

Settlement Update:

On July 31, 2015, U.S. District Judge John A. Gibney, Jr. of the Eastern District of Virginia granted preliminary approval to the proposed \$12 million settlement of this shareholder derivative action. That preliminary approval allowed Garden City Group (GCG), the Court-approved settlement administrator, to disseminate written notice of the proposed settlement to approximately 38,000 shareholders in A-7, A-8, and A-9. Those written notices were mailed by GCG during the first week of August 2015.

In response to those written notices, just four (4) shareholders timely submitted written objections to the proposed settlement. On September 4, 2015, [PLAINTIFFS FILED A WRITTEN RESPONSE TO THOSE OBJECTIONS](#). On September 14, 2015, a hearing was held by Judge Gibney at the federal courthouse in Richmond, Virginia. During that one-hour hearing, Judge Gibney heard arguments from Plaintiffs' counsel in support of the proposed settlement. The Court also heard oral arguments from the attorney representing Mr. Brian A. Eisen, one of the objectors to the proposed settlement.

At the conclusion of the hearing, Judge Gibney announced from the bench that the Court would grant final approval to the proposed \$12 million settlement. The Court overruled the objections to the settlement. The Court granted Plaintiffs' applications for payment of attorneys' fees, expenses, and a service award to the individual Plaintiff. The following day (September 15, 2015), the Court entered its [ORDER AND FINAL JUDGMENT](#) approving the settlement.

The net settlement fund, which is approximately \$7.8 million, will be distributed to A-9 shareholders who either (a) voted against the proposed merger or (b) checked the box on the proxy ballot to abstain from voting. Shareholders who voted in favor of the merger and shareholders who did not vote at all are not eligible to receive a distribution from the settlement.

In October 2015, a single shareholder appealed Judge Gibney's decision approving the Settlement to the Fourth Circuit Court of Appeals. On May 13, 2016, the Court of Appeals granted Plaintiffs' motion to dismiss that appeal, which means that the appeal proceedings have been concluded. On June 10, 2016, Plaintiffs filed a Status report advising Judge Gibney that GCG is prepared to begin distributing money to eligible shareholders. As of June 30, 2016, the distribution checks have been mailed to eligible shareholders.

For assistance, and check reissues please call 1-877-939-6163.