

IN CIRCUIT COURT FOR BALTIMORE CITY,
MARYLAND

STERNHEIM FAMILY TRUST,
Plaintiff,

v.

HOME FEDERAL BANCORP, INC., et al.,
Nominal Defendant,

And

DANIEL L. STEVENS, NORMAN CHARLES HEDEMARK, BRAD J.
LITTLE, RICHARD J. NAVARRO, JAMES R. STAMEY, ROBERT A.
TINSTMAN, and LEN E. WILLIAMS,
Defendants.

Case No. 24c13006763

**NOTICE OF PENDENCY OF CLASS ACTION, CLASS ACTION DETERMINATION, PROPOSED SETTLEMENT OF
CLASS ACTION, SETTLEMENT HEARING AND RIGHT TO APPEAR**

TO: ALL OWNERS OF HOME FEDERAL BANCORP, INC. (NASDAQ:HOME) COMMON STOCK, EITHER OF RECORD OR BENEFICIALLY, RESTRICTED OR UNRESTRICTED, AND THEIR SUCCESSORS IN INTEREST AT ANY TIME BETWEEN AND INCLUDING OCTOBER 23, 2013 (THE ANNOUNCEMENT DATE OF THE MERGER AGREEMENT) AND MAY 16, 2014 (THE DATE OF THE CONSUMMATION OF THE MERGER), EXCLUDING DEFENDANTS AND THEIR RESPECTIVE IMMEDIATE FAMILY MEMBERS, ENTITIES IN WHICH THEY HAVE OR HAD A CONTROLLING INTEREST AND AFFILIATES, THEIR OFFICERS AND DIRECTORS, AND THE RESPECTIVE LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS IN INTEREST, PREDECESSORS, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES OF ANY SUCH EXCLUDED PERSONS.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF A LAWSUIT AND CONTAINS IMPORTANT INFORMATION. YOUR RIGHTS WILL BE AFFECTED BY THESE LEGAL PROCEEDINGS. IF THE COURT APPROVES THE PROPOSED SETTLEMENT OF THIS LAWSUIT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS, AND ADEQUACY OF THE PROPOSED SETTLEMENT AND RELATED MATTERS, AND FROM PURSUING THE RELEASED CLAIMS (AS DEFINED HEREIN).

IF YOU WERE NOT THE BENEFICIAL OWNER OF COMMON STOCK OF HOME FEDERAL BANCORP, INC. BUT HELD SUCH STOCK FOR A BENEFICIAL OWNER, PLEASE TRANSMIT THIS DOCUMENT PROMPTLY TO SUCH BENEFICIAL OWNER.

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The Purpose of this Notice

This Notice, which is sent pursuant to Maryland Rule 2-231 and pursuant to an Order of the Circuit Court for Baltimore City, Maryland (the "Court")¹ entered in the above-captioned action, describes the proposed settlement of a putative class action lawsuit against Daniel L. Stevens; Len E. Williams; Norman Charles Hedemark; Robert A. Tinstman; James R. Stamey; Brad J. Little and Richard J. Navarro (collectively, the "Board") and Home Federal Bancorp, Inc. ("Home" or the "Company") (collectively, the "Defendants") about a transaction wherein Cascade Bancorp ("Cascade") would acquire Home in a cash and stock transaction (the "Merger").

The lawsuit (defined below as the "Action") is brought on behalf of a proposed class consisting of all owners of Home's common stock, either of record or beneficially, restricted or unrestricted, and their successors in interest at any time between and including October 23, 2013 (the announcement date of the Merger Agreement, defined below) and May 16, 2014 (the date of the consummation of the Merger) ("Class Period"), excluding Defendants and their respective immediate family members, entities in which they have or had a controlling interest and affiliates, their officers and directors, and the

¹ Capitalized terms not otherwise defined herein shall have the meaning given to them in Stipulation of Settlement executed by the parties on December 15, 2014 (the "Stipulation").

respective legal representatives, heirs, successors in interest, predecessors, trustees, executors, administrators, heirs, assigns or transferees of any such excluded persons (the "Settlement Class").

