

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

CAROLYN LYNN, Individually and on
behalf of all others similarly situated,

Plaintiffs,

v.

ARTHUR F. HELF, H. LAMAR COX,
MICHAEL R. SAPP, FRANK PEREZ and
TENNESSEE COMMERCE BANCORP,
INC. and KraftCPAs PLLC,

Defendants.

Case No. 3:12-CV-01137

CLASS ACTION

Judge Todd J. Campbell

SETTLEMENT DISTRIBUTION ORDER

WHEREAS, the above-captioned class action (the “Action”) was settled (the “Settlement”) pursuant to the terms and conditions of the Stipulation of Settlement, dated December 1, 2014 (the “Settlement Agreement”), on behalf of a Settlement Class consisting of all persons who purchased or otherwise acquired common stock in Tennessee Commerce Bancorp, Inc. (“TNCC”) between April 18, 2008 and January 27, 2012, inclusive (the “Class Period”). Excluded from the Settlement Class are the Settling Defendants and each and all of the Settling Defendants’ Related Parties, Donald J. Carter, and those persons who timely and validly request exclusion from the Settlement Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action; and

WHEREAS, this Court held a hearing on the fairness of the terms and conditions of the Settlement on March 20, 2015, at which time all Settlement Class members were provided with an opportunity to be heard; and

WHEREAS, the Order and Final Judgment Approving Class Action Settlement and Plan

of Allocation (the “Settlement Order” or “Final Judgment”) entered by this Court on April 9, 2015 approved the Settlement, finding, *inter alia*, that the Settlement Agreement was entered into in good faith, that the Settlement was fair, reasonable, and adequate to the Settlement Class and its members, and that the notice to the Settlement Class satisfied the requirements of Rules 11 and 23 of the Federal Rules of Civil Procedure and the Private Securities Litigation Reform Act of 1995 (the “PSLRA”); and

WHEREAS, the Settlement Order awarded counsel for plaintiffs, out of the \$2.6 million Settlement Fund, \$715,000 in fees and \$118,158.94 in reimbursement of expenses, leaving \$1,660,768.77, as of September 30, 2015, which includes interest earned on the account, less taxes paid and accrued through September 30, 2015, plus interest earned net of taxes paid and accrued after September 30, 2015 (the “Net Settlement Fund”); and

WHEREAS, this Court reserved continuing and exclusive jurisdiction over the parties and the Settlement Class members, without in any way affecting the finality of the Settlement Order or the Final Judgment, for all matters relating to this Action, including the administration, consummation, interpretation, effectuation, or enforcement of the Settlement Agreement and the Settlement Order and the Final Judgment, and for any other reasonably necessary purpose, including any application for fees and expenses incurred in connection with administering and distributing the Net Settlement Fund to the members of the Class (“Authorized Claimants”); and

WHEREAS, Lead Counsel, Wolf Haldenstein Adler Freeman & Herz LLP, and its settlement administrator, Garden City Group, LLC (“GCG”), have now completed all steps required for the administration, review, processing, and validation of claims set forth in the Settlement Agreement, and have calculated, pursuant to the terms of the plan of allocation set forth in the Settlement Agreement and approved by this Court, the number of valid and complete

Proof of Claim forms submitted, and the total Recognized Loss (as that term is defined in Section VI, Paragraph 4 of the Notice of Pendency of Class Action, Proposed Settlement and Settlement Hearing (the “Notice”)) for each authorized claimant; and

WHEREAS, Lead Counsel and GCG have reported to this Court in Lead Counsel’s Declaration in Support of Entry of the Settlement Distribution Order, dated October 19, 2015, and the Affidavit of Stephen J. Cirami of GCG (the “Cirami Affidavit”), dated September 18, 2015, on the administration, review, processing, validation and calculation of claims, and have provided a final report listing all valid and complete claims, with the Recognized Loss for each, and all rejected claims, with the reason for each rejection; and

WHEREAS, Lead Counsel has applied to this Court for approval of the distribution of the Net Settlement Fund pursuant to the terms and conditions of the Settlement Agreement; and

WHEREAS, Lead Counsel has paid a total of \$107,634.51 to GCG in settlement administration fees and expenses to date, and has applied to this Court for approval of the payment to GCG from the Net Settlement Fund of the remaining \$64,670.04 in fees and expenses for settlement administration; and

WHEREAS, this Court has duly considered all the submissions presented with respect to the foregoing,

GOOD CAUSE APPEARING, THE COURT HEREBY ORDERS, FINDS, CONCLUDES, ADJUDGES AND DECREES THAT:

1. The Court Finds that the procedures and methods utilized in the administration of the Settlement and the review, processing, validation, and calculation of claims submitted by claimants fully complied with the notice and administration provisions and the plan of allocation set forth in Section VI, Paragraph 4 of the Notice and as approved by this Court in the Settlement

Order and Final Judgment.

