

UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF PENNSYLVANIA

UTAH RETIREMENT SYSTEMS,

Plaintiff,

v.

Case No. 2:19-cv-01227-ER

HEALTHCARE SERVICES GROUP, INC.,  
DANIEL P. MCCARTNEY, THEODORE WAHL,  
JOHN C. SHEA, and MATTHEW J. MCKEE,

Defendants.

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT, FINAL APPROVAL HEARING,  
AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES

**IF YOU PURCHASED HEALTHCARE SERVICES GROUP, INC. COMMON STOCK DURING THE PERIOD  
BEGINNING APRIL 8, 2014, THROUGH FEBRUARY 9, 2021, YOU MAY BE  
ENTITLED TO PAYMENT FROM A CLASS ACTION SETTLEMENT.**

*A Federal Court authorized this Notice. This is not a solicitation from a lawyer.  
This is not a notice that you have been sued.*

**Notice of Pendency of Class Action:** Please be advised that your rights may be affected by the above-captioned securities class action (the “Action”) pending in the United States District Court for the Eastern District of Pennsylvania (the “Court”), if, during the period from April 8, 2014 through and including February 9, 2021 (“Settlement Class Period”), you purchased or otherwise acquired common stock of Healthcare Services Group, Inc. (“HCSG” or the “Company”).<sup>1</sup>

**Notice of Settlement:** Please also be advised that the Court-appointed Lead Plaintiff, Utah Retirement Systems (“URS” or “Lead Plaintiff”), on behalf of itself and the Settlement Class (as defined in question number 5 below), have reached a proposed settlement of the Action for \$16,800,000 in cash (“Settlement”).

**PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of a payment from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act. If you have questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact the Court, HCSG, the other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see question number 7 below).**

**Description of the Action and the Settlement Class:** The Settlement, which is subject to Court approval, resolves this Action – a class action brought in federal court by Lead Plaintiff URS, on behalf of itself and others who purchased or otherwise acquired HCSG common stock during the Settlement Class Period, over whether HCSG and its current and/or former executive officers Daniel P. McCartney, Theodore Wahl, John C. Shea, and Matthew J. McKee (“Individual

<sup>1</sup> All capitalized terms used in this Notice are defined in the Stipulation and Agreement of Settlement, dated June 29, 2021 (the “Stipulation”), available for download at [www.HCSGSecuritiesLitigation.com](http://www.HCSGSecuritiesLitigation.com). For convenience, certain capitalized terms are also defined in this Notice. To the extent there is any conflict between the definitions of capitalized terms in this Notice and the Stipulation, the definition in the Stipulation controls.

Defendants”) (HCSG and the Individual Defendants are collectively referred to as “Defendants”) artificially inflated and/or maintained the price of the Company’s stock by altering its financial results to meet or exceed analysts’ consensus quarterly earnings per share targets. The Settling Parties disagree on both liability and damages and do not agree on the amount of damages that would be recoverable if the Settlement Class prevailed on each claim alleged. Defendants deny that they are liable to the Settlement Class and deny that the Settlement Class has suffered any damages. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in question number 5 below.

**Statement of the Settlement Class’s Recovery:** Subject to Court approval, Lead Plaintiff, on behalf of itself and the Settlement Class, has agreed to settle the Action in exchange for \$16.8 million in cash (the “Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the “Settlement Fund”) less (i) any Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; (iv) any attorneys’ fees awarded by the Court; and (v) any other costs or fees approved by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the “Plan of Allocation”) is set forth at pages 12 to 15 below. The Plan of Allocation will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class.

**Estimate of Average Amount of Recovery:** Based on Lead Plaintiff’s consulting damages expert’s estimate of the number of shares of HCSG common stock purchased or otherwise acquired during the Class Period that may have been affected by the conduct at issue in the Action, and assuming that all Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses, and costs described herein) is \$0.28 per affected common share. Settlement Class Members should note, however, that the average recoveries provided herein are only estimates. Some Settlement Class Members may recover more or less than these estimated amounts depending on, among other factors, when and at what price they purchased or otherwise acquired or sold their HCSG stock, and the total number and value of valid Claim Forms submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation as set forth herein (*see* pages 12 to 15 below) or such other plan of allocation as may be ordered by the Court.

**Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of their conduct.

**Attorneys’ Fees and Litigation Expenses Sought:** Lead Counsel, Berman Tabacco, has been prosecuting the Action on a wholly contingent basis since its appointment as Lead Counsel on June 17, 2019, and has not received any payment of attorneys’ fees for its representation of the Settlement Class, and has advanced the funds to pay expenses necessarily incurred to prosecute this Action. Lead Counsel will apply to the Court for an award of attorneys’ fees in an amount not to exceed 25% of the Settlement Fund. In addition, Lead Counsel will apply for the payment of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the Action in an amount not to exceed \$550,000, which may include an application for reimbursement of reasonable costs and expenses incurred by Lead Plaintiff directly related to their representation of the Settlement Class, pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”). Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. The estimated average cost for such fees and expenses, if the Court approves Lead Counsel’s fee and expense application, is \$0.08 per affected common share.

**Identification of Attorneys’ Representative:** Lead Plaintiff and the Settlement Class are represented by Patrick T. Egan, Esq. of Berman Tabacco, One Liberty Square, Boston, MA 02109; 1-617-542-8300; law@bermantabacco.com.

**Reasons for the Settlement:** Lead Plaintiff’s principal reason for entering into the Settlement is the substantial and certain recovery for the Settlement Class without the risk or delays inherent in further litigation. Moreover, the substantial recovery provided under this Settlement must be considered against the significant risk that a smaller recovery—or indeed no recovery at all—might be achieved after contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years. For the Defendants, who have denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and burdens inherent in any litigation, especially in complex cases such as this Litigation. Defendants have concluded that further conduct of this Action could be protracted and distracting.

<b>Your Legal Rights and Options</b>	
<b>You can:</b>	<b>That Means:</b>
<b>Submit a Claim Form Received or Postmarked by February 7, 2022</b>	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in question number 12 below) that you have against Defendants and the other Defendants' Releasees (defined in question number 12 below), so it is in your interest to submit a Claim Form.
<b>Exclude Yourself by Submitting a Written Request for Exclusion Postmarked by December 17, 2021</b>	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from this Settlement and will not be part of the Settlement Class and will not be bound by any Judgment. This is the only option that allows you to ever be part of any other separate lawsuit, including your own lawsuit, concerning the Plaintiffs' Released Claims.
<b>Object by Submitting A Written Objection Received by December 17, 2021</b>	If you remain part of the Settlement Class but have an objection to the Settlement, or some part of it, or the requested attorneys' fees or Litigation Expenses, you can write to the Court to explain why.
<b>Go to a Hearing on January 10, 2022</b>	Filing a written objection and notice of intention to appear by December 17, 2021, allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
<b>Do Nothing</b>	If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgment or orders entered by the Court in the Action.

## WHAT THIS NOTICE CONTAINS

### BASIC INFORMATION

1. Why did I get this Notice package?
2. What is this Action about?
3. What is a class action?
4. Why is there a Settlement?

### WHO IS INCLUDED IN THE SETTLEMENT?

5. How do I know if I am a Settlement Class Member?
6. Are there any exceptions to being included as a Settlement Class Member?
7. I am still not sure if I'm included.

### THE SETTLEMENT BENEFITS

8. What does the Settlement provide?
9. How much will my payment be?
10. How can I get a payment?
11. When would I get my payment?
12. What am I giving up to get a payment or stay in the Settlement Class?

### EXCLUDING YOURSELF FROM THE SETTLEMENT

13. How do I get out of the Settlement?

Questions? Call 1-877-777-9675 (Toll Free) or visit [www.HCSGSecuritiesLitigation.com](http://www.HCSGSecuritiesLitigation.com).

## **THE LAWYERS REPRESENTING YOU**

14. Do I have a lawyer in this case?
15. How will the lawyers be paid?

## **OBJECTING TO THE SETTLEMENT**

16. How do I tell the Court that I do not like the Settlement?
17. What's the difference between objecting and being excluded from the Settlement Class?

## **THE COURT'S FINAL APPROVAL HEARING**

18. When and where will the Court decide whether to approve the Settlement?
19. Do I have to come to the Final Approval Hearing?
20. May I speak at the Final Approval Hearing?

## **IF YOU DO NOTHING**

21. What happens if I do nothing at all?

## **GETTING MORE INFORMATION**

22. Are there more details about the Settlement?

## **SPECIAL NOTICE TO NOMINEES**

23. Special Notice to Banks, Trustees, Brokerage Firms, or Other Nominees

## **UNDERSTANDING YOUR PAYMENT - THE PLAN OF ALLOCATION**

- A. Introduction to the Plan of Allocation
- B. Calculating Recognized Losses
- C. General Provisions Applicable to the Plan of Allocation

## **BASIC INFORMATION**

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

You or someone in your family may have purchased or otherwise acquired HCSG common stock during the period between April 8, 2014, through February 9, 2021, inclusive.

The Court caused this Notice to be sent to you because you have a right to know about a proposed Settlement of a class action lawsuit, a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, and about all of your options, before the Court decides whether to approve the Settlement.

This Notice explains this Action, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and the Plan of Allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

The Court in charge of the case is the United States District Court for the Eastern District of Pennsylvania, and the case is known as *Utah Retirement Systems, et al. v. Healthcare Services Group, Inc., et al.*, Case No. 2:19-cv-01227-ER. District Judge Eduardo C. Robreno is the Judge in charge of this class action. The person who sued is called the "Lead Plaintiff." The company being sued, HCSG, and the persons who are being sued, Daniel P. McCartney, Theodore Wahl, John C. Shea, and Matthew J. McKee, are called the "Defendants."

## 2. What is this Action about?

In the Action, Lead Plaintiff alleges that Defendants engaged in a long-term pattern of misleading investors into believing that the Company legitimately met or beat Wall Street analysts' consensus estimates for the Company's earnings per share ("EPS") by manipulating net income and EPS to ensure the Company consistently met analyst expectations. Lead Plaintiff alleges that, once Defendants' conduct drew the attention of the U.S. Securities and Exchange Commission ("SEC"), Defendants continued to hide from investors past conduct and an ongoing SEC investigation. On February 10, 2021, the Company issued a press release announcing, in part, that the Company and the SEC had recently commenced discussions regarding a potential resolution of the investigation and that, in conjunction with those discussions, Defendant Shea had notified the Company that he would be taking a temporary leave of absence from his duties.

On March 22, 2019, an initial complaint was filed against HCSG and Defendant Theodore Wahl in the United States District Court for the Eastern District of Pennsylvania asserting violations of the federal securities laws: *Stephen Koch v. Healthcare Services Group, Inc., and Theodore Wahl.*, Case No. 2:19-cv-01227-ER.

On May 21, 2019, URS filed a Motion for Appointment as Lead Plaintiff and Approval of its Selection of Counsel. By order dated June 17, 2019, this Court appointed URS as Lead Plaintiff; and approved Lead Plaintiff's choice of the law firms of Berman Tabacco as Lead Counsel and Schnader Harrison Segal & Lewis LLP as Liaison Counsel for the Settlement Class.

On September 17, 2019, after further extensive investigation by Lead Counsel, Lead Plaintiff filed an Amended Class Action Complaint for Violations of the Federal Securities Laws alleging violations of §§10(b) and 20(a) of the Securities and Exchange Act of 1934 ("Exchange Act") (the "Complaint"). On November 18, 2019, all Defendants moved to dismiss the Complaint. Lead Plaintiff opposed the motions on January 17, 2020. On April 24, 2020, the Court denied Defendants' motions and on July 13, 2020, the Court issued an Order denying Defendants' motion for reconsideration of the motion to dismiss. On June 22, 2020, Defendants filed their Answer and Affirmative Defenses to the Complaint.

The parties conducted discovery, including Defendants' production to Lead Plaintiff of over 60,000 documents (that consisted of over 450,000 produced pages), Lead Plaintiff and third-parties' production to Defendants of approximately 3,600 documents (totaling approximately 35,000 pages of materials), and four depositions. Lead Plaintiff filed a Motion for Class Certification and Appointment of Class Representative and Class Counsel on November 13, 2020. Defendants opposed Lead Plaintiff's motion on January 27, 2021. During the briefing on the motion for class certification, the parties commenced arm's-length settlement negotiations under the close supervision of an experienced mediator.

In February 2021, the parties engaged the services of a nationally-recognized mediator, Robert A. Meyer, Esquire, to mediate their dispute. On March 12, 2021, the parties submitted detailed mediation statements. On March 17, 2021, the parties engaged in a full-day mediation session with Mr. Meyer and reached an agreement to settle the Action for \$16,800,000 subject to approval by this Court.

Defendants deny each and all of the claims and contentions of wrongdoing alleged by Lead Plaintiff in the Action. Defendants contend that they did not make any materially false or misleading statements, that they disclosed all material information required to be disclosed by the federal securities laws, and that any alleged misstatements or omissions were not made with the requisite intent or knowledge of wrongdoing. Defendants also contend that any losses allegedly suffered by members of the Settlement Class were not caused by any allegedly false or misleading statements by them and/or were caused by intervening events. Defendants also maintain that they have meritorious defenses to all claims that were raised or could have been raised in the Action.

## 3. What is a class action?

In a class action, the plaintiff is called the Class Representative or the Lead Plaintiff, and he/she/it sues on behalf of numerous people who have similar claims. All these people with similar claims are a class, and each one is a class member. One court resolves the claims of all class members, except for those who properly exclude themselves from the class.

#### 4. Why is there a Settlement?

Instead of litigating the Action through trial, Lead Plaintiff and Defendants, after an intensive, arm's-length negotiation facilitated by a neutral mediator, agreed to a compromise of the claims for \$16.8 million. The Court did not decide in favor of Lead Plaintiff or Defendants. Lead Plaintiff believes it could have obtained money if it won at trial; the Defendants believe Lead Plaintiff would not have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the risks and cost of a trial and possible appeals, and Settlement Class Members affected will get compensation. The Lead Plaintiff, as Class Representative, and Lead Counsel believe the Settlement is best for all Settlement Class Members.

Lead Plaintiff believes that the proposed Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class. Throughout the litigation, Defendants raised a number of arguments and defenses (which they would continue to do through class certification, summary judgment, and trial) including that none of the challenged misrepresentations were false or misleading when made, and that Defendants did not act with the requisite fraudulent intent. Defendants would also likely argue that, even if Lead Plaintiff could establish liability, it would have trouble showing what part of HCSG's stock price decline is attributable to the alleged fraud rather than other Company-specific bad news. While Lead Plaintiff believes that these arguments lack merit, there is no guarantee that Defendants would not prevail on one or more of these arguments. In the absence of a Settlement, the Settling Parties would present factual and expert testimony on each of these issues, and there is considerable risk that the Court or jury would resolve these issues against Lead Plaintiff and the Settlement Class.

Lead Counsel have thoroughly investigated and litigated the case prior to and since filing it in 2019. Based upon their extensive investigation, their consultation with multiple experts, and their evaluation of the claims asserted against the Defendants and defenses that might be asserted, Lead Counsel believe that the Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class. The Settlement provides an immediate and certain monetary recovery. By settling, Lead Plaintiff and Defendants avoid the cost, uncertainty, and delay of continued litigation. The parties engaged in extensive negotiations that led to the Settlement described in this Notice. Lead Counsel believe the Settlement is fair because there is no guarantee the Settlement Class would win on any of the claims and, even if they did win, they might not be awarded any more money than the \$16.8 million plus interest, as provided for in the Stipulation, that Defendants have agreed to in order to settle the Action. Defendants' lawyers believe the Settlement is fair because even though Defendants deny Lead Plaintiff's claims, Defendants avoid the cost of continued litigation and risk of losing at trial.

#### WHO IS INCLUDED IN THE SETTLEMENT?

#### 5. How do I know if I am a Settlement Class Member?

For the purposes of Settlement, with the few exceptions listed below, everyone who fits the following description is a Settlement Class Member: all persons who purchased or otherwise acquired HCSG common stock during the Settlement Class Period, April 8, 2014, through February 9, 2021, inclusive (the "Settlement Class").

#### 6. Are there any exceptions to being included as a Settlement Class Member?

Yes. Excluded from the Settlement Class are: (i) Defendants and any affiliates or subsidiaries of HCSG; (ii) present or former officers, directors, or controlling persons of HCSG, its subsidiaries, or its affiliates, and their immediate family members; (iii) Defendants' directors' and officers' liability carriers and any affiliates or subsidiaries thereof; (iv) any entity in which any Defendant has or has had a controlling interest; and (v) the legal representatives, heirs, estates, agents, successors, or assigns of any person or entity described in the preceding categories. Also excluded from the Settlement Class are those Persons who timely and validly exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 13 below.

**Please Note:** Receipt of this Notice does not mean that you are a Settlement Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before February 7, 2022.

**7. I am still not sure if I'm included.**

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator at 1-877-777-9675 (Toll Free) or you can fill out the Claim Form described in question number 10 below (“*How can I get a payment?*”) to see if you qualify. You can also contact Lead Counsel at the addresses and phone numbers listed below. Please do not contact the Court.

**THE SETTLEMENT BENEFITS**

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

Defendants have paid or will pay \$16.8 million into an escrow account that will earn interest, as provided for in the Stipulation, for the benefit of the Settlement Class. After deduction of Taxes, Notice and Administration Costs, Litigation Expenses awarded by the Court, attorneys’ fees awarded by the Court, and any other costs, expenses, or amounts as may be approved by the Court, the balance (the “Net Settlement Fund”) will be distributed to the Settlement Class Members in accordance with the Plan of Allocation, discussed at pages 12 to 15 below.

In exchange for Defendants’ payment, the claims described in response to question number 12 below (“*What am I giving up to get a payment or stay in the Settlement Class?*”) will be released, discharged, and dismissed with prejudice.

The proposed Settlement represents a compromise of disputed claims and does not mean that any of the Defendants have been found liable for any claims asserted by Lead Plaintiff.

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

At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement. Your share of the Net Settlement Fund will depend on the number of valid and timely Claim Forms that Settlement Class Members send in, how many shares of HCSG common stock you bought and sold, and when you bought and sold them. The Net Settlement Fund will be distributed to Authorized Claimants—*i.e.*, members of the Settlement Class who timely submit valid Claim Forms that show a Recognized Loss and are approved by the Court.

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

To qualify for payment, you must timely send in a Claim Form to the Claims Administrator. A Claim Form is attached to this Notice. Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail it postmarked no later than February 7, 2022. Unless the Court orders otherwise, if you do not timely submit a Claim Form, you will be barred from receiving any payments from the Net Settlement Fund but will in all other respects be bound by the Judgment in the case.

**11. When would I get my payment?**

The Settlement is conditioned on two main events: (i) the entry of the Judgment by the Court, as provided for in the Stipulation, after the Court holds a Final Approval Hearing to decide whether to approve the Settlement; and (ii) the expiration of the applicable period to file all appeals from the judgment. If the Settlement is approved, it is possible there may be an appeal by someone. There is always uncertainty as to how these appeals will be resolved, and resolving them can take time, perhaps more than a year. Also, if certain conditions of the Settlement described in the Stipulation are not met, the Settlement will be terminated and become null and void. In addition, the Claims Administrator will need time to process all of the timely claims before any distribution can be made.

**12. What am I giving up to get a payment or stay in the Settlement Class?**

As a member of the Settlement Class, in consideration for the benefits of the Settlement, you will be bound by the terms of the Settlement, and you will release Defendants’ Releasees, as defined below, from the Released Plaintiffs’ Claims, as

defined below. Likewise, Defendants will be bound by the terms of the Settlement and will release Plaintiffs' Releasees, as defined below, from the Released Defendants' Claims, as defined below.

"Defendants' Releasees" means, collectively, each and all of (i) the Defendants, the members of each Defendant's immediate family, any entity in which any Defendant or member of any Defendant's immediate family has or had a controlling interest (directly or indirectly), any estate or trust of which any Defendant is a settlor or which is for the benefit of any Defendant and/or members of his/her family; and (ii) for each and every Person listed in part (i), their respective former, present or future parents, subsidiaries, divisions and affiliates and the respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, attorneys, advisors, accountants, auditors, and insurers and reinsurers of each of them; and the predecessors, successors, estates, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives, assigns, and assignees of each of them, in their capacity as such.

"Released Plaintiffs' Claims" means, collectively, any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule, or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that were asserted or could have been asserted in the Action by Lead Plaintiff, or that any Settlement Class Member asserted or could have asserted in the Action or in any forum, including Unknown Claims, which arise out of or relate in any way to both: (i) the purchase or acquisition of shares of HCSG publicly traded common stock during the Settlement Class Period by Settlement Class Members; and (ii) the facts, matters, allegations, transactions, events, disclosures, occurrences, representations, statements, acts or omissions that were alleged or could have been alleged by Lead Plaintiff or any Settlement Class Members in the Action. "Released Plaintiffs' Claims" does not include claims to enforce the Settlement and does not include or release any derivative claims, including claims asserted in the Verified Shareholder Derivative Complaint in the action *Portia E. McCollum, derivatively on behalf of Healthcare Services Group, Inc. v. Theodore Wahl, et al.*, Civil Action No. 2:20-cv-03426 (E.D. Pa.) or in any other derivative complaints filed against or any derivative demand letters sent to the Board of Directors of HCSG.

"Plaintiffs' Releasees" means Lead Plaintiff, all other Settlement Class Members, and their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, trustees, trusts, employee's immediate family members, insurers, reinsurers, and attorneys in their capacity as such.

"Released Defendants' Claims" means any and all claims, debts, demands, rights or causes of action of every nature and description (including Unknown Claims), whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution or settlement of the claims against Defendants. Released Defendants' Claims do not include: (i) any claims relating to the enforcement of the Settlement; or (ii) any claims against any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

"Released Claims" means all Released Defendants' Claims and all Released Plaintiffs' Claims.

"Unknown Claims" means any Released Plaintiffs' Claims which any Lead Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants' Claims which any Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiff and Defendants shall expressly waive, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, to the fullest extent permitted by law, 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 or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Lead Plaintiff and Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement.



If the Court approves the Settlement, all Settlement Class Members who have not excluded themselves in writing will have fully, finally, and forever settled and released any and all Released Claims, contingent or non-contingent, that now exist, or heretofore have existed, upon any theory of law or equity that were asserted or could have been asserted in the Action.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

### 13. How do I get out of the Settlement?

If you do not wish to be included in the Settlement Class and you do not wish to participate in the proposed Settlement described in this Notice, you may request to be excluded. To do so, you must submit a written request for exclusion, postmarked no later than December 17, 2021. The request for exclusion must: (i) state the name, address, and telephone number of the Person requesting exclusion; (ii) identify each of the Person's purchases or other acquisitions of HCSG common stock made during the Settlement Class Period, including the dates of each purchase or acquisition, the number of shares purchased or otherwise acquired, and the price or consideration paid per share for each such purchase or acquisition; (iii) identify each of the Person's sales or other disposals of HCSG common stock made during the Settlement Class Period, including the dates of each sale or disposal, the number of shares sold or disposed, and the price or consideration received per share for each such sale or disposal; and (iv) state that the Person wishes to be excluded from the Settlement Class. The request must be addressed as follows:

*Healthcare Services Group, Inc. Securities Litigation*  
Claims Administrator  
c/o A.B. Data, Ltd.  
P.O. Box 173001  
Milwaukee, WI 53217

You cannot exclude yourself by phone or by email.

**If you ask to be excluded from the Settlement Class, you will not get any Settlement payment, and you cannot object to the Settlement.** If you exclude yourself, you will not be legally bound by anything that happens in this Action. You may be able to sue (or continue to sue) HCSG and the other Defendants in the future about the claims in this Action.

## THE LAWYERS REPRESENTING YOU

### 14. Do I have a lawyer in this case?

Yes. The Court appointed Berman Tabacco, Lead Counsel, to represent all Settlement Class Members. Lead Counsel may be contacted at the address and phone number listed on page 2 above. There is no need to retain your own lawyer. If you want to be represented by your own lawyer you may hire one at your own expense.

### 15. How will the lawyers be paid?

At the Final Approval Hearing, Lead Counsel will ask the Court to approve payment of up to 25% of the Settlement Fund, or approximately \$4,200,000 for attorneys' fees and for reimbursement of out-of-pocket expenses not to exceed \$530,000. In addition, Lead Plaintiff may seek up to \$20,000 for its time and expenses incurred in representing the Settlement Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. The attorneys' fees and expenses requested will be the only payment to Lead Counsel for its efforts in achieving the Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel has not been paid for their services for conducting this Action on behalf of Lead Plaintiff and the Class, nor for their subsequent substantial out-of-pocket expenses. The fee requested will compensate Lead Counsel for their work in achieving the Settlement Fund. The Court may, however, award less than this amount. In that case the difference will remain with the Settlement Fund.

## OBJECTING TO THE SETTLEMENT

### 16. How do I tell the Court that I do not like the Settlement?

You can tell the Court that you do not agree with the Settlement or any part of it.

If you are a Settlement Class Member, you can comment or object to the proposed Settlement, the proposed Plan of Allocation and/or Lead Counsel's fee and expense application. You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement in the *Healthcare Services Group, Inc. Securities Litigation*. Include your name, address, telephone number, and your signature, identify the date(s), price(s), and number(s) of shares of HCSG common stock you purchased, acquired, and sold during the Settlement Class Period, and state with specificity your comments or the reasons why you object to the proposed Settlement, Plan of Allocation and/or fee and expense application, including any legal support for such objection. Any objection must state whether it applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class. You must also include copies of documents demonstrating such purchase(s), acquisition(s), and/or sale(s). Your comments or objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is **received no later than December 17, 2021**:

**COURT**

UNITED STATES DISTRICT  
COURT, EASTERN DISTRICT  
OF PENNSYLVANIA  
James A. Byrne U.S. Courthouse  
601 Market Street  
Philadelphia, PA 19106

**LEAD PLAINTIFFS' COUNSEL**

Patrick T. Egan  
BERMAN TABACCO  
One Liberty Square  
Boston, MA 02109

**DEFENDANTS' COUNSEL**

Robert L. Hickok  
TROUTMAN PEPPER HAMILTON  
SANDERS LLP  
3000 Two Logan Square  
Eighteenth & Arch Streets  
Philadelphia, PA 19103

**17. What's the difference between objecting and being excluded from the Settlement Class?**

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

**THE COURT'S FINAL APPROVAL HEARING**

The Court will hold a hearing to decide whether to approve the Settlement. You do not need to attend that hearing but are welcome to attend if you so desire.

**18. When and where will the Court decide whether to approve the Settlement?**

The Final Approval Hearing will be held before the Honorable Judge Eduardo C. Robreno, United States District Court for the Eastern District of Pennsylvania, 15614 U.S. Courthouse, 601 Market Street, Courtroom 15-A. Philadelphia, PA 19106 either in person or via video or teleconference. **THE FINAL APPROVAL HEARING DATE MAY CHANGE WITHOUT FURTHER NOTICE TO THE SETTLEMENT CLASS, SO PLEASE CHECK THE SETTLEMENT WEBSITE OR THE COURT'S PACER SYSTEM TO CONFIRM THE HEARING DATE.** At this hearing, the Court will consider (i) whether the Settlement is fair, reasonable, and adequate; (ii) whether the proposed Plan of Allocation to distribute the Settlement proceeds (described on pages 12 to 15 below) is reasonable; and (iii) whether to approve the application by Lead Counsel for attorneys' fees and reimbursement of expenses. If there are objections, the Court will consider them. The Court has discretion to listen to people who have made a written request to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement and the attorneys' fees and reimbursement of Litigation Expenses request. We do not know how long these decisions will take. If you want to attend the hearing, you should check with Lead Counsel or the Settlement website [www.HCSGSecuritiesLitigation.com](http://www.HCSGSecuritiesLitigation.com) beforehand to be sure that the date and/or time has not changed.

**19. Do I have to come to the Final Approval Hearing?**

No. Lead Counsel will answer questions the Judge may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

## **20. May I speak at the Final Approval Hearing?**

Any Settlement Class Member who did not request to be excluded from the Settlement Class by December 17, 2021 is entitled to appear at the Final Approval Hearing, in person or through a duly authorized attorney, and to show cause why the Settlement should not be approved as fair, reasonable, and adequate. However, you may not be heard at the Final Approval Hearing unless, on or before December 17, 2021, you file a Notice of Intention to Appear and a statement of the position that you will assert and the grounds for the position, together with copies of any supporting papers or briefs with the Clerk of the Court, United States District Court, Eastern District of Pennsylvania, 15614 U.S. Courthouse, 601 Market Street, Courtroom 15-A. Philadelphia, PA 19106, as described in the response to question number 16 (“*How do I tell the Court that I do not like the Settlement?*”) above.

Only Settlement Class Members who have submitted written notices in this manner may be heard at the Final Approval Hearing, unless the Court orders otherwise.

### **IF YOU DO NOTHING**

## **21. What happens if I do nothing at all?**

If you are a Settlement Class Member but do nothing, then you will get no money from this Settlement. You must file a Claim Form to be eligible to receive anything from the Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants about the legal issues in this case, ever again.

### **GETTING MORE INFORMATION**

## **22. Are there more details about the Settlement?**

Yes. This Notice summarizes the proposed Settlement. More details (including definitions of various terms used in this Notice) are contained in the pleadings and other papers in this Action, including the formal Stipulation, which have been filed with the Court. Lead Plaintiff’s submissions in support of the Settlement and Lead Counsel’s fee and expense application will be filed with the Court prior to the Final Approval Hearing. In addition, information about the Settlement will be posted on the website set up for this case: [www.HCSGSecuritiesLitigation.com](http://www.HCSGSecuritiesLitigation.com). If you have any further questions, you may contact Lead Counsel identified in the response to question number 14 (“*Do I have a lawyer in this case?*”) above. You can also call the Claims Administrator at 1-877-777-9675 (Toll Free) to find answers to common questions about the Settlement and obtain information about the status of the Settlement approval process.

### **SPECIAL NOTICE TO NOMINEES**

## **23. Special Notice to Banks, Trustees, Brokerage Firms, or Other Nominees**

If you hold any HCSG common stock purchased during the Settlement Class Period as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (i) send a copy of this Notice and the Claim Form by first-class mail to all such Persons; or (ii) provide a list of the names and addresses of such Persons to the Claims Administrator:

*Healthcare Services Group, Inc. Securities Litigation*  
Claims Administrator  
c/o A.B. Data, Ltd.  
P.O. Box 173002  
Milwaukee, WI 53217

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for reasonable costs actually incurred or expected to be incurred in connection with forwarding the Notice and Claim Form and

which would not have been incurred but for the obligation to forward the Notice and Claim Form, upon submission of appropriate documentation to the Claims Administrator.

## UNDERSTANDING YOUR PAYMENT - THE PLAN OF ALLOCATION

### A. Introduction to the Plan of Allocation

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged misstatements and omissions, as opposed to losses caused by market- or industry-wide factors, or company-specific factors unrelated to the alleged fraud. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the recognized loss formula ("Recognized Loss") described below.

A Recognized Loss will be calculated for each share of HCSG common stock ("Common Stock") purchased or otherwise acquired during the Settlement Class Period.<sup>2</sup> The calculation of Recognized Loss will depend upon several factors, including when shares of HCSG Common Stock were purchased or otherwise acquired during the Settlement Class Period and in what amounts, and whether such stock was sold and, if sold, when and for what amounts. The Recognized Loss is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Claims Administrator will use its best efforts to administer and distribute the Net Settlement Fund to the extent that it is equitably and economically feasible. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants.

The Plan of Allocation was created with the assistance of a consulting damages expert to calculate how the price of HCSG Common Stock was artificially inflated throughout the Settlement Class Period. The estimated alleged artificial inflation in the price of HCSG Common Stock during the Settlement Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of HCSG Common Stock during the Settlement Class Period is based on certain misrepresentations alleged by Lead Plaintiff and the price change in the stock, net of market- and industry-wide factors, in reaction to the public announcements that allegedly corrected the misrepresentations alleged by Lead Plaintiff.

In this Action, Lead Plaintiff alleges that Defendants made false statements and/or omitted material facts during the Settlement Class Period, which had the purported effect of artificially inflating the price of HCSG Common Stock. Lead Plaintiff further alleges that corrective disclosures removed artificial inflation from the price of HCSG Common Stock on March 4, 2019 and February 10, 2021 (the "Corrective Disclosure Dates"). Thus, in order for a Settlement Class Member to have a Recognized Loss under the Plan of Allocation, HCSG Common Stock must have been purchased or acquired during the Settlement Class Period and held through at least one of these Corrective Disclosure Dates.

<b>From</b>	<b>To</b>	<b>Per-Share Price Inflation</b>
4/8/2014	3/3/2019	\$5.40
3/4/2019	2/9/2021	\$0.75
2/10/2021	Thereafter	\$0.00

The "90-day lookback" provision of the PSLRA is incorporated into the calculation of the Recognized Loss for HCSG Common Stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on HCSG Common Stock purchased during the Settlement Class Period and held as of the close of the 90-day period subsequent to the Settlement Class Period (the "90-Day Lookback Period") cannot exceed the difference between the purchase price paid for such stock and its average price during the 90-Day Lookback Period. The Recognized Loss on HCSG Common Stock purchased during the Settlement Class Period and sold during the 90-Day Lookback Period cannot

<sup>2</sup> Throughout the Settlement Class Period, HCSG Common Stock was listed on Nasdaq exchange under the symbol HCSG.

exceed the difference between the purchase price paid for such stock and its rolling average price during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

In the calculations below, all purchase and sale prices shall exclude any fees, taxes, and commissions. If a Recognized Loss amount is calculated to be a negative number, that Recognized Loss shall be set to zero. Any transactions in HCSG Common Stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session for the U.S. financial markets.

A Recognized Loss will be calculated as set forth below for each share of HCSG Common Stock purchased or otherwise acquired during the Settlement Class Period that is listed in the Claim Form and for which adequate documentation is provided.

Please note that the approval of the Settlement is separate from and not conditioned on the Court's approval of the Plan of Allocation. You do not need to make any of these calculations yourself. The Claims Administrator will make all of these calculations for you.

## **B. Calculating Recognized Losses**

For each share of HCSG Common Stock purchased or otherwise acquired during the Settlement Class Period, *i.e.*, April 8, 2014, through February 9, 2021, inclusive, the Recognized Loss per share shall be calculated as follows:

- I. For each share of HCSG Common Stock that was sold prior to March 4, 2019, the Recognized Loss per share is \$0.00.
- II. For each share of HCSG Common Stock that was purchased during the period April 8, 2014 through March 3, 2019, inclusive, and
  - a. sold between March 4, 2019 and February 9, 2021, inclusive, the Recognized Loss per share is *the lesser of*:
    - i. \$4.65; or
    - ii. the purchase price *minus* the sale price.
  - b. sold between February 10, 2021 and May 10, 2021, inclusive, (*i.e.*, sold during the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*:
    - i. \$5.40; or
    - ii. the purchase price *minus* the "90-Day Lookback Value" on the date of sale as provided in Table 2 below; or
    - iii. the purchase price *minus* the sale price.
  - c. still held as of the close of trading on May 10, 2021, the Recognized Loss per share is *the lesser of*:
    - i. \$5.40; or
    - ii. the purchase price *minus* the average closing price for HCSG Common Stock during the 90-Day Lookback Period, which is \$29.32.
- III. For each share of HCSG Common Stock that was purchased during the period March 4, 2019 through February 9, 2021, inclusive, and
  - a. sold prior to February 10, 2021, the Recognized Loss per share is \$0.00.
  - b. sold between February 10, 2021 and May 10, 2021, inclusive, (*i.e.*, sold during the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*:
    - i. \$0.75; or
    - ii. the purchase price *minus* the "90-Day Lookback Value" on the date of sale as provided in Table 2 below; or
    - iii. the purchase price *minus* the sale price.
  - c. still held as of the close of trading on May 10, 2021, the Recognized Loss per share is *the lesser of*:
    - i. \$0.75; or

- ii. the purchase price *minus* the average closing price for HCSG Common Stock during the 90-Day Lookback Period, which is \$29.32.

<b>Sale / Disposition Date</b>	<b>90-Day Lookback Value</b>	<b>Sale / Disposition Date</b>	<b>90-Day Lookback Value</b>	<b>Sale / Disposition Date</b>	<b>90-Day Lookback Value</b>
2/10/2021	\$30.90	3/12/2021	\$29.46	4/13/2021	\$28.99
2/11/2021	\$31.08	3/15/2021	\$29.48	4/14/2021	\$28.99
2/12/2021	\$30.96	3/16/2021	\$29.46	4/15/2021	\$28.98
2/16/2021	\$30.79	3/17/2021	\$29.44	4/16/2021	\$28.98
2/17/2021	\$30.67	3/18/2021	\$29.41	4/19/2021	\$28.97
2/18/2021	\$30.38	3/19/2021	\$29.39	4/20/2021	\$28.95
2/19/2021	\$30.24	3/22/2021	\$29.36	4/21/2021	\$29.00
2/22/2021	\$30.14	3/23/2021	\$29.30	4/22/2021	\$29.05
2/23/2021	\$30.02	3/24/2021	\$29.24	4/23/2021	\$29.10
2/24/2021	\$30.00	3/25/2021	\$29.21	4/26/2021	\$29.15
2/25/2021	\$29.87	3/26/2021	\$29.19	4/27/2021	\$29.19
2/26/2021	\$29.75	3/29/2021	\$29.15	4/28/2021	\$29.23
3/1/2021	\$29.76	3/30/2021	\$29.12	4/29/2021	\$29.24
3/2/2021	\$29.72	3/31/2021	\$29.09	4/30/2021	\$29.26
3/3/2021	\$29.63	4/1/2021	\$29.08	5/3/2021	\$29.27
3/4/2021	\$29.53	4/5/2021	\$29.07	5/4/2021	\$29.28
3/5/2021	\$29.49	4/6/2021	\$29.05	5/5/2021	\$29.29
3/8/2021	\$29.48	4/7/2021	\$29.03	5/6/2021	\$29.30
3/9/2021	\$29.46	4/8/2021	\$29.01	5/7/2021	\$29.32
3/10/2021	\$29.46	4/9/2021	\$29.01	5/10/2021	\$29.32
3/11/2021	\$29.46	4/12/2021	\$29.00		

### **C. General Provisions Applicable to the Plan of Allocation**

The payment you receive will reflect your proportionate share of the Net Settlement Fund. Such payment will depend on the number of eligible securities that participate in the Settlement, and when those securities were purchased and sold. The number of Claimants who send in Claims varies widely from case to case.

A purchase or sale of HCSG Common Stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.

**Acquisition by Gift, Inheritance, or Operation of Law:** If a Settlement Class Member acquired HCSG Common Stock during the Settlement Class Period by way of gift, inheritance, or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. Notwithstanding any of the above, receipt of HCSG Common Stock during the Settlement Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of HCSG Common Stock.

If a Settlement Class Member made more than one purchase/acquisition or sale of HCSG Common Stock during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a First In, First Out (“FIFO”) basis such that Settlement Class Period sales will be matched against previous purchases/acquisitions in chronological order, beginning Questions? Call 1-877-777-9675 (Toll Free) or visit [www.HCSGSecuritiesLitigation.com](http://www.HCSGSecuritiesLitigation.com).

with common stock held as of April 7, 2014, and then against the earliest purchase/acquisition made during the Settlement Class Period.

The date of covering a “short sale” of HCSG Common Stock is deemed to be the date of purchase of HCSG shares. The date of a “short sale” of HCSG Common Stock is deemed to be the date of sale of HCSG shares. In accordance with the Plan of Allocation, however, the Recognized Loss on “short sales” is zero. In the event that a Claimant has a short position in HCSG Common Stock, the earliest subsequent Settlement Class Period purchases shall be matched against such short position and not be entitled to a recovery until that short position is fully covered.

Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its total Recognized Losses as compared to the total Recognized Losses of all Authorized Claimants. No distribution will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Settlement Class Members who do not submit an acceptable Claim Form will not share in the Settlement proceeds. The Stipulation and Judgment dismissing this Action will nevertheless bind Settlement Class Members who do not submit a request for exclusion or submit an acceptable Claim Form.

Defendants, their respective counsel, and all other Defendants’ Releasees will have no responsibility for, interest in, or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund (except insofar as Defendants’ insurance carrier retains the right to a potential refund of the Settlement Amount and accrued interest thereon pursuant to the terms of ¶ 7.3 of the Stipulation), the Plan of Allocation, the determination, administration, or calculation of Claims, the payment of any Claim, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith. Lead Plaintiff, the Escrow Agent, Plaintiff’s Counsel, or any Claims Administrator likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

No Authorized Claimant will have any claim against Lead Plaintiff, Lead Counsel, or the Claims Administrator, or any other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. In addition, in the interest of achieving substantial justice, Lead Counsel will have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Claim Forms filed.

Date: October 6, 2021

THE HONORABLE EDUARDO C. ROBRENO  
District Judge, United States District Court for  
the Eastern District of Pennsylvania