has not rejected any Claim received through March 25, 2021, solely based on its late submission, and Epiq believes no delay has resulted from the provisional acceptance of these Late But Otherwise Eligible Claims. To the extent they are eligible but for the fact that they were late, they are recommended for payment.

34. However, there must be a final cut-off date after which no more Claims will be accepted so that there may be a proportional allocation of the Net Settlement Fund and the distribution may be accomplished. Acceptance of additional Claims or adjustments received during the finalization of the administration and the preparation of this application would necessarily require a delay in the distribution. Accordingly, Epiq also respectfully requests that this Court order that no Claim received or adjusted after March 25, 2021, be eligible for payment for any reason whatsoever subject only to the provision of paragraph 43(f) of the proposed distribution plan discussed below. If the Court adopts the proposed distribution plan, then, after Lead Counsel have determined that further distributions are not cost-effective and before any contribution of the residual funds to charity, if sufficient funds remain to warrant the processing

of Claims received after March 25, 2021, these Claims will be processed and, if any would have been eligible if timely received, these Claimants may be paid the distribution amounts on a *pro rata* basis that would bring them into parity with other Authorized Claimants who have cashed all their prior distribution checks, to the extent permitted by the amount of remaining funds. See ¶ 43(f) below. With respect to previously filed Claims that are cured or adjusted after March 25, 2021, such Claims will be reevaluated upon receipt of the adjustment and, to the extent that they are found eligible for a distribution or additional distribution, they will be treated in the same manner as Claims received after March 25, 2021. However, should an adjustment be received that results in a lower Recognized Claim amount, that adjustment will be made and the Recognized Claim amount will be reduced accordingly prior to a distribution to that Claimant.

QUALITY ASSURANCE

35. An integral part of the claims administration process is the Quality Assurance review. Throughout the administration process, Epiq's Quality Assurance personnel worked to verify that Claims were processed properly by ensuring that information was entered correctly into the Settlement Database, deficiency and/or rejection message codes were assigned accurately, and deficiency and/or rejection notifications were sent appropriately. After all Claims were processed, deficiency and/or rejection notification were sent, and Claimants' responses to the deficiency and/or rejection notifications were reviewed and processed, Epiq's Quality Assurance personnel performed additional Quality Assurance reviews. These final Quality Assurance reviews further ensured the correctness and completeness of all Claims processed prior to preparing this Declaration. As part of the Quality Assurance reviews, Epiq:

- (a) Verified that all Claim Forms had signatures of authorized individuals;
- (b) Verified that true duplicate Claims were identified, verified, and rejected;

- (c) Verified that any Claims filed by persons and entities excluded from the Settlement Class were rejected upon review;
- (d) Performed a final Quality Assurance review of all Claims and all supporting documentation to ensure the completeness of Claims;
- (e) Determined that all Claimants requiring deficiency and/or rejection notifications were sent such notifications;
- (f) Performed a review of deficient Claims;
- (g) Performed an additional review of Claims with high Recognized Claim amounts;
- (h) Reviewed Claims that were designated invalid;
- (i) Reviewed Claims with a Recognized Claim amount equal to zero;
- (j) Performed other reviews based on Claims completion requirements and the approved calculation specifications based on the Court-approved Plan of Allocation; and
- (k) Re-tested the accuracy of the Recognized Claim amount calculation program.

36. As part of its due diligence in processing the Claims, Epiq reviewed and compared the entire Settlement Database against its “watch list” of known questionable filers that Epiq has developed throughout its years of experience as a claims administrator. Epiq performs searches based on names, aliases, addresses, and city/zip codes. In addition, Epiq’s claim processors are trained to identify any potentially inauthentic documentation when processing claims, including claims submitted by Claimants not previously captured in the “watch list.” Processors are instructed to message code any claim that matches to a record on the “watch list” and to escalate

them to management for review. Eighteen (18) questionable Claims were identified as having been submitted by someone on the “watch list.” These Claims were then reviewed by management to consider the documentation submitted with each Claim in conjunction with other factors and were determined to be questionable. Epiq sent these Claimants Deficiency Notices and/or Status Emails notifying the Claimants that additional documentation was required in order for their Claims to be eligible to participate in the Settlement. No additional documentation has been received supporting these questionable Claims and all eighteen (18) Claims are recommended for rejection for failure to cure their conditions of ineligibility.