The purpose of this Notice is to inform you of a proposed settlement (the "Settlement") of the Action and of a hearing to be held before the Court on March 12, 2015, at 9:30 a.m. (the "Settlement Hearing") at the Courthouse East, 111 N. Calvert Street, Baltimore, Maryland 21202. The purpose of the Settlement Hearing is to determine: (a) whether the Court should permanently certify the Settlement Class for purposes of the Settlement; (b) whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, reasonable, adequate, and in the best interests of the Settlement Class and should be finally approved by the Court; (c) whether the Order and Final Judgment provided for in the Stipulation should be ordered thereon; (d) whether the Court should grant the application of Plaintiff's Counsel (defined below) for an award of attorneys' fees and reimbursement of litigation expenses; and (e) such other matters as the Court may deem appropriate.

If you are a member of the Settlement Class, this Notice will inform you of how, if you so choose, you may enter your appearance in the Action or object to the proposed Settlement and have your objection heard at the Settlement Hearing.

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THIS ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH TO TAKE IN RELATION TO THIS ACTION.

Background and Description of the Action

On October 23, 2013, Home announced that the Board had unanimously approved and authorized Home to enter into a definitive merger agreement ("Merger Agreement"), pursuant to which Cascade would acquire Home in a cash and stock transaction (the "Merger"). The Merger Agreement contemplates that all of the issued and outstanding shares of Home's common stock will be cancelled and converted into 24,309,066 shares of Cascade stock and \$120,800,000 in cash, plus or minus the amount by which Home's closing tangible stockholders' equity as of the last day of the calendar month preceding the effective time of the Merger (as described in the Merger Agreement) is above or below \$168,100,000, minus the aggregate cash paid to holders of Home stock options in the Merger, and minus the amount of Home's costs related to the Merger exceed \$18,000,000 (as described in the Merger Agreement). The Merger was valued at approximately \$265.7 million, or approximately \$17.83 per common share of Home stock outstanding immediately prior to the execution of the Merger Agreement.

On November 8, 2013, Plaintiff commenced the Action on behalf of itself and all similarly situated Home stockholders by filing a putative class action complaint against the Defendants challenging the Merger and alleging, *inter alia*, that the Board breached its fiduciary duties by approving the Merger Agreement and agreeing to the Merger. On November 18, 2013, Plaintiff served the Defendants in the Action with a copy of Plaintiff's First Request for Production of Documents and Things to All Defendants ("Document Requests").

On December 16, 2013, Cascade filed a Joint Preliminary Proxy Statement/Prospectus on Form S-4 with the Securities and Exchange Commission ("SEC") concerning the Merger (as amended, the "Preliminary Proxy"). On January 6, 2014, following a review and analysis of the Preliminary Proxy and consultation with its retained financial expert, Plaintiff filed an amended class action complaint in the Action (the "Amended Complaint"). In the Amended Complaint, Plaintiff alleged, *inter alia*, that members of the Board breached their fiduciary duties by: (i) undertaking a process leading up to the execution of the Merger Agreement with Cascade that was inadequate and flawed and which failed to maximize stockholder value; (ii) including deal protection devices in the Merger Agreement that allegedly dissuaded the likelihood of the emergence of competitive bidders; and (iii) failing in the Preliminary Proxy to disclose to the Company's stockholders all material facts and/or providing misleading information regarding the Merger, information purportedly necessary for Home stockholders to make a fully informed decision how to vote on the Merger, including, among other things, information regarding the financial analysis performed by Keefe, Bruyette & Woods ("KBW"), the Company's financial advisor.