2. The Court directs Lead Counsel to pay all taxes owed by the Net Settlement Fund from the Net Settlement Fund, including the tax incurred on interest earned by the Net Settlement Fund, and to continue their efforts to resolve any disputes outstanding or that may arise with the Internal Revenue Service in a manner they determine, in their discretion, is most beneficial to the Net Settlement Fund.

3. The Court allows all complete and valid claims, including those filed timely (which are listed in Exhibit B-1 to the Cirami Affidavit) and those otherwise authorized but received late (which are listed in Exhibit B-2 to the Cirami Affidavit), and directs payment from the proceeds of the Net Settlement Fund, after payment of all administrative fees and expenses allowed herein and taxes due or owing, to such Authorized Claimants on a pro rata basis in accordance with their Recognized Loss.

4. The checks for distribution to the Authorized Claimants shall bear the notation “CASH PROMPTLY. VOID AND SUBJECT TO RE-DISTRIBUTION IF NOT CASHED WITHIN [90] DAYS AFTER ISSUE DATE,” or words of similar import.

5. The Court finds that the Class members listed in Exhibit B-3 to the Cirami Affidavit, whose claims were rejected and/or determined to be ineligible, have been given a fair and reasonable opportunity to object to and/or appeal the rejection of all or part of their claims, and directs that all such claims are rejected. Such Class members were previously advised of the rejection of their claims, and no further notice is required.

6. The Court directs Lead Counsel, together with GCG, to continue administration of the Settlement pursuant to the Settlement Agreement, the Final Judgment, and this Order.

7. The Court directs GCG to attempt to locate Authorized Claimants whose

distribution checks are returned or remain uncashed by telephoning Authorized Claimants at the numbers provided in the Authorized Claimants' original claim forms, if any, and, if such calls are unsuccessful in locating Authorized Claimants, to use other ordinary and reasonable means to attempt to locate Authorized Claimants, and, to the extent Authorized Claimants are located, GCG shall distribute to those Authorized Claimants where possible and appropriate.

8. The Court directs Lead Counsel to cause the escrow agent to retain the balance of any undistributed funds in the Settlement Fund, the proceeds of any returned or uncashed checks or any tax refunds that may be obtained, and any interest thereon, in an account or fund as provided in the Settlement Agreement until distribution is made pursuant to paragraph 10 of this Order.

9. The request of GCG for payment of its fees and expenses incurred and expected to be incurred in administration of the Settlement of \$64,670.04 is approved. Lead Counsel is directed to pay such amount to GCG from the Net Settlement Fund.

10. If feasible, six (6) months after the date of distribution of the Net Settlement Fund, to the extent there is any balance remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), GCG shall reallocate such balance, in an equitable and economic fashion, among Authorized Claimants who cashed or deposited the checks in the Initial Distribution. Thereafter, any balance that still remains in the Net Settlement Fund shall be distributed to the Legal Aid Society of Middle Tennessee and the Cumberlands. *See* Stipulation of Settlement § 5.7.

11. All persons involved in the review, validation, calculation or any other aspect of the processing of the claims filed in the Action, or otherwise involved in the administration of the Net Settlement Fund, are released and discharged from any and all claims arising out of such

involvement, and all Class members, whether or not they have submitted claims or are to receive payment from the Net Settlement Fund, are barred from making any further claim against the Net Settlement Fund or the released persons beyond the amount allocated to them pursuant to this Order.

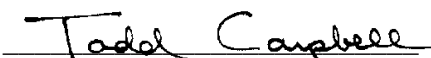
12. Lead Counsel and GCG are authorized to discard paper or hard copies of the Proof of Claim forms and other materials one year after the initial distribution of the Net Settlement Fund to eligible claimants, and electronic or magnetic media data three years after the initial distribution of the Net Settlement Fund to eligible claimants.

13. This Order is final for purposes of appeal and may be appealed notwithstanding other matters presently pending, and the Clerk is hereby directed to enter judgment thereon. Certification under Rule 54(b) of the Federal Rules of Civil Procedure will not result in unnecessary appellate review, nor will review of the adjudicated claims moot any further developments in this Action. Even if subsequent appeals are filed, the nature of those claims is such that the appellate court would not have to decide the same issues more than once. The reservation of jurisdiction by this Court in this matter does not in any way affect the finality of this Order.

14. This Order shall in no way disturb or affect the Final Judgment and shall be separate and apart from the Final Judgment.

15. This Court continues to reserve jurisdiction over all matters relating to the consummation of the Settlement in accordance with the Settlement Order and the Final Judgment.

Dated: October __, 2015


Honorable Todd J. Campbell
United States District Judge