RECOMMENDATIONS FOR APPROVAL AND REJECTION

37. As noted above, the number of Claims presented in this motion is 60,094.

Timely Submitted and Valid Claims

38. A total of 56,374 Claims were received or postmarked on or before the Court-approved Claim submission deadline of July 25, 2020, of which 25,712 Claims were determined by Epiq to be eligible and are recommended for approval (“Timely Eligible Claims”). The total Recognized Claim amount for these Timely Eligible Claims is \$934,783,970.01.

Late But Otherwise Eligible Claims

39. A total of 3,720 Claims were received or postmarked after the Court-approved Claim submission deadline of July 25, 2020, but received on or before March 25, 2021. Of those late Claims, 779 were determined by Epiq to be otherwise eligible and are recommended for approval (“Late But Otherwise Eligible Claims”). The total Recognized Claim amount for these Late But Otherwise Eligible Claims is \$39,112,913.83.

Rejected Claims

40. After the responses to Deficiency Notices and Status Emails were processed, a total of 33,603 Claims remain recommended for rejection by the Court (“Rejected Claims”) for the following reasons:

- (a) 16,912 Claims had no purchase(s) of SCANA common stock during the Class Period;
- (b) 10,258 Claims did not result in a Recognized Claim pursuant to the Court-approved Plan of Allocation;
- (c) 167 Claims were duplicates;
- (d) 5,039 Claims were withdrawn or voided by the filer; and
- (e) 1,227 Claims had uncured conditions of ineligibility.

Lists of All Claims

41. Attached hereto as Exhibits E through G are listings of all the Claims:
- (a) Exhibit E lists the Timely Eligible Claims and shows each Claimant’s Recognized Claim amount;
 - (b) Exhibit F lists the Late But Otherwise Eligible Claims and shows each Claimant’s Recognized Claim amount; and
 - (c) Exhibit G lists the Rejected Claims and the reasons for rejection.

FEES AND DISBURSEMENTS

42. Epiq agreed to be the Claims Administrator in exchange for payment of its fees and out-of-pocket expenses. Lead Counsel received reports on and invoices for the work Epiq performed with respect to the provision of notice and administration of the Settlement. Attached hereto as Exhibit H are copies of Epiq’s invoices for its work performed on behalf of the Settlement

Class as well as an estimate for the work that will be performed and the costs that will be incurred in connection with the initial distribution of the Net Settlement Fund.⁶As set forth in these invoices, the cost of administration for this project through the initial distribution is \$598,307.34 in fees and expenses. To date, Epiq has received payments totaling \$501,238.19 for its fees and expenses. Accordingly, there is an outstanding balance of \$97,069.15 payable to Epiq.

DISTRIBUTION PLAN FOR THE NET SETTLEMENT FUND

43. Should the Court concur with Epiq's determinations concerning the accepted and rejected Claims, including the Late But Otherwise Eligible Claims, Epiq recommends the following distribution plan (the "Distribution Plan"):

(a) Epiq will conduct an initial distribution (the "Initial Distribution") of the Net Settlement Fund, after deducting all payments approved by the Court, and after payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees, while maintaining a 10% reserve to address any tax liability and claims administration-related contingencies that may arise, as follows:

(i) Epiq will calculate award amounts for all Authorized Claimants as if the entire Net Settlement Fund were to be distributed now. In accordance with the Court-approved Plan of Allocation, Epiq will calculate each Authorized Claimant's *pro rata* share of the Net Settlement Fund based on the amount of the Authorized Claimant's Recognized Claim in comparison to the total Recognized Claims of all Authorized Claimants.⁷

⁶ Should the estimate of fees and expenses to conduct the Initial Distribution of the Net Settlement Fund exceed the actual cost, the excess will be returned to the Net Settlement Fund and will be available for subsequent distribution to Authorized Claimants.

⁷ Notice ¶ 72.

(ii) Epiq will, pursuant to the terms of the Plan of Allocation, eliminate from the Initial Distribution any Authorized Claimant whose *pro rata* share calculates to less than \$10.00.⁸ These Claimants will not receive any payment from the Net Settlement Fund, and Epiq will send notifications to those Authorized Claimants advising them of that fact.

(iii) After eliminating Claimants who would have received less than \$10.00, Epiq will recalculate the *pro rata* share of the entire Net Settlement Fund for Authorized Claimants who would have received \$10.00 or more pursuant to the calculations described in subparagraph (a)(i) above. The *pro rata* share will be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.⁹ This *pro rata* share is the Authorized Claimant's "Distribution Amount."

(iv) Authorized Claimants whose Distribution Amount calculates to less than \$100.00 pursuant to subparagraph (a)(iii) above will be paid their full Distribution Amount in the Initial Distribution ("Claims Paid in Full"). These Authorized Claimants will receive no additional funds in subsequent distributions.

(v) After deducting the payments to the Claims Paid in Full, 90% of the remaining balance of the Net Settlement Fund will be distributed to the remaining Authorized Claimants whose Distribution Amount calculates to \$100.00 or more pursuant to subparagraph (a)(iii) above, on a *pro rata* basis based on their Distribution Amounts. The remaining 10% of the Net Settlement Fund will be held in reserve (the "Reserve") to address any tax liability and claims administration-related contingencies that may arise following the Initial Distribution. To the extent

⁸ *Id.* ¶ 74.

⁹ *Id.* ¶ 72.

the Reserve is not depleted, the remainder will be distributed in the “Second Distribution” described in subparagraph (d) below.

(b) In order to encourage Authorized Claimants to deposit their payments promptly, all distribution checks will bear a notation: “CASH PROMPTLY. VOID AND SUBJECT TO REDISTRIBUTION IF NOT CASHED BY [DATE 120 DAYS AFTER ISSUE DATE].”¹⁰

(c) Authorized Claimants who do not cash their Initial Distribution checks within the time allotted or on the conditions set forth in footnote 10 will irrevocably forfeit all recovery from the Settlement. The funds allocated to all such stale-dated checks will be available to be redistributed to other Authorized Claimants in the second distribution. Similarly, Authorized Claimants who do not cash their second or subsequent distribution checks (should such distributions occur) within the time allotted or on the conditions set forth in footnote 10 will irrevocably forfeit any further recovery from the Net Settlement Fund.

¹⁰ For Authorized Claimants whose checks are returned as undeliverable, Epiq will endeavor to locate new addresses through reasonable methods. Where a new address is located, Epiq will update the Settlement Database accordingly and reissue a distribution check to the Authorized Claimant at the new address. In the event that a check is lost or damaged or an Authorized Claimant otherwise requires a new check, Epiq will issue replacements. Distribution reissues will be undertaken only upon written instructions from the Authorized Claimant, provided that the Authorized Claimant returns the previous check where appropriate. For all checks, Epiq will void the initial payment prior to reissuing a payment. In order not to delay further distributions to Authorized Claimants who have timely cashed their checks, Epiq’s outreach program, described in the preceding sentences, shall end 30 days after the initial void date. Authorized Claimants will be informed that, if they do not cash their Initial Distribution checks within 120 days of the mail date, or they do not cash check reissues within 30 days of the mailing of such reissued check, their check will lapse, their entitlement to recovery will be irrevocably forfeited, and the funds will be reallocated to other Authorized Claimants. Reissue requests for lost or damaged checks will be granted after the void date on the checks as long as the request for the reissue is received no later than 45 days prior to the next planned distribution. Requests for reissued checks in connection with any subsequent distributions (should such distributions occur) will be handled in the same manner.

(d) Consistent with the Court-approved Plan of Allocation, after Epiq has made reasonable and diligent efforts to have Authorized Claimants cash their Initial Distribution checks, which efforts shall consist of the follow-up efforts described in footnote 10, but not earlier than nine (9) months after the Initial Distribution, Epiq will, after consulting with Lead Counsel, conduct a second distribution of the Net Settlement Fund (the “Second Distribution”).¹¹ Any amounts remaining in the Net Settlement Fund after the Initial Distribution (including from the Reserve and the funds allocated for all void stale-dated checks), after deducting Epiq’s unpaid fees and expenses incurred in connection with administering the Settlement (including Epiq’s estimated costs of the Second Distribution), and after deducting the payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be distributed to Authorized Claimants that do not have Claims Paid in Full, who cashed their Initial Distribution checks, and who would receive at least \$10.00 from such distribution based on their *pro rata* share of the remaining funds.¹² Additional distributions, after deduction of costs and expenses as described above and subject to the same conditions, may occur thereafter in six-month intervals until Lead Counsel, in consultation with Epiq, determine that further distribution is not cost-effective.¹³

(e) At such time as Lead Counsel, in consultation with Epiq, determine that further distribution of the funds remaining in the Net Settlement Fund is not cost-effective, if sufficient funds remain to warrant the processing of Claims received after March 25, 2021, such Claims will be processed, and any such Claims that are otherwise valid as well as any earlier received Claims for which an adjustment was received after March 25, 2021, that resulted in an

¹¹ Notice ¶ 75.

¹² *Id.*

¹³ *Id.*

increased Recognized Claim, will be paid in accordance with subparagraph (f) below. If any funds remain in the Net Settlement Fund after payment of such late or late-adjusted Claims or if Lead Counsel, in consultation with Epiq, determine that it would not be cost-effective to process Claims received or adjusted after March 25, 2021, the remaining balance of the Net Settlement Fund, after payment of any unpaid fees or expenses incurred in connection with administering the Net Settlement Fund and after the payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be contributed to a non-sectarian, not-for-profit organization recommended by Lead Counsel and approved by the Court.¹⁴

(f) No new Claims may be accepted after March 25, 2021, and no further adjustments to previously received Claims that would result in an increased Recognized Claim amount may be made, subject to the following exception. If Claims are received or modified that would have been eligible for payment or additional payment under the Plan of Allocation if timely received, then, at the time that Lead Counsel, in consultation with Epiq, determine that an additional distribution is not cost-effective as provided in subparagraph (e) above, and after payment of any unpaid fees or expenses incurred in connection with administering the Net Settlement Fund and after deducting the payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees, such Claimants, at the discretion of Lead Counsel, may be paid the distribution amounts or additional distribution amounts on a *pro rata* basis that would bring them into parity with other Authorized Claimants who have cashed all their prior distribution checks, to the extent possible.

¹⁴ *Id.*

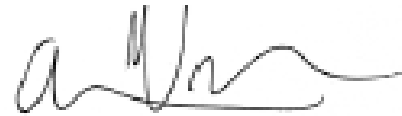
(g) Unless otherwise ordered by the Court, Epiq may destroy the paper copies of the Claims and all supporting documentation one year after the Initial Distribution, and one year after all funds have been distributed may destroy electronic copies of the same.

CONCLUSION

44. Epiq respectfully requests that the Court enter an Order approving its administrative determinations accepting and rejecting the Claims submitted herein and approving the proposed Distribution Plan. Epiq further respectfully submits that its unpaid fees and expenses, as reflected on the invoices attached hereto as Exhibit H, should be approved for payment from the Settlement Fund.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 22nd day of April 2021.



Alexander P. Villanova