Following the filing of the Amended Complaint, Plaintiff and Defendants met and conferred numerous times concerning, among other things, Defendants' response to Plaintiff's Document Requests. The Parties ultimately negotiated an informal exchange of discovery pursuant to Maryland Rule of Evidence 5-408 to be produced on an expedited, confidential basis in lieu of engaging in motion practice concerning expedited discovery. The Parties also negotiated and entered into a stipulated protective order, which the Court entered on January 30, 2014 (the "Stipulated Protective Order"). Pursuant to the Stipulated Protective Order and the Parties' agreement concerning the scope of expedited discovery, on or about February 3, 2014, counsel for Defendants ("Defendants' Counsel") commenced a rolling production

to counsel for Plaintiff ("Plaintiff's Counsel") of non-public internal documents, including, among other things, minutes of meetings of the Board concerning the Merger and written presentations made to the Board by KBW.

Following the review and analysis of Home's and KBW's internal documents and further analysis of the Preliminary Proxy in conjunction with Plaintiff's retained financial expert, Plaintiff identified certain additional information that it believes had been improperly omitted from the Preliminary Proxy, and that in its view required disclosure prior to the Stockholder Vote to permit Home stockholders to make a fully informed decision as to whether to vote in favor of the Merger. During this time, Plaintiff, in conjunction with its expert, continued to evaluate, among other things, the fairness of the Merger consideration being provided to Home stockholders in conjunction with the Merger and whether the Home Board breached its fiduciary duties in entering into the Merger Agreement.

By letter of February 6, 2014, Plaintiff made a written settlement demand on Defendants, which included numerous requests for supplemental disclosures to Home's stockholders regarding the Merger (the "Demand"). The Parties engaged in further discussions concerning the requests made in the Demand. On February 20, 2014, during the foregoing extensive arm's length negotiations between the Parties' counsel, Cascade filed its second amendment to the Preliminary Proxy containing limited correction of typographical errors ("Second Amended Preliminary Proxy"). The Parties discussed and acknowledged that following the filing of the Second Amended Preliminary Proxy, additional amendments to the Preliminary Proxy could be filed prior to the filing and submission of Cascade's definitive proxy statement (the "Definitive Proxy") that, among other things, could include additional information that addressed and cured the allegedly material omissions and/or misrepresentations identified by Plaintiff.

Counsel for the Parties continued their discussions concerning ways to address Plaintiff's demands and eventually negotiated a potential settlement of the Action, reaching an agreement in principle, set forth in a Memorandum of Understanding ("MOU"), which the Parties executed effective April 2, 2014. On April 3, 2014, according to the agreement set forth in the MOU, Cascade filed a third amendment to the Preliminary Proxy ("Third Amended Preliminary Proxy") containing supplemental disclosures concerning the Merger which, in conjunction with certain additional disclosures made in the Second Amended Preliminary Proxy, form the basis of the resolution of the Action (the "Supplemental Disclosures"). On April 11, 2014, Home filed its Definitive Proxy with the SEC.

Pursuant to the MOU, to allow Plaintiff to confirm the fairness, reasonableness and adequacy of the proposed Settlement, Defendants agreed to, *inter alia*, provide Plaintiff with additional reasonable discovery, including depositions of a representative of Home and a representative of KBW (the "Confirmatory Discovery"). Plaintiff thereafter provided Defendants with a Confirmatory Discovery document request, and, following extensive negotiations between the Parties concerning the nature and scope of Confirmatory Discovery, Defendants produced additional confidential, non-public documents relevant to Plaintiff's claims set forth in the Amended Complaint, including additional internal email concerning the Merger. Moreover, as part of the negotiated Confirmatory Discovery, Plaintiff deposed Patricia McJoynt, Managing Director at KBW and lead banker on the Home Federal engagement, and Len E. Williams, Chief Executive Officer and Chairman of the Board of Home on April 30, 2014 and May 5, 2014, respectively.

Following a careful and thorough review of the non-public documents Defendants produced since February 3, 2014 and consideration of the deposition testimony, Plaintiff's Counsel has determined that further Confirmatory Discovery is not warranted and the terms of the proposed Settlement are fair, reasonable and adequate, and in the best interest of the members of the Settlement Class, given (i) the substantial benefits that Plaintiff and the members of the Settlement Class will receive from resolution of the Action as against the Defendants, (ii) the attendant risks of litigation, and (iii) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

Accordingly, the Parties determined to enter into the Stipulation, which sets forth the terms and conditions of the Settlement. The Settlement set forth herein reflects the results of the Parties' vigorous arm's-length negotiations and the material terms of the MOU. During the negotiations of the MOU and this Stipulation, the Parties were represented by counsel with extensive experience and expertise in shareholder class action litigation. During the negotiations, all Parties had a clear view of the strengths and weaknesses of their respective claims and defenses. Plaintiff and its counsel have concluded that the Supplemental Disclosures provided Home's shareholders with material information sufficient to make a fully-informed decision with respect to whether or not to approve the Merger.

On January 16, 2015, the Court entered an order preliminarily approving the settlement; preliminarily certifying the Settlement Class; entering an injunction against the commencement or prosecution of any action by any member of the Settlement Class asserting any of the claims subject to the Settlement of the Action; approving in substance the form of this Notice; and scheduling a Settlement Hearing on, among other things, the final approval of the Settlement and the final certification of the class.

Reasons for the Settlement

Plaintiff and Plaintiff's Counsel believe that they brought their claims in good faith and that the claims asserted in the Action have merit. However, Plaintiff's Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial and through appeals. Plaintiff's Counsel have also taken into account the uncertain outcome and the risk of any litigation, especially in a complex matter such as the Action, as well as the difficulties and delays inherent in such litigation. Plaintiff's Counsel are also mindful of the inherent problems of proof and possible defenses to the claims asserted in the Action. Plaintiff's Counsel believe that the Settlement set forth in this Stipulation confers substantial benefits upon the Settlement Class and the Company. Based on their evaluation, Plaintiff and Plaintiff's Counsel have determined that the Settlement set forth in the Stipulation is fair, reasonable and adequate, and in the best interests of the Settlement Class and Home.

Defendants have denied and continue to deny each and all of the claims and contentions alleged by the Plaintiff in the Action. Defendants have expressly denied and continue to deny all charges of wrongdoing or liability against them as alleged in the complaints in the Action, and specifically deny that the Merger materials provided to Home's stockholders were incomplete or in any way misleading, that any additional disclosure was required under the SEC rules, Maryland law or other applicable legal principle, or that any additional disclosures were material. Further, Defendants have denied and continue to deny that they have committed or aided and abetted in the commission of any wrongdoing, violation of law, or breach of duty to Home, Plaintiff, the Settlement Class (defined below), or anyone in connection with the Settled Claims and the subject matter thereof, including the Merger and the disclosures to Home's shareholders in connection therewith. Defendants also have denied and continue to deny, *inter alia*, the allegations that the Plaintiff or the Settlement Class have suffered damage or that the Plaintiff or the Settlement Class were harmed by the conduct alleged in the Action. Defendants expressly maintain that they diligently and scrupulously complied with all of their fiduciary, disclosure and other legal duties.

Nevertheless, Defendants entered into the Settlement solely to eliminate the distraction, burden and expense of further litigation. Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially a complex case like the Action. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in the Stipulation. Without admitting any wrongdoing, Defendants acknowledge that the filing and prosecution of the Action, and discussions and negotiations with Plaintiff's Counsel were the principal causes of their decision to make the Supplemental Disclosures.

Settlement Terms

As a result of, among other things, discussions between and among the Parties, it is agreed that, in consideration for the settlement and release of all Settled Claims (including Unknown Claims), Home included the Supplemental Disclosures, as shown in redline, into amendments to the Preliminary Proxy in the form attached hereto as Exhibits A-1 and A-2, which were filed with the SEC on February 20, 2014 and April 3, 2014, respectively.

Without admitting any wrongdoing, Defendants acknowledge that the filing and prosecution of the Action and arm's-length discussions and negotiations with Plaintiff's Counsel were principal causes of their decision to make the Supplemental Disclosures.

The Settlement Hearing and Your Right to Appear and Object

The Settlement Hearing shall be held on March 12, 2015, at 9:30 a.m. at the Courthouse East, 111 N. Calvert Street, Baltimore, Maryland 21202 to determine: (a) whether the Court should certify the Settlement Class for purposes of the Settlement; (b) whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation of Settlement (the "Stipulation") is fair, reasonable, adequate, and in the best interests of the Settlement Class and should be approved by the Court; (c) whether the Order and Final Judgment provided for in the Stipulation should be ordered thereon; (d) whether the Court should grant the application of Plaintiff's Counsel for an award of attorneys' fees and reimbursement of litigation expenses; and (e) such other matters as the Court may deem appropriate.

The Court has reserved the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof.

The Court has reserved the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Parties to the Stipulation and without further notice to the Settlement Class.

Any member of the Settlement Class who objects to the Settlement, the Order and Final Judgment to be entered in the Action as provided in the Stipulation, and/or Plaintiff's Counsel's application for attorneys' fees and reimbursement of

litigation expenses(described below), or who otherwise wishes to be heard, may appear in person or by his or her attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown, no person shall be heard and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless not later than seven (7) calendar days prior to the Settlement Hearing such person files with the Court and serves upon counsel listed below: (a) a written notice of intention to appear; (b) a statement of such person's objections to any matters before the Court; and (c) the grounds for such objections and the reasons that such person desires to appear and be heard, including documentation evidencing membership in the Settlement Class, as well as all documents or writings such person desires the Court to consider. Such filings shall be filed with the Court and served upon the following counsel:

Richard A. Acocelli
WeissLaw LLP
1500 Broadway, 16th Floor
New York, New York 10036
Attorneys for Plaintiff

Anthony J. O'Malley
VORYS, SATER, SEYMOUR AND PEASE LLP
200 Public Square, Suite 1400
Cleveland, Ohio 44114-2327
*Attorneys for Defendants Daniel L. Stevens;
Norman Charles Hedemark; Brad J. Little;
Richard J. Navarro; James R. Stamey; Robert
A. Tinstman; and Len E. Williams*

William F. Ryan
WHITEFORD TAYLOR PRESTON LLP
Seven St. Paul Street
Baltimore, MD 21201-1636
*Attorney for Defendant Home Federal
Bancorp, Inc.*

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, the adequacy of the representation of the Settlement Class by Plaintiff and Plaintiff's Counsel, any award of attorneys' fees, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described above. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this or any other action or proceeding. Any member of the Settlement Class who does not object to the Settlement or the request by Plaintiff's Counsel for an award of attorneys' fees and expenses or to any other matter stated above need not do anything.

The Order and Final Judgment

If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate and in the best interests of the Settlement Class, the parties to the Action will ask the Court to enter an Order and Final Judgment, which will, among other things:

- a. approve the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class and direct consummation of the Settlement in accordance with its terms and conditions;
- b. permanently certify a non-opt out Settlement Class pursuant to Maryland Rules 2-231(a), 2-231(b)(1), and 2-231(b)(2) and designate Plaintiff as the class representative with Plaintiff's Counsel as class counsel;
- c. determine that the requirements of the rules of the Court and due process have been satisfied in connection with this Notice;
- d. dismiss the Action with prejudice on the merits and grant the releases more fully described below in accordance with the terms and conditions of the Stipulation;
- e. permanently bar and enjoin Plaintiff and all members of the Settlement Class from instituting, commencing, or prosecuting any of the Released Claims against any of the Released Persons (as defined below); and
- f. address any award of attorneys' fees and expenses to Plaintiff's Counsel.

Releases

The Stipulation provides that upon Court Approval of the Settlement and in consideration of the benefits provided by the Settlement:

- a. Plaintiff and all members of the Settlement Class shall be deemed to have, and by operation of the law and Order and Final Judgment shall have, fully, finally and forever settled, released, discharged, extinguished and dismissed with prejudice, completely, individually and collectively, any and all claims, demands, rights, causes of action, liabilities, damages, losses, obligations, judgments, duties, suits, costs, expenses, matters and issues known or Unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, foreseen or unforeseen, matured or unmatured, accrued or unaccrued, apparent or unapparent, that have been,

could have been, or in the future can or might be asserted in the Action or in any other court, tribunal or proceeding (including but not limited to any claims arising under federal, state, foreign analysis, opinion or common law, including the federal securities laws and any state's disclosure law) by or on behalf of Plaintiff, the Company (whether by the Company or any shareholder or other Person derivatively on behalf of the Company), or any Settlement Class members in their capacity as shareholders, whether individual, direct, class, derivative, representative, legal, equitable, or any other type or in any other capacity against any of the Released Persons, from the beginning of time up to and including the Effective Date, which have arisen, could have arisen, arise now or hereafter may arise out of or relate in any manner to the acts, events, facts, matters, transactions, occurrences, statements, disclosures, representations, misrepresentations or omissions or any other matter whatsoever set forth in or otherwise related, directly or indirectly, to: (a) the allegations in the Action, (b) the Merger, the Merger Agreement or the transactions contemplated therein (including the adequacy and completeness of the disclosures, statements or representations relating thereto); (c) the conduct of KBW including, without limitation, its investigation, analysis, opinion and recommendations, (d) disclosures, statements or representations made in connection with the Preliminary Proxy, Definitive Proxy, and any amendments thereto or in any other SEC filings related to the Merger and made during the Class Period; (e) the events leading to the Merger; (g) the negotiations in connection with the Merger; (f) any agreements relating to the Merger, and any compensation or other payments made to any of the Defendants in connection with the Merger; (g) any alleged aiding and abetting arising from any of the foregoing; or (h) any and all conduct by any of the Defendants or any of the other Released Parties arising out of or relating in any way to the negotiation or execution of the MOU or the Stipulation (collectively, the "Settled Claims"); provided, however, that the Settled Claims shall not include any claims to enforce the Settlement (including Unknown Claims) against (i) Home and any and all of its current or former parents, affiliates (including subsidiaries thereof), subsidiaries, predecessors and successors, as well as any and all of its or their current or former officers, directors, managers, employees, trustees, agents, insurers, reinsurers, attorneys, auditors, accountants, assigns, creditors, administrators, heirs, estates and legal representatives or transferees and any person acting or entity for or on behalf of any of them (including investment bankers, auditors, accountants, trustees, insurers, reinsurers and attorneys) and (ii) the Individual Defendants, and any and all of their respective current or former immediate family members, marital communities, predecessors, agents, insurers, reinsurers, attorneys, auditors, accountants, successors, assigns, creditors, administrators, heirs, estates and legal representatives (collectively, the "Released Persons"). Plaintiff further covenants on its own behalf and on behalf of the Settlement Class not to sue any Released Persons on the basis of any of the Settled Claims or to cause, facilitate, instigate or assist any person to commence or maintain any suit relating to any Settled Claim, including any derivative or class action suit, whether as a claim, cross claim, a counterclaim or otherwise, provided, however, that Plaintiff and the Settlement Class retain the right to pursue claims to enforce the Settlement.

- b. Upon the Effective Date (as defined in the Stipulation), each of the Released Persons shall be deemed to have, and by operation of the law and Judgment shall have, fully, finally and forever settled, released, discharged, extinguished and dismissed with prejudice, completely, individually and collectively, Plaintiff, Plaintiff's Counsel and members of the Settlement Class, from all claims, including Unknown Claims, based upon or arising out of the commencement, prosecution, settlement or resolution of the Action or the Settled Claims; provided, however, that such release shall not affect any claims to enforce the terms of this Stipulation or the Settlement. "Unknown Claims" means (i) any and all Settled Claims that Plaintiff and/or Settlement Class member, and each of their agents or attorneys, or their current or former officers, directors or employees, do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons, or (ii) any claims that the Defendants, and each of their agents or attorneys, or their current or former officers, directors or employees, do not know or suspect to exist in their favor against Plaintiff or Plaintiff's Counsel, or against the Settlement Class members, which, if known by them, might have affected their settlement with the Plaintiff, or might have affected their decision not to object to this Settlement or not exclude themselves from the Settlement Class.
- c. Plaintiff and Defendants, and each Settlement Class member shall be deemed to have waived, and by operation of the Final Order and Judgment shall have expressly waived, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by Cal. Civ. Code § 1542 and analogous statutes, and any law of any state or territory of the United States, or principle of common law, or the law of any foreign jurisdiction, that 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.

Plaintiff and Settlement Class members may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Settled Claims, but Plaintiff and each

Settlement Class member by operation of the law and Order and Final Judgment shall be deemed to have fully, finally and forever settled and released any and all Settled Claims, known or Unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties acknowledge, and Settlement Class members by law and operation of the Judgment shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims against Home and the Individual Defendants was separately bargained for and was a material element of the Settlement and was relied upon by each and all of the Parties entering into the Stipulation.

Application for Attorneys' Fees and Expenses

Plaintiff intends to apply for an award of attorneys' fees and reimbursement of litigation related expenses in the amount of \$340,000 as compensation for achieving the benefits conferred upon the Class as a result of the prosecution and resolution of the Action, subject to and conditioned upon entry of the Order and Final Judgment (the "Fee Petition"). Defendants shall not oppose or object to an aggregate fee award up to and including that amount.

Subject to the terms and conditions of the Stipulation and any order of the Court, Home, or its successor(s) or insurer(s), agrees to pay, on behalf of all Defendants, the amount of attorneys' fees and expenses awarded by the Court to Plaintiff's Counsel in the Action. Payment of attorneys' fees and expenses will in no way reduce the consideration received by Home stockholders in connection with the Merger described herein.

At no time prior to the completion of Confirmatory Discovery and Plaintiff's Counsel's determination that such discovery further confirmed the fairness, adequacy and reasonableness of the proposed Settlement, were there any discussions or agreements between the Parties regarding the Fee Petition.

The Court may consider and rule upon the fairness, reasonableness and adequacy of the Settlement independently of any award of attorneys' fees and expenses. The Settlement is in no way contingent upon an award of attorneys' fees and expenses.

Notice to Persons or Entities That Held Ownership On Behalf of Others

Brokerage firms, banks and/or other persons or entities who held shares of the common stock of Home during the Class Period from and including October 23, 2013 (the announcement date of the Merger Agreement) and May 16, 2014 (the date of the consummation of the Merger), for the benefit of others are requested promptly to send this Notice to all of their respective beneficial owners. If additional copies of the Notice are needed for forwarding to such beneficial owners, any requests for such copies may be made to:

Home Federal Bancorp, Inc. Settlement
c/o GCG
PO Box 9349
Dublin, OH 43017-4249

Scope of this Notice and Additional Information

This Notice is not all-inclusive. The references in this Notice to the pleadings in the Action, the Stipulation and other papers and proceedings are only summaries and do not purport to be comprehensive. For the full details of the Action, the claims that have been asserted by the parties and the terms and conditions of the Settlement, including a complete copy of the Stipulation and related Orders and proposed forms of Orders, members of the Settlement Class are referred to the Court files for the Action.

Any questions you or your counsel have concerning this Notice may be directed to Plaintiff's Counsel: Richard A. Acocelli, WeissLaw LLP, 1500 Broadway, 16th Floor, New York, NY 10036.

PLEASE DO NOT WRITE OR CALL THE COURT.

BY ORDER OF THE CIRCUIT COURT
FOR BALTIMORE CITY, MARYLAND