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UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 OAKLAND DIVISION

In re ROCKET FUEL INC. SECURITIES
 LITIGATION

CASE NO.: 4:14-cv-03998-PJH-JCS
CONSOLIDATED CLASS ACTION
**STIPULATION AND AGREEMENT
 OF SETTLEMENT**

Judge: Hon. Phyllis J. Hamilton
 Crtrm: 3, 3rd Floor

This Document Relates To:
 ALL ACTIONS

1 This Stipulation and Agreement of Settlement, dated April 25, 2017 (the “Stipulation” or
 2 the “Settlement Agreement”), submitted pursuant to Rule 23 of the Federal Rules of Civil
 3 Procedure, embodies a settlement (the “Settlement”) made and entered into by and among the
 4 following Settling Parties: (i) Lead Plaintiffs Oklahoma Firefighters Pension and Retirement
 5 System, Browder Capital, LLC, and Patrick Browder, on behalf of themselves and each of the
 6 members of the Class, as defined in ¶¶1.3-1.4, *infra*, on the one hand, and (ii) Rocket Fuel Inc.
 7 (“Rocket Fuel” or “the Company”), George H. John, Richard Frankel, and J. Peter Bardwick
 8 (collectively with Rocket Fuel, the “Defendants”), on the other hand, by and through their
 9 counsel of record in the above-captioned litigation pending in the United States District Court for
 10 the Northern District of California (the “Action”). This Stipulation is intended by the parties to
 11 fully, finally, and forever resolve, discharge, and settle the Released Claims, as defined in ¶1.25,
 12 *infra*, upon and subject to the terms and conditions hereof and subject to the approval of the
 13 Court. Throughout this Stipulation, all capitalized terms used, but not immediately defined, have
 14 the meanings given to them in Section IV.1, *infra*.

15 **I. THE LITIGATION**

16 This case is currently pending before the Honorable Phyllis J. Hamilton in the United
 17 States District Court for the Northern District of California (the “Court”) and was brought on
 18 behalf of a Class of all persons who purchased or acquired Rocket Fuel common stock during the
 19 period from September 20, 2013, through and including August 5, 2014 (the “Class Period,” as
 20 defined at ¶1.6 herein). The initial complaint was filed on September 3, 2014, alleging violations
 21 of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule
 22 10b-5 promulgated thereunder, and §§11, 12(a)(2), at 15 of the Securities Act of 1933 (the
 23 “Securities Act”) (ECF No. 1). On December 15, 2014, the Court appointed Lead Plaintiffs and
 24 the firms of Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti, LLC as Co-Lead Counsel.
 25 ECF No. 85. On February 27, 2015, Lead Plaintiffs filed the Consolidated Class Action
 26 Complaint for Violations of the Federal Securities Laws (“Complaint”) (ECF No. 92), which
 27 alleged that during the Class Period, Defendants made false and misleading statements regarding
 28 Rocket Fuel’s ability to detect and combat ad fraud and its future business prospects. Lead

1 Plaintiffs also alleged that during the Class Period, Defendants; certain additional directors of
2 Rocket Fuel (the Director Defendants, defined at ¶1.8 herein); and the underwriters of Rocket
3 Fuel's initial public offering and secondary public offering (the Underwriter Defendants, defined
4 at ¶1.32 herein) made materially false and misleading statements in the registration statements
5 and prospectuses for those two offerings. Lead Plaintiffs also alleged that defendants Mr. John,
6 Mr. Frankel, and Mr. Bardwick transacted in Rocket Fuel stock in violation of §20A of the
7 Exchange Act. Lead Plaintiffs further alleged that the materially false and misleading statements
8 artificially inflated the price of Rocket Fuel common stock, and when the truth was eventually
9 disclosed, the Class suffered damages.

10 On April 13, 2014, Defendants and Director Defendants filed a motion to dismiss the
11 Complaint, arguing that Lead Plaintiffs failed to allege particularized facts sufficient to show that
12 any challenged statement was false or misleading when it was made, that Rocket Fuel's forward-
13 looking statements were protected by the Safe Harbor provisions of the Private Securities
14 Litigation Reform Act of 1995 ("PSLRA"), and that the Complaint failed to plead specific facts
15 establishing a strong inference of scienter. ECF No. 99. The Underwriter Defendants also filed
16 a motion to dismiss, arguing that Lead Plaintiffs failed to allege particularized facts sufficient to
17 show any false or misleading statement or omission in the registration statements or prospectuses
18 for Rocket Fuel's two public offerings. ECF No. 102. Lead Plaintiffs opposed the motions,
19 arguing that the Complaint adequately alleged each of the claims. ECF Nos. 108, 109.

20 On December 23, 2015, the Court issued an Order granting in part and denying in part the
21 motions to dismiss. ECF No. 130. The Court dismissed all claims against the Director
22 Defendants and the Underwriter Defendants. With respect to Defendants, the Court dismissed
23 all claims arising under the Securities Act, and dismissed all claims arising under the Exchange
24 Act with the exception of claims arising from a November 6, 2013 statement on Rocket Fuel's
25 website that Rocket Fuel "undermines fraudulent practices and makes sure con artists always
26 leave empty-handed" and "is able to identify and eliminate all threats before serving a single ad."
27 ECF No. 130 at 16. Defendants filed an answer on February 1, 2016, denying all material
28 allegations. ECF No. 136. Discovery commenced shortly thereafter.

1 On August 24, 2016, Lead Plaintiffs filed a motion for class certification and
2 appointment of class representatives and class counsel. ECF No. 168. On December 12, 2016,
3 Defendants filed an opposition to Lead Plaintiffs' motion for class certification. ECF No. 180.
4 As a result of this Settlement, the motion for class certification was administratively terminated
5 by the Court. ECF No. 219.

6 During the Action, the Parties engaged the services of mediator Jed D. Melnick of JAMS
7 to assist them in mediation. The parties engaged in a face-to-face mediation session on
8 November 17, 2016. The parties were unable to settle the case.

9 On December 19, 2016, Lead Plaintiffs filed a Motion for Leave to File Amended
10 Complaint to re-assert previously dismissed claims under the Exchange Act and the Securities
11 Act, and to add additional defendants. ECF No. 186. On January 3, 2017, Defendants filed an
12 opposition to Lead Plaintiffs' Motion for Leave to File Amended Complaint (ECF No. 196), and
13 Lead Plaintiffs filed their reply on January 10, 2017 (ECF No. 202). On January 24, 2017, the
14 Court denied Lead Plaintiffs' Motion for Leave to File Amended Complaint. ECF No. 210.

15 The parties have engaged in extensive discovery, including the production or review of
16 nearly 150,000 pages of documents, the taking and defending of two fact depositions, the
17 submission of two expert reports, and the taking of one expert deposition. Lead Plaintiffs also
18 served non-party subpoenas for documents on multiple non-parties.

19 **II. CLAIMS OF LEAD PLAINTIFFS AND BENEFITS OF SETTLEMENT**

20 Lead Plaintiffs believe that the claims asserted in the Action have merit. However, Lead
21 Plaintiffs and Lead Counsel recognize and acknowledge the expense and length of continued
22 proceedings necessary to prosecute the Action against the Defendants through trial. Lead
23 Plaintiffs and Lead Counsel also have taken into account the uncertain outcome and risks in
24 connection with the motion for class certification, motions for summary judgment, and a jury
25 trial, especially in complex matters such as this Action, as well as the risks posed by and the
26 difficulties and delays relating to post-trial motions, and potential appeals of the Court's
27 determination of said motions, or the verdict of a jury. Lead Plaintiffs and Lead Counsel also are
28 aware of the risks presented by the defenses to the securities law violations asserted in the

1 Action. Lead Plaintiffs and Lead Counsel believe that the Settlement set forth in this Stipulation
 2 confers substantial benefits upon the Class in light of the circumstances present here. Based on
 3 their evaluation, Lead Plaintiffs and Lead Counsel have determined that the Settlement set forth
 4 in this Stipulation is in the best interests of Lead Plaintiffs and the Class, and is fair, reasonable,
 5 and adequate. The Stipulation shall not be construed or deemed to be an admission or
 6 concession by Lead Plaintiffs of any infirmity or lack of merit in the claims asserted in this
 7 Action whatsoever.

8 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

9 Defendants, individually and collectively, have denied and continue to deny that they
 10 have violated the federal securities laws and maintain that their conduct was at all times proper
 11 and in compliance with all applicable provisions of law. Defendants have denied and continue to
 12 deny specifically each and all of the claims and contentions of wrongful conduct alleged in the
 13 Action, along with all charges of wrongdoing or liability against them arising out of any of the
 14 conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action.
 15 Defendants also have denied and continue to deny, *inter alia*, the allegations that they knowingly
 16 or otherwise, made any material misstatements or omissions; that any Class Member has suffered
 17 any damages; that the price of Rocket Fuel common stock was artificially inflated by reason of
 18 the alleged misrepresentation or otherwise; or that the members of the Class were harmed by the
 19 conduct alleged in the Action or that could have been alleged as part of the Action. In addition,
 20 the Defendants maintain that they have meritorious defenses to all claims alleged in the Action.

21 Nonetheless, taking into account the uncertainty, risks, costs, and burdens inherent in any
 22 litigation, especially in complex cases such as this Action, Defendants have concluded that
 23 further conduct of the Action would be protracted and expensive. Defendants have, therefore,
 24 determined that it is desirable and beneficial to them that the Action be settled in the manner and
 25 upon the terms and conditions set forth in this Stipulation. As set forth in ¶¶9.2 and 9.4 below,
 26 this Stipulation shall in no event be construed as or deemed to be evidence of an admission or
 27 concession by Defendants or any of the Released Persons with respect to any claim of any fault
 28

1 or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that
2 Defendants have asserted.

3 **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

4 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among
5 Lead Plaintiffs (for themselves and the members of the Class), on the one hand, and Defendants,
6 on the other hand, by and through their respective counsel of record, that, subject to the approval
7 of the Court, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, in consideration of
8 the benefits flowing to the parties from the Settlement set forth herein, the Released Claims shall
9 be finally and fully compromised, settled, and released, and the Action shall be dismissed with
10 prejudice, as to all Settling Parties and their Related Persons, upon and subject to the terms and
11 conditions of the Stipulation, as follows.

12 **1. Definitions**

13 As used in this Stipulation the following terms have the meanings specified below:

14 1.1 “Authorized Claimant” means any Class Member who submits a timely and valid
15 Proof of Claim and Release form (in accordance with the requirements established by the Court)
16 and whose claim for recovery has been allowed pursuant to the terms of the Stipulation or any
17 order of the Court.

18 1.2 “Claims Administrator” means A.B. Data, Ltd., subject to Court approval, to
19 provide all notices approved by the Court to potential Class Members, to process the Proof of
20 Claim and Release forms and to administer the Settlement.

21 1.3 “Class” means all Persons who purchased or otherwise acquired Rocket Fuel
22 common stock between September 20, 2013 to August 5, 2014, inclusive, and were damaged
23 thereby, excluding anyone named as a defendant in this action including the Company,
24 Individual Defendants, Director Defendants, Underwriter Defendants; their respective former
25 and current directors and officers, majority-owned legal affiliates, representatives, controlling
26 persons, predecessors-in-interest, heirs, assigns, and any successors-in-interest; members of the
27 immediate family of any defendant; and any entity in which any defendant has a majority
28

1 interest. Also excluded are those Persons who timely and validly request exclusion from the
2 Class pursuant to the Notice.

3 1.4 “Class Member” or “Class Members” means a Person or Persons falling within
4 the definition of the Class as set forth in ¶1.3 above.

5 1.5 “Class Notice and Administration Expenses” means the fees and expenses
6 reasonably and actually incurred by Lead Counsel and Lead Plaintiffs for providing notice to
7 Class Members, locating Class Members, assisting with the filing of claims, administering and
8 distributing the Net Settlement Fund to Authorized Claimants, processing Proof of Claim and
9 Release forms, and paying escrow fees and costs, if any.

10 1.6 “Class Period” means the period from September 20, 2013, through and including
11 August 5, 2014.

12 1.7 “Court” means the United States District Court for the Northern District of
13 California.

14 1.8 “Director Defendants” means Susan L. Bostrom, Ronald E.F. Codd, William
15 Ericson, John Gardner, Clark Kokich, and Monte Zweben.

16 1.9 “Effective Date” means the first date by which all of the events and conditions
17 specified in ¶8.1 of the Stipulation have been met and have occurred.

18 1.10 “Escrow Account” means the account controlled by the Escrow Agent into which
19 the sum of \$3,150,000.00 shall be deposited by or on behalf of Defendants as described in ¶3.1
20 below.

21 1.11 “Escrow Agent” means Lead Counsel or their successor(s).

22 1.12 “Fee and Expense Award” is defined in ¶7.1 below.

23 1.13 “Final” means when the last of the following with respect to the Judgment
24 approving the Settlement, in the form of Exhibit B attached hereto, shall occur: (i) the expiration
25 of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure
26 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in
27 which to appeal the Judgment has passed without any appeal having been taken, which date shall
28 be deemed to be thirty (30) days following the entry of the Judgment, unless the date to take such

1 an appeal shall have been extended by Court order or otherwise, or unless the 30th day falls on a
 2 weekend or a Court holiday, in which case the date for purposes of this Stipulation shall be
 3 deemed to be the next business day after such 30th day; and (iii) if a motion to alter or amend is
 4 filed under Federal Rule of Civil Procedure 59(e) or if an appeal is taken, immediately after the
 5 determination of that motion or appeal so that it is no longer subject to any further judicial
 6 review or appeal whatsoever, whether by reason of affirmance by a court of last resort, lapse of
 7 time, voluntary dismissal of the appeal or otherwise, and in such a manner as to permit the
 8 consummation of the Settlement substantially in accordance with the terms and conditions of this
 9 Stipulation. For purposes of this paragraph, an “appeal” shall include any petition for a writ of
 10 certiorari or other writ that may be filed in connection with approval or disapproval of this
 11 Settlement, but shall not include any appeal that concerns only the issue of attorneys’ fees and
 12 expenses or any Plan of Allocation of the Settlement Fund.

13 1.14 “Individual Defendants” means George H. John, Richard Frankel, and J. Peter
 14 Bardwick.

15 1.15 “Judgment” means the judgment and order of dismissal with prejudice to be
 16 rendered by the Court upon approval of the Settlement, substantially in the form attached hereto
 17 as Exhibit B, or such other substantially similar form agreed to by the Settling Parties.

18 1.16 “Lead Counsel” means Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti,
 19 LLC.

20 1.17 “Lead Plaintiffs” means Oklahoma Firefighters Pension and Retirement System,
 21 Browder Capital, LLC, and Patrick Browder.

22 1.18 “Net Settlement Fund” means the Settlement Fund less: (i) the amount of the Fee
 23 and Expense Award and any award to Lead Plaintiffs as allowed under the PSLRA, if and to the
 24 extent allowed by the Court; (ii) Class Notice and Administration Expenses; (iii) Taxes and Tax
 25 Expenses; and (iv) any other fees or expenses approved by the Court.

26 1.19 “Notice” means the Notice of Pendency and Proposed Settlement of Class Action
 27 to be sent to Class Members, which, subject to approval of the Court, shall be substantially in the
 28 form attached hereto as Exhibit A-1.

1 1.20 “Notice Order” is defined in ¶4.1 below.

2 1.21 “Person” means any natural person, individual, corporation, partnership, limited
3 partnership, association, joint stock company, estate, legal representative, trust, unincorporated
4 association, government or any political subdivision or agency thereof, and any business or legal
5 entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

6 1.22 “Plaintiffs’ Counsel” means Lead Counsel and any counsel who appeared on
7 behalf of the Lead Plaintiffs in the Action.

8 1.23 “Plan of Allocation” means a plan or formula of allocation of the Net Settlement
9 Fund whereby the Net Settlement Fund shall be distributed to Authorized Claimants. Any Plan
10 of Allocation is not part of the Stipulation and the Released Persons shall have no responsibility
11 or liability with respect to the Plan of Allocation.

12 1.24 “Related Persons” means each of the Released Persons’ and their legal affiliates’
13 past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers,
14 principals, controlling shareholders, attorneys, accountants, auditors, investment advisors,
15 personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint
16 ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a
17 Released Person has a controlling interest, any members of an Individual Defendant’s or Director
18 Defendant’s immediate family, any trust of which an Individual Defendant or Director
19 Defendant is the settlor or which is for the benefit of an Individual Defendant or Director
20 Defendant and/or any member of an Individual Defendant’s or Director Defendant’s immediate
21 family, and any entity in which a Defendant and/or any member of an Individual Defendant’s or
22 Director Defendant’s immediate family has or have a controlling interest (directly or indirectly).

23 1.25 “Released Claims” means any and all claims, demands, rights, causes of action or
24 liabilities of every nature and description whatsoever (including, but not limited to, any claims
25 for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or
26 liabilities whatsoever), whether based on federal, state, local, foreign, statutory or common law
27 or any other law, rule, ordinance, administrative provision or regulation, including Unknown
28 Claims as defined in ¶1.33 hereof, whether class or individual in nature, whether fixed or

1 contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or
2 unmatured, concealed or hidden, suspected or unsuspected, which now exist or heretofore have
3 existed, that were asserted or could have been asserted by Lead Plaintiffs or any Class Member
4 against the Released Persons based on, arising from or relating to both: (i) the purchase,
5 acquisition, holding, disposition, or sale of any shares of Rocket Fuel common stock during the
6 Class Period; and (ii) the allegations, transactions, facts, matters, events, disclosures, registration
7 statements, public filings, acts, occurrences, representations, statements, omissions or failures to
8 act that occurred during the Class Period and that were or could have been alleged by Lead
9 Plaintiffs in the Action against the Released Persons. Released Claims does not include claims
10 to enforce the Settlement or any derivative actions.

11 1.26 “Released Persons” means each and all of the Defendants, Individual Defendants,
12 Director Defendants, and Underwriter Defendants, and each and all of their Related Persons.

13 1.27 “Settlement Amount” means Three Million One Hundred Fifty Thousand U.S.
14 Dollars (\$3,150,000.00) in cash.

15 1.28 “Settlement Fund” means the Settlement Amount, together with all interest and
16 income earned thereon after being transferred to the Escrow Account.

17 1.29 “Settlement Hearing” is defined in ¶4.3 below.

18 1.30 “Settling Parties” means, collectively, Lead Plaintiffs on behalf of themselves and
19 the Class Members, and Defendants.

20 1.31 “Summary Notice” means the Summary Notice, which, subject to approval of the
21 Court, shall be substantially in the form attached hereto as Exhibit A-3.

22 1.32 “Underwriter Defendants” means collectively Credit Suisse Securities (USA)
23 LLC, Citigroup Global Markets Inc., Needham & Company, LLC, Oppenheimer & Co., Inc.,
24 Piper Jaffray & Co., BMO Capital Markets Corp., LUMA Securities LLC, and Goldman, Sachs
25 & Co.

26 1.33 “Unknown Claims” means collectively any Released Claims which Lead
27 Plaintiffs or any Class Member do not know or suspect to exist in his, her or its favor at the time
28 of the release of the Released Persons which, if known by him, her or it, might have affected his,

1 her or its settlement with and release of the Released Persons, or might have affected his, her or
2 its decision not to object to this Settlement or seek exclusion from the Class. With respect to any
3 and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date,
4 Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have,
5 and by operation of the Judgment shall have, expressly waived the provisions, rights, and
6 benefits of California Civil Code §1542, which provides:

7 A general release does not extend to claims which the creditor does not
8 know or suspect to exist in his or her favor at the time of executing the release,
9 which if known by him or her must have materially affected his or her settlement
10 with the debtor.

11 Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have,
12 and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and
13 benefits conferred by any law of any state or territory of the United States or any foreign country,
14 or any principle of common law, which is similar, comparable or equivalent in substance to
15 California Civil Code §1542. Lead Plaintiffs and Class Members may hereafter discover facts in
16 addition to or different from those which he, she or it now knows or believes to be true with
17 respect to the subject matter of the Released Claims, but upon the Effective Date, each Class
18 Member, and Lead Plaintiffs expressly, shall be deemed to have, and by operation of the
19 Judgment shall have, fully, finally, and forever settled and released any and all Released Claims,
20 known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not
21 concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or
22 equity now existing or coming into existence in the future, including, but not limited to, conduct
23 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
24 without regard to the subsequent discovery or existence of such different or additional facts.
25 Lead Plaintiffs acknowledge, and the Class Members shall be deemed by operation of the
26 Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a
27 key element of the Settlement of which this release is a part.
28

1 **2. CAFA Notice**

2 2.1 Pursuant to the Class Action Fairness Act (“CAFA”), no later than ten (10)
3 calendar days after this Settlement Agreement is filed with the Court, Defendants shall serve
4 proper notice of the proposed Settlement upon those who are entitled to such notice pursuant to
5 CAFA. Defendants shall bear the cost of serving the CAFA Notice.

6 **3. The Settlement**

7 **a. The Settlement Fund**

8 3.1 Defendants shall pay or shall cause their insurance carriers to pay the Settlement
9 Amount into the Escrow Account within fifteen (15) days from the later of: (a) entry of the
10 Court’s order preliminarily approving the Settlement; or (b) the date on which the Escrow Agent
11 provides to Defendants: (i) specific bank identification and wiring information (including the
12 physical address of the bank) necessary to wire the Settlement Amount to the Escrow Account,
13 (ii) instructions for the payee and address to which a physical check can be mailed, and (iii) a
14 completed and signed Form W-9 reflecting the tax identification number of the payee.

15 3.2 Lead Plaintiffs shall have the right, but not the obligation, to terminate the
16 Settlement thirty (30) calendar days after the failure to timely pay the Settlement Amount in
17 accordance with ¶3.1 above.

18 3.3 The payment described in ¶3.1 above is the only payment to be made by or on
19 behalf of Defendants in connection with this Settlement.

20 **b. The Escrow Agent**

21 3.4 The Escrow Agent shall invest the Settlement Amount deposited pursuant to ¶3.1
22 hereof in instruments backed by the full faith and credit of the United States Government or fully
23 insured by the United States Government or an agency thereof and shall reinvest the proceeds of
24 these instruments as they mature in similar instruments at their then-current market rates. All
25 costs and risks related to the investment of the Settlement Fund in accordance with the guidelines
26 set forth in this paragraph shall be borne by the Settlement Fund.

1 3.5 The Escrow Agent shall not disburse the Settlement Fund except: (a) as provided
2 in the Stipulation; (b) by an order of the Court; or (c) with the written agreement of counsel for
3 the Settling Parties.

4 3.6 Subject to further order(s) and/or directions as may be made by the Court, or as
5 provided in the Stipulation, the Escrow Agent is authorized to execute such transactions as are
6 consistent with the terms of the Stipulation. The Released Persons shall have no responsibility
7 for, interest in, or liability whatsoever with respect to, the actions of the Escrow Agent, or any
8 transaction executed by the Escrow Agent.

9 3.7 All funds held by the Escrow Agent shall be deemed and considered to be in
10 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such
11 time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the
12 Court.

13 3.8 Prior to the Effective Date, Lead Counsel, without further approval of Defendants
14 or the Court, may pay from the Settlement Fund up to \$250,000.00 in Class Notice and
15 Administration Expenses associated with providing notice to the Class and the administration of
16 the Settlement. Prior to the Effective Date, payment of any Class Notice and Administration
17 Expenses exceeding \$250,000.00 shall require notice to, and agreement from, the Defendants,
18 through Defendants' counsel, which agreement shall not be unreasonably refused. Subsequent to
19 the Effective Date, without further approval by Defendants or the Court, the Settlement Fund
20 may be used by Lead Counsel to pay all reasonable and necessary Class Notice and
21 Administration Expenses.

22 **c. Taxes**

23 **Qualified Settlement Fund**

24 3.9 (a) The Settling Parties agree to treat the Settlement Fund as being at all times
25 a "Qualified Settlement Fund" within the meaning of Treasury Regulation §1.468B-1. In
26 addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry
27 out the provisions of this ¶3.9, including the "relation-back election" (as defined in Treasury
28 Regulation §1.468B-1) back to the earliest permitted date. Such elections shall be made in

1 compliance with the procedures and requirements contained in such regulations. It shall be the
2 responsibility of the Escrow Agent to timely and properly prepare and deliver, or cause to be
3 prepared and delivered, the necessary documentation for signature by all necessary parties, and
4 thereafter to cause the appropriate filing to occur.

5 (b) For the purpose of §468B of the Internal Revenue Code of 1986, as
6 amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow
7 Agent. The Escrow Agent shall timely and properly file, or cause to be filed, all informational
8 and other tax returns necessary or advisable with respect to the Settlement Fund (including,
9 without limitation, the returns described in Treasury Regulation §1.468B-2(k)). Such returns (as
10 well as the election described in ¶3.9(a) hereof) shall be consistent with this ¶3.9 and in all
11 events shall reflect that all Taxes (including any estimated Taxes, interest, or penalties) on the
12 income earned on the Settlement Amount shall be paid out of the Settlement Fund as provided in
13 ¶3.9(c) hereof.

14 (c) All (a) Taxes (including any estimated Taxes, interest, or penalties) arising
15 with respect to the income earned on the Settlement Amount, including any Taxes or tax
16 detriments that may be imposed upon the Released Persons or their counsel with respect to any
17 income earned on the Settlement Amount for any period during which the Settlement Amount
18 does not qualify as a “Qualified Settlement Fund” for federal or state income tax purposes
19 (“Taxes”), and (b) expenses and costs incurred in connection with the operation and
20 implementation of this ¶3.9 (including, without limitation, expenses of tax attorneys and/or
21 accountants and mailing and distribution costs and expenses relating to filing (or failing to file)
22 the returns described in this ¶3.9) (“Tax Expenses”), shall be paid out of the Settlement Amount;
23 in all events the Released Persons and their counsel shall have no liability or responsibility for
24 the Taxes or the Tax Expenses. The Escrow Agent shall indemnify and hold each of the
25 Released Persons and their counsel harmless for Taxes and Tax Expenses (including, without
26 limitation, Taxes payable by reason of any such indemnification). Further, Taxes and Tax
27 Expenses shall be treated as, and considered to be, a cost of administration of the Settlement
28 Fund and shall be timely paid by the Escrow Agent out of the Escrow Account without prior

1 order from the Court or approval of Defendants, and the Escrow Agent shall be obligated
 2 (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized
 3 Claimants any funds necessary to pay such amounts, including the establishment of adequate
 4 reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be
 5 withheld under Treasury Regulation §1.468B-2(l)(2)); neither the Released Persons nor their
 6 counsel are responsible nor shall they have any liability therefor. The Settling Parties hereto
 7 agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to
 8 the extent reasonably necessary to carry out the provisions of this ¶3.9.

9 (d) Except as required by ¶3.1 concerning payment of the Settlement Amount,
 10 neither Defendants nor their Related Persons are responsible for Taxes, Tax Expenses, Class
 11 Notice and Administration Expenses, nor shall they be liable for any claims with respect thereto.

12 **d. Termination of Settlement**

13 3.10 In the event the Settlement: (i) is not approved by the Court; (ii) is terminated,
 14 canceled, or fails to become effective for any reason, including, without limitation, in the event
 15 the Judgment is reversed or vacated following any appeal taken therefrom; or (iii) is successfully
 16 collaterally attacked, the Settlement Fund (including accrued interest) less expenses actually
 17 incurred or due and owing for Class Notice and Administration Expenses, Taxes or Tax
 18 Expenses pursuant to ¶¶3.8 or 3.9 shall be refunded to such Persons that paid the Settlement
 19 Amount pursuant to written instructions from Defendants' counsel, and the parties will revert to
 20 their prior positions in this litigation.

21 **e. Certification of Settlement Class**

22 3.11 The Settling Parties agree that certification of a class, for settlement purposes
 23 only, is appropriate in the Action. For purposes of this Stipulation and the Settlement only, the
 24 Settling Parties stipulate, subject to Court approval, to: (i) the certification, for settlement
 25 purposes only, of a Settlement Class, pursuant to Rules 23(a) and (b)(3) of the Federal Rules of
 26 Civil Procedure; (ii) the appointment of Lead Plaintiffs as the class representatives for the
 27 Settlement Class; and (iii) the appointment of Lead Counsel as counsel to the Settlement Class.

1 3.12 The certification of the Settlement Class shall be binding only with respect to the
 2 Settlement of the Action and only if the Judgment contemplated by this Stipulation becomes
 3 Final and the Effective Date occurs. Nothing in this Stipulation shall serve in any fashion, either
 4 directly or indirectly, as evidence of or support for certification of a class other than for
 5 settlement purposes, and the Settling Parties intend that the provisions herein concerning
 6 certification of the Settlement Class shall have no effect whatsoever in the event the Settlement
 7 does not become Final. Defendants expressly reserve the right to contest class certification in the
 8 event the Settlement is terminated or the Effective Date does not occur for any other reason.

9 **4. Notice Order and Settlement Hearing**

10 4.1 Promptly after execution of the Stipulation, Lead Counsel shall submit the
 11 Stipulation together with its exhibits (the “Exhibits”) to the Court and shall apply for entry of an
 12 order (the “Notice Order”), in the form of Exhibit A attached hereto, requesting, *inter alia*, the
 13 preliminary approval of the Settlement set forth in this Stipulation and approval of the mailing of
 14 the Notice and publication of the Summary Notice, in the forms of Exhibits A-1 and A-3
 15 attached hereto. The Notice shall include the general terms of the Settlement set forth in the
 16 Stipulation, the proposed Plan of Allocation, the general terms of the application for the Fee and
 17 Expense Award, and the date of the Settlement Hearing (defined in ¶4.3 below).

18 4.2 It shall be the Claims Administrator’s responsibility, under supervision of Lead
 19 Counsel, to disseminate the Notice and Summary Notice to the Class in accordance with this
 20 Stipulation and as ordered by the Court. Class Members shall have no recourse as to the
 21 Released Persons with respect to any claims they may have that arise from any failure of the
 22 notice process.

23 4.3 Lead Counsel shall request that after notice is given to the Class, the Court hold a
 24 hearing (the “Settlement Hearing”) and approve the Settlement of the Action as set forth herein.
 25 At or after the Settlement Hearing, Lead Counsel also shall request that the Court approve the
 26 proposed Plan of Allocation and the Fee and Expense Award.

1 **5. Releases**

2 5.1 Upon the Effective Date, Lead Plaintiffs and each of the Class Members shall be
3 deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released,
4 relinquished, and discharged against the Released Persons (whether or not such Class Member
5 executes and delivers a Proof of Claim and Release form) any and all Released Claims
6 (including, without limitation, Unknown Claims). Claims to enforce the terms of this Stipulation
7 are not released. The Settling Parties acknowledge, and the Class Members shall be deemed by
8 operation of law to acknowledge, that the waiver of Unknown Claims, and of the provisions,
9 rights and benefits of §1542 of the California Civil Code, was bargained for and is a key element
10 of the Settlement of which the release in this paragraph is a part.

11 5.2 Upon the Effective Date, Lead Plaintiffs and each of the Class Members and
12 anyone claiming through or on behalf of them, shall be permanently barred and enjoined from (i)
13 the commencement, assertion, institution, maintenance, prosecution, or enforcement against any
14 Released Person of any action or other proceeding in any court of law or equity, arbitration
15 tribunal, administrative forum, or forum of any kind, asserting any of the Released Claims,
16 and/or (ii) appealing any prior rulings in this case, including the dismissal with prejudice of the
17 Underwriter Defendants or the Director Defendants from the case.

18 5.3 The Proof of Claim and Release to be executed by Class Members shall release all
19 Released Claims against the Released Persons and shall be substantially in the form contained in
20 Exhibit A-2 attached hereto.

21 5.4 Upon the Effective Date, each of the Released Persons shall be deemed to have,
22 and by operation of the Judgment shall have, fully, finally, and forever released, relinquished,
23 and discharged Lead Plaintiffs, each and all of the Class Members, and Plaintiffs' Counsel from
24 all claims (including, without limitation, Unknown Claims) arising out of, relating to, or in
25 connection with, the institution, prosecution, assertion, settlement, or resolution of the Action or
26 the Released Claims, except for claims relating to the enforcement of the Settlement.

6. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of the Settlement Fund

6.1 The Claims Administrator, subject to such supervision and direction of the Court or Lead Counsel as may be necessary or as circumstances may require, shall provide notice of the Settlement to the Class, shall administer and calculate the claims submitted by Class Members, and shall oversee distribution of the Net Settlement Fund to Authorized Claimants.

6.2 Within ten (10) business days after execution of this Stipulation, Rocket Fuel shall provide or cause to be provided to the Claims Administrator with a list of names and addresses of record holders of Rocket Fuel common stock during the Class Period on the transfer agent's books. This information shall be provided in an electronic format acceptable to the Claims Administrator. Rocket Fuel shall be responsible for any costs or expenses related to providing this information.

6.3 In accordance with the schedule set forth in the Notice Order, Lead Counsel will cause the Claims Administrator to mail to all shareholders of record, identified on the list provided by Rocket Fuel to the Claims Administrator, the Notice, substantially in the form of Exhibit A-1 attached hereto, and a Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto. The Notice shall set forth the terms of the Stipulation, including the proposed Plan of Allocation and Lead Counsel's request for attorneys' fees, costs and expenses; the date and time of the Settlement Hearing; the right to object to the Settlement, proposed Plan of Allocation, or request for fees and expenses; the right to appear at the Settlement Hearing; and the right to request exclusion from the Class. The Notice and Proof of Claim and Release form shall also be posted on the Claims Administrator's website. In accordance with the schedule set forth in the Notice Order, the Summary Notice, substantially in the form of Exhibit A-3 attached hereto, will also be published once in the national edition of *Investor's Business Daily* and once over a national newswire service. The cost of providing such notice shall be paid out of the Settlement Fund.

6.4 The Settlement Fund shall be applied as follows:

(a) to pay all Class Notice and Administration Expenses;

- 1 (b) to pay the Taxes and Tax Expenses described in ¶3.9 hereof;
- 2 (c) to pay the Fee and Expense Award;
- 3 (d) to pay any award to Lead Plaintiffs as allowed under the PSLRA, subject
- 4 to the approval of the Court; and
- 5 (e) after the Effective Date, to distribute the Net Settlement Fund to
- 6 Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

7 6.5 Upon the Effective Date and thereafter, and in accordance with the terms of the
8 Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as
9 may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed
10 to Authorized Claimants, subject to and in accordance with the following.

11 6.6 Each Person claiming to be an Authorized Claimant shall be required to submit to
12 the Claims Administrator a completed Proof of Claim and Release, substantially in the form of
13 Exhibit A-2 attached hereto, postmarked or submitted electronically by no later than 120
14 calendar days after the Notice Date (as defined in Exhibit A attached hereto), or such other time
15 as may be set by the Court (the “Bar Date”), signed under penalty of perjury and supported by
16 such documents as are specified in the Proof of Claim and Release and as are reasonably
17 available to such Person.

18 6.7 Except as otherwise ordered by the Court, all Class Members who fail to submit a
19 Proof of Claim and Release by the Bar Date, or such other period as may be ordered by the
20 Court, or who submit a Proof of Claim and Release that is rejected, shall be forever barred from
21 receiving any payments pursuant to the Stipulation and the Settlement set forth herein, but will in
22 all other respects be subject to and bound by the provisions of the Stipulation, including the
23 releases contained herein, and the Judgment. Notwithstanding the foregoing, Lead Counsel shall
24 have the discretion (but not the obligation) to accept late-submitted claims for processing by the
25 Claims Administrator, so long as the distribution of the Net Settlement Fund to Authorized
26 Claimants is not materially delayed thereby. No person shall have any claim against Lead
27 Plaintiffs, Lead Counsel or the Claims Administrator by reason of the decision to exercise or not
28 exercise such discretion.

1 6.8 The Claims Administrator shall calculate the claims of Authorized Claimants
2 substantially in accordance with the Plan of Allocation set forth in the Notice and approved by
3 the Court.

4 6.9 Lead Counsel will apply to the Court, with reasonable advance notice to
5 Defendants, for a Distribution Order: (i) approving the Claims Administrator's administrative
6 determinations concerning the acceptance and rejection of the Claims submitted; (ii) approving
7 payment of any outstanding administration fees and expenses associated with the administration
8 of the Settlement from the Escrow Account; and (iii) if the Effective Date has occurred, directing
9 payment of the Net Settlement Fund to Authorized Claimants from the Escrow Account.

10 6.10 Other than in the event of the termination of the Settlement pursuant to ¶3.10,
11 Defendants shall not have a reversionary interest in the Net Settlement Fund. If there is any
12 balance remaining in the Net Settlement Fund after a reasonable period of time after the initial
13 date of distribution of the Net Settlement Fund, Lead Counsel shall, if feasible, allocate such
14 balance among Authorized Claimants in an equitable and economic fashion. These
15 redistributions shall be repeated until the balance remaining in the Net Settlement Fund is *de*
16 *minimis* and such remaining balance shall then be donated to the Legal Aid Society of San
17 Mateo.

18 6.11 The Released Persons shall have no responsibility for, interest in, or liability
19 whatsoever with respect to the distribution of the Net Settlement Fund, the Plan of Allocation,
20 the determination, administration, or calculation of claims, the payment or withholding of Taxes,
21 or any losses incurred in connection therewith.

22 6.12 Defendants shall take no position with respect to the Plan of Allocation or any
23 other such plan as may be approved by the Court.

24 6.13 It is understood and agreed by the Settling Parties that any proposed Plan of
25 Allocation of the Net Settlement Fund, including, but not limited to, any adjustments to an
26 Authorized Claimant's claim set forth therein, is not a part of the Stipulation and is to be
27 considered by the Court separately from the Court's consideration of the fairness,
28 reasonableness, and adequacy of the Settlement set forth in the Stipulation, and any order or

1 proceeding relating to the Plan of Allocation shall not operate to terminate or cancel the
2 Stipulation or affect the finality of the Court's Judgment approving the Stipulation and the
3 Settlement set forth therein, or any other orders entered pursuant to the Stipulation. Class
4 Members and Defendants shall be bound by the terms of this Stipulation, irrespective of whether
5 the Court disapproves or modifies the Plan of Allocation.

6 6.14 No Person shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel,
7 Released Persons, Defendants' counsel, or the Claims Administrator based on distributions made
8 substantially in accordance with the Stipulation and the Settlement contained herein, the Plan of
9 Allocation, or otherwise as further ordered by the Court. This does not include any claim by any
10 party for breach of this Stipulation.

11 **7. Plaintiffs' Counsel's Attorneys' Fees, Costs, Charges and Expenses**

12 7.1 Lead Counsel may submit an application or applications (the "Fee and Expense
13 Application") for distributions to them from the Settlement Fund for: (a) an award of attorneys'
14 fees; plus (b) expenses or charges in connection with prosecuting the Action; plus (c) interest on
15 both amounts as earned by the Settlement Fund (until paid) as may be awarded by the Court.
16 Any and all such fees, expenses, charges, and costs awarded by the Court (the "Fee and Expense
17 Award") shall be payable solely out of the Settlement Fund. Lead Plaintiffs may submit an
18 application for an award of their time and expense in representing the Class as allowed under the
19 PSLRA. Any amounts awarded to Lead Plaintiffs shall be paid from the Settlement Fund.

20 7.2 The Fee and Expense Award shall be paid to Lead Counsel from the Settlement
21 Fund, as ordered, immediately following entry of an order by the Court granting such award.
22 Lead Counsel shall thereafter allocate the attorneys' fees amongst Plaintiffs' Counsel in a
23 manner that they in good faith believe reflects the contributions of such counsel to the
24 prosecution and settlement of the Action. In the event that the Effective Date does not occur, or
25 the order making the Fee and Expense Award pursuant to ¶7.1 is reversed or modified by final
26 non-appealable order, or if this Stipulation is cancelled or terminated for any reason, and in the
27 event any part of the Fee and Expense Award has been paid, then Plaintiffs' Counsel shall, in an
28 amount consistent with such reversal, modification, cancellation or termination, refund such fees

1 or expenses to the Settlement Fund, plus interest earned thereon at the same rate as earned on the
 2 Settlement Fund, within thirty (30) days from receiving notice from Defendants' counsel or from
 3 a court of competent jurisdiction. Any refunds required pursuant to this paragraph shall be the
 4 several obligation of each Plaintiffs' Counsel receiving fees or expenses to make appropriate
 5 refunds or repayments to the Settlement Fund. Each Plaintiffs' Counsel, as a condition of
 6 receiving such fees and/or expenses on behalf of itself and each partner and/or shareholder of it,
 7 agrees that its law firm and its partners and/or shareholders are subject to the jurisdiction of the
 8 Court for the purpose of enforcing the provisions of this paragraph.

9 7.3 The procedure for and the allowance or disallowance by the Court of the Fee and
 10 Expense Award, or the expenses of the Lead Plaintiffs, to be paid out of the Settlement Fund, are
 11 not part of the Settlement, and any order or proceeding relating to the Fee and Expense
 12 Application, or relating to an award to the Lead Plaintiffs, or any appeal from any order relating
 13 thereto or reversal or modification thereof, shall not operate to terminate or cancel the
 14 Settlement, or affect or delay the finality of the Judgment approving the Stipulation and the
 15 Settlement of the Action (including the releases contained herein).

16 7.4 The Released Persons shall have no responsibility for nor any liability with
 17 respect to the payment of any Fee and Expense Award to any Plaintiffs' Counsel, nor with
 18 respect to the allocation among Plaintiffs' Counsel and/or any other Person who may assert some
 19 claim thereto, of any Fee and Expense Award that the Court may make in the Action.

20 **8. Conditions of Settlement, Effect of Disapproval, Cancellation, or** 21 **Termination**

22 8.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all
 23 of the following events:

24 (a) execution of this Stipulation and such other documents as may be required
 25 to obtain final Court approval of the Stipulation in a form satisfactory to the Settling Parties;

26 (b) the Settlement Amount has been deposited into the Escrow Account as
 27 provided by ¶3.1 hereof;

1 (c) Defendants have not exercised their option to terminate the Stipulation
2 pursuant to ¶8.3 hereof;

3 (d) the Court has entered the Notice Order, as required by ¶4.1 hereof;

4 (e) the Court has entered the Judgment that, *inter alia*, dismisses with
5 prejudice the Action, as to the Settling Parties, as set forth above; and

6 (f) the Judgment has become Final, as defined in ¶1.13 hereof.

7 8.2 This is not a claims-made settlement. As of the Effective Date, Defendants, their
8 insurance carriers, and/or any other such persons or entities funding the Settlement on the
9 Defendants' behalf, shall not have any right to the return of the Settlement Fund or any portion
10 thereof for any reason. Upon the occurrence of all of the events referenced in ¶8.1 hereof, any
11 and all remaining interest or right of Defendants, if any, in or to the Settlement Fund shall be
12 absolutely and forever extinguished. If all of the conditions specified in ¶8.1 hereof are not met,
13 then the Stipulation shall be canceled and terminated subject to ¶8.4 hereof unless Lead Counsel
14 and counsel for Defendants mutually agree in writing to proceed with the Settlement.

15 8.3 If, prior to the Settlement Hearing, Persons who otherwise would be members of
16 the Class have timely requested exclusion from the Class in accordance with the provisions of
17 the Notice Order and the Notice given pursuant thereto, and such Persons in the aggregate
18 purchased a number of shares of Rocket Fuel common stock during the Class Period in an
19 amount greater than the sum specified (the "Opt-Out Threshold") in a separate Supplemental
20 Agreement Regarding Requests for Exclusion ("Supplemental Agreement") executed between
21 Lead Plaintiffs and Rocket Fuel, Rocket Fuel shall have the option to terminate this Stipulation
22 and Settlement in accordance with the procedures set forth in the Supplemental Agreement. The
23 Supplemental Agreement is incorporated by reference into this Stipulation. The Supplemental
24 Agreement will not be filed with the Court unless and until a dispute between Lead Plaintiffs and
25 Rocket Fuel concerning its interpretation or application arises. The Opt-Out Threshold may be
26 disclosed to the Court for purposes of approval of the Settlement, as may be required by the
27 Court, but such disclosure shall be carried out to the fullest extent possible in accordance with
28 the practices of the Court so as to maintain the Opt-Out Threshold as confidential. Copies of all

1 requests for exclusion received, together with copies of all written revocations of requests for
2 exclusion, shall be promptly delivered to Rocket Fuel's counsel by Lead Counsel.

3 8.4 Unless otherwise ordered by the Court, in the event the Stipulation shall
4 terminate, or be canceled, or shall not become effective for any reason, within five (5) business
5 days after written notification of such event is sent by counsel for Defendants or Lead Counsel to
6 the Escrow Agent, the Settlement Fund, less Class Notice and Administration Expenses, Taxes,
7 and Tax Expenses reasonably and actually incurred pursuant to ¶¶3.8 or 3.9 hereof, shall be
8 refunded to such Persons that paid the Settlement Amount pursuant to written instructions from
9 Defendants' counsel. At the request of counsel for Defendants, the Escrow Agent or its designee
10 shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction
11 of any expenses incurred in connection with such application(s) for refund, to such Persons that
12 paid the Settlement Amount pursuant to written instructions from Defendants' counsel.

13 8.5 In the event that the Stipulation is not approved by the Court or the Settlement set
14 forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the
15 Settling Parties shall not forfeit or waive any factual or legal defense or contention in the Action
16 and shall be restored to their respective positions in the Action as of February 24, 2017. In such
17 event, the terms and provisions of the Stipulation, with the exception of ¶¶1.1-1.33, 3.8-3.10, 7.2,
18 8.4-8.5, 9.2, 9.4, and 9.5 hereof, shall have no further force and effect with respect to the Settling
19 Parties and shall not be used in this Action or in any other proceeding for any purpose, and any
20 judgment or order entered by the Court in accordance with the terms of the Stipulation shall be
21 treated as vacated, *nunc pro tunc*, and the Settling Parties shall be deemed to return to their status
22 as of February 24, 2017, and shall be required to present an amended pre-trial schedule to the
23 Court. No order of the Court or modification or reversal on appeal of any such order of the
24 Court concerning the Plan of Allocation, the Fee and Expense Award, or any award to the Lead
25 Plaintiffs shall constitute grounds for cancellation or termination of the Stipulation.

26 **9. Miscellaneous Provisions**

27 9.1 The Settling Parties: (a) acknowledge that it is their intent to consummate this
28 Settlement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and

1 implement all terms and conditions of the Stipulation and to exercise their best efforts to
2 accomplish the foregoing terms and conditions of the Stipulation expeditiously.

3 9.2 The Settling Parties intend this Settlement to be a final and complete resolution of
4 all disputes between them with respect to the Action. The Settlement and all negotiations,
5 discussions, and proceedings leading up to and in connection herewith shall not be deemed to
6 constitute a presumption, concession, or an admission by any Settling Party or any of the
7 Released Persons of any fault, liability, or wrongdoing by it, or as to the merits of any claim or
8 defense.

9 9.3 The Settling Parties and their counsel agree that they shall not assert any claims of
10 any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution,
11 defense or settlement of the Action, and the Judgment shall contain a finding that all Settling
12 Parties and their counsel complied with the requirements of Rule 11 with respect to the
13 institution, prosecution, defense, and resolution of the Action. The Settling Parties agree that the
14 Settlement Amount and the other terms of the Settlement were negotiated in good faith at arm's
15 length by the Settling Parties and reflect a settlement that was reached voluntarily after
16 consultation with competent legal counsel.

17 9.4 Neither the Stipulation nor the Settlement contained herein, nor any negotiations,
18 discussions, proceedings or act performed or document executed pursuant to or in furtherance of
19 the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission
20 of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of
21 Defendants, Director Defendants, or Underwriter Defendants; or (b) is or may be deemed to be
22 or may be used as an admission of, or evidence of, any fault or omission of any of Defendants,
23 Director Defendants, or Underwriter Defendants in any civil, criminal or administrative
24 proceeding in any court, administrative agency or other tribunal. The Released Persons, Lead
25 Plaintiffs, Class Members, and Plaintiffs' Counsel may file the Stipulation and/or the Judgment
26 in any action that may be brought against them in order to support a defense or counterclaim
27 based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment
28

1 bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or
2 counterclaim, or in connection with any proceeding to enforce the terms of this Stipulation.

3 9.5 The Stipulated Protective Order for Standard Litigation dated May 26, 2016 shall
4 survive this Stipulation, pursuant to its terms.

5 9.6 All of the Exhibits to the Stipulation are material and integral parts hereof and are
6 fully incorporated herein by this reference.

7 9.7 This Stipulation shall not be construed more strictly against one party than
8 another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel
9 for one of the parties, it being recognized that it is the result of arm's-length negotiations
10 between the parties and that all parties have contributed substantially and materially to the
11 preparation of this Stipulation.

12 9.8 The Stipulation may be amended or modified only by a written instrument signed
13 by or on behalf of all Settling Parties or their respective successors-in-interest.

14 9.9 No waiver of any term or provision of this Settlement Agreement, or of any
15 breach or default hereof or hereunder, shall be valid or effective unless in writing and signed by
16 or on behalf of all Settling Parties or their respective successors-in-interest. No waiver of any
17 term or provision of this Settlement Agreement, or of any breach or default hereof or hereunder,
18 shall be construed as a waiver of the same or any other term or provision or of any previous or
19 subsequent breach thereof.

20 9.10 The Stipulation and the Exhibits attached hereto (together with the Supplemental
21 Agreement referred to in ¶8.3) constitute the entire agreement among the Settling Parties and no
22 representations, warranties, or inducements have been made to any Settling Party concerning the
23 Stipulation or its Exhibits other than the representations, warranties, and covenants contained and
24 memorialized in such documents. Except as otherwise provided herein, each Settling Party shall
25 bear its own costs.

26 9.11 This Settlement Agreement shall be construed and interpreted to effectuate the
27 intent of the Settling Parties, which is to resolve completely those claims and disputes, including
28 in the Action, and as more fully described herein. If any provision of this Settlement Agreement

1 shall be determined to be invalid, void, or illegal, such provision shall be construed and amended
2 in a manner that would permit its enforcement, but in no event shall such provision affect,
3 impair, or invalidate any other provision hereof.

4 9.12 Neither the Class Members nor Defendants shall be bound by the Stipulation if
5 the Court modifies material terms thereof, provided, however, that it shall not be a basis for
6 Class Members to terminate the Settlement if the Court modifies any proposed Plan of
7 Allocation or criteria for allocation of the Net Settlement Fund amongst Class Members, or the
8 Plan of Allocation is modified on appeal. Nor shall it be a basis to terminate the Stipulation if
9 the Court disapproves of or modifies the terms of this Stipulation with respect to attorneys' fees
10 or expenses (or any award to the Lead Plaintiffs) or the distribution of the Net Settlement Fund.
11 Notwithstanding any such modification of the terms or Plan of Allocation or the Stipulation with
12 respect to attorneys' fees or expenses (or any award to the Lead Plaintiffs), Defendants and
13 Defendants' insurers shall be entitled to all benefits of the Settlement and shall not, under any
14 circumstances, be called upon to contribute additional funds to the Settlement Amount.

15 9.13 Lead Counsel, on behalf of the Class, are expressly authorized by Lead Plaintiffs
16 to take all appropriate action required or permitted to be taken by the Class pursuant to the
17 Stipulation to effectuate its terms and also are expressly authorized to enter into any
18 modifications or amendments to the Stipulation on behalf of the Class which they deem
19 appropriate.

20 9.14 Each counsel or other Person executing the Stipulation or any of its Exhibits on
21 behalf of any Settling Party hereby warrants that such Person has the full authority to do so.

22 9.15 All notices, requests, demands, claims, and other communications hereunder shall
23 be in writing and shall be deemed duly given (i) when delivered personally to the recipient, (ii)
24 one (1) business day after being sent to the recipient by reputable overnight courier service
25 (charges prepaid), or (iii) five (5) business days after being mailed to the recipient by certified or
26 registered mail, return receipt requested and postage prepaid, and addressed to the intended
27 recipient as set forth below:
28

If to Lead Plaintiffs or to Lead Counsel:

Laurence D. King
Mario M. Choi
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350 Sansome Street, Suite 400
San Francisco, CA 94104

Ramzi Abadou
KAHN SWICK & FOTI, LLP
912 Cole Street, #251
San Francisco, CA 94117

If to Defendants or to Defendants' counsel:

Nina F. Locker
Rodney G. Strickland, Jr.
Joni L. Ostler
WILSON SONSINI GOODRICH & ROSATI
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304

9.16 The Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of executed counterparts shall be filed with the Court. Signatures sent by facsimile or by PDF via e-mail shall be deemed originals.

9.17 The Stipulation shall be binding upon, and inure to the benefit of, the heirs, successors, and assigns of the Settling Parties hereto.

9.18 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all Settling Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

9.19 Pending approval of the Court of the Stipulation and its Exhibits, all proceedings in this Action shall be stayed and all members of the Class shall be barred and enjoined from commencing any action to prosecute or prosecuting any of the Released Claims against any of the Released Persons.

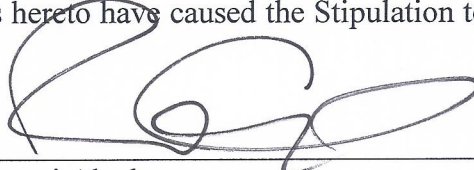
9.20 This Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of California, and

1 the rights and obligations of the parties to the Stipulation shall be construed and enforced in
2 accordance with, and governed by, the internal, substantive laws of the State of California,
3 without giving effect to that State's choice-of-law principles.

4 IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed,
5 by their duly authorized attorneys.

6 DATED: April 25, 2017

By:



Ramzi Abadou
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Telephone: 504-455-1400
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Lead Counsel for Lead Plaintiffs
Oklahoma Firefighters Pension and Retirement
System, Browder Capital LLC, and Patrick
Browder

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DATED: April 25, 2017

WILSON SONSINI GOODRICH & ROSATI
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H. John, J. Peter Bardwick, and Richard Frankel*

INDEX OF EXHIBITS TO STIPULATION AND
AGREEMENT OF SETTLEMENT

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re ROCKET FUEL INC. SECURITIES	)	CASE NO.: 4:14-cv-03998-PJH-JCS
LITIGATION)	
	)	<u>CONSOLIDATED CLASS ACTION</u>
)	
	)	[PROPOSED] ORDER
	)	PRELIMINARILY APPROVING
	)	SETTLEMENT AND PROVIDING
	)	FOR NOTICE
)	
	)	EXHIBIT A
)	
This Document Relates To:)	
ALL ACTIONS)	
)	

1 WHEREAS, an action is pending before this Court entitled *In re Rocket Fuel Inc.*
2 *Securities Litigation*, No. 4:14-cv-03998-PJH (JCS) (the “Action”);

3 WHEREAS, the parties having made application, pursuant to Federal Rule of Civil
4 Procedure 23(e), for an order preliminarily approving the Settlement of this Action, in accordance
5 with a Stipulation and Agreement of Settlement dated April 25, 2017 (the “Stipulation”), which,
6 together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed
7 Settlement of the Action and for dismissal of the Action with prejudice upon the terms and
8 conditions set forth therein; and the Court having read and considered the Stipulation and the
9 Exhibits annexed thereto; and

10 WHEREAS, unless otherwise defined, all terms used herein have the same meanings as
11 set forth in the Stipulation.

12 NOW, THEREFORE, IT IS HEREBY ORDERED:

13 1. The Court has reviewed the Stipulation and does hereby preliminarily approve the
14 Settlement embodied therein, subject to further consideration at the Settlement Hearing described
15 below.

16 2. This Action is certified for settlement purposes only as a class action pursuant to
17 Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure on behalf of a class consisting of
18 all Persons who purchased or otherwise acquired Rocket Fuel common stock between September
19 20, 2013 to August 5, 2014, inclusive, and were damaged thereby, excluding anyone named as a
20 defendant in this action including the Company, Individual Defendants, Director Defendants,
21 Underwriter Defendants; their respective former and current directors and officers, majority-
22 owned legal affiliates, representatives, controlling persons, predecessors-in-interest, heirs,
23 assigns, and any successors-in-interest; members of the immediate family of any defendant; any
24 entity in which any defendant has a majority interest. Also excluded from the Class are those
25 Persons who timely and validly request exclusion from the Class Pursuant to the Notice of
26 Pendency and Proposed Settlement of Class Action.

27 3. The Court has determined preliminarily and for the purpose of settlement that (a)
28 the Class is so numerous that joinder of all members is impracticable; (b) there are questions of

1 law and fact common to the Class that, as to the settlement of this Action in accordance with the
2 Stipulation, and all related matters, predominate over any individual questions; (c) the claims or
3 defenses of Lead Plaintiffs are typical of the claims or defenses of the Class; and (d) Lead
4 Plaintiffs will fairly and adequately protect the interests of the Class. The Court further
5 preliminarily finds that the questions of law or fact common to Class Members predominate over
6 any questions affecting individual members, including but not limited to whether Defendants
7 made false or misleading statements in violation of federal securities laws, whether any
8 Defendant acted with scienter, and whether the alleged false or misleading statements caused
9 economic damage to the Class. The Court also preliminarily finds that a class action is superior
10 to other available methods for the fair and efficient adjudication of this controversy.

11 4. A hearing (the “Settlement Hearing”) shall be held before this Court on
12 _____, 2017, at _____ [a date that is at least 120 calendar days from the date of this Order],
13 at the United States District Court for the Northern District of California, Courtroom 3, 3rd Floor,
14 1301 Clay Street, Oakland, CA 94612, to determine whether the proposed Settlement of the
15 Action on the terms and conditions provided for in the Stipulation is fair, reasonable, and
16 adequate to the Class and should be approved by the Court; whether a Judgment as provided in
17 ¶1.15 of the Stipulation should be entered; whether the proposed Plan of Allocation is fair,
18 reasonable, and adequate and should be approved; to determine the amount of fees and expenses
19 that should be awarded to Lead Counsel; and to determine the amount of expenses to be awarded
20 to Lead Plaintiffs. The Court may adjourn the Settlement Hearing without further notice to the
21 Class Members.

22 5. The Court approves, as to form and content, the Notice of Pendency and Proposed
23 Settlement of Class Action (the “Notice”), the Proof of Claim and Release form (the “Proof of
24 Claim”), and Summary Notice annexed hereto as Exhibits A-1, A-2, and A-3, respectively, and
25 finds that the mailing and distribution of the Notice and publishing of the Summary Notice
26 substantially in the manner and form set forth in ¶¶6-8 and ¶10 of this Order meet the
27 requirements of Federal Rule of Civil Procedure 23, the Private Securities Litigation Reform Act
28

1 of 1995 and due process, and is the best notice practicable under the circumstances and shall
2 constitute due and sufficient notice to all Persons entitled thereto.

3 6. The firm of A.B. Data, Ltd. (“Claims Administrator”) is hereby appointed to
4 supervise and administer the notice procedure as well as the processing of claims as more fully
5 set forth below.

6 7. Not later than _____, 2017 (the “Notice Date”) [ten (10) business days after
7 the Court signs and enters this Order], the Claims Administrator shall commence mailing the Notice
8 and Proof of Claim, substantially in the forms annexed hereto, by First-Class Mail to all Class
9 Members who can be identified with reasonable effort, and shall post on its website at
10 www.rocketfuelsecuritieslitigation.com.

11 8. Not later than fourteen (14) calendar days after the Notice Date, the Claims
12 Administrator shall cause the Summary Notice to be published once in the national edition of
13 *Investor’s Business Daily* and once over a national newswire service.

14 9. At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel
15 shall serve on Defendants’ counsel and file with the Court proof, by affidavit or declaration, of
16 such mailing and publishing.

17 10. Nominees who purchased Rocket Fuel common stock for the beneficial ownership
18 of Class Members during the Class Period shall send the Notice and the Proof of Claim to all such
19 beneficial owners of Rocket Fuel common stock within ten (10) days after receipt thereof, or send
20 a list of the names and addresses of such beneficial owners to the Claims Administrator within ten
21 (10) days of receipt thereof, in which event the Claims Administrator shall promptly mail the
22 Notice and Proof of Claim to such beneficial owners. Lead Counsel shall, if requested, reimburse
23 banks, brokerage houses or other nominees solely for their reasonable out-of-pocket expenses
24 incurred in providing notice to beneficial owners who are Class Members out of the Settlement
25 Fund, which expenses would not have been incurred except for the sending of such notice, subject
26 to further order of this Court with respect to any dispute concerning such expenses.

27 11. All Class Members shall be bound by all determinations and judgments in the
28 Action concerning the Settlement, whether favorable or unfavorable to the Class.

1 12. Class Members who wish to participate in the Settlement shall complete and
2 submit Proof of Claim and Release forms in accordance with the instructions contained therein.
3 Unless the Court orders otherwise, all Proof of Claim and Release forms must be postmarked or
4 submitted electronically no later than one hundred-twenty (120) days from the Notice Date. Any
5 Class Member who does not timely submit a Proof of Claim and Release within the time provided
6 shall be barred from sharing in the distribution of the proceeds of the Settlement Fund, unless
7 otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel may, in their
8 discretion, accept late-submitted claims for processing by the Claims Administrator so long as
9 distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed
10 thereby.

11 13. Any Class Member may enter an appearance in the Action, at their own expense,
12 individually or through counsel of their own choice. If they do not enter an appearance, they will
13 be represented by Lead Counsel.

14 14. Any Person falling within the definition of the Class may, upon request, be
15 excluded or “opt out” from the Class. Any such Person must submit to the Claims Administrator
16 a request for exclusion (“Request for Exclusion”), postmarked no later than _____, 2017
17 [ninety (90) calendar days after the Notice Date]. A Request for Exclusion must: (a) state the
18 name, address, and telephone number of the Person(s) requesting exclusion; (b) identify the
19 Person’s purchases (or acquisitions) and sales of Rocket Fuel common stock made during the
20 Class Period, including the dates of purchase, acquisition or sale, prices paid or received, and the
21 number of shares of common stock purchased and/or sold; (c) include the Person’s signature; and
22 (d) state that the Person wishes to be excluded from the Class. All Persons who submit valid and
23 timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights under
24 the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be
25 bound by the Stipulation or any final judgment.

26 15. Lead Counsel shall cause to be provided to Defendants’ counsel copies of all
27 Requests for Exclusion, and any written revocation of Requests for Exclusion, as expeditiously as
28 possible and in any event not less than fourteen (14) days prior to the Settlement Hearing.

1 16. Any Class Member may move and/or appear at the Settlement Hearing to show
2 cause why the proposed Settlement of the Action should or should not be approved as fair,
3 reasonable, and adequate, why a judgment should or should not be entered thereon, why the Plan
4 of Allocation should or should not be approved, why attorneys' fees and expenses should or
5 should not be awarded to Lead Counsel, or why the expenses of Lead Plaintiffs should or should
6 not be awarded. Any written objections must be delivered by hand or sent by First-Class Mail
7 postmarked, on or before _____, 2017 [ninety (90) calendar days after the Notice Date], to the
8 Clerk of the United States District Court for the Northern District of California, 1301 Clay Street,
9 Suite 400 S, Oakland, CA 94612. Any Class Member who does not make his, her or its objection
10 in writing in the manner provided or in person at the Settlement Hearing shall be deemed to have
11 waived such objection and shall forever be foreclosed from making any objection to the fairness
12 or adequacy of the proposed Settlement as set forth in the Stipulation, to the Plan of Allocation, or
13 to the award of attorneys' fees and expenses to Plaintiffs' Counsel or expenses of Lead Plaintiffs,
14 unless otherwise ordered by the Court.

15 17. All funds held by the Escrow Agent shall be deemed and considered to be in
16 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such
17 time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the
18 Court.

19 18. All opening briefs and supporting documents in support of the Settlement, the Plan
20 of Allocation, and any application by Lead Counsel for attorneys' fees and expenses or by Lead
21 Plaintiffs for their expenses shall be filed and served by _____, 2017 [seventy-five (75)
22 calendar days after the Notice Date]. Replies to any objections shall be filed and served by
23 _____, 2017 [one hundred-five (105) calendar days after the Notice Date].

24 19. Neither the Released Persons nor Defendants' insurers shall have any
25 responsibility for the Plan of Allocation or any application for attorneys' fees or expenses
26 submitted by Plaintiffs' Counsel or Lead Plaintiffs, and such matters will be considered
27 separately from the fairness, reasonableness, and adequacy of the Settlement.
28

1 20. At or after the Settlement Hearing, the Court shall determine whether the Plan of
2 Allocation proposed by Lead Counsel, and any application for attorneys' fees or payment of
3 expenses shall be approved.

4 21. All reasonable expenses incurred in identifying and notifying Class Members, as
5 well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the
6 event the Settlement is not approved by the Court, or otherwise fails to become effective, neither
7 Lead Plaintiffs nor Plaintiffs' Counsel shall have any obligation to repay any amounts incurred
8 and properly disbursed pursuant to ¶¶3.8 or 3.9 of the Stipulation.

9 22. Neither the Stipulation, nor any of its terms or provisions, nor any of the
10 negotiations or proceedings connected with it, shall be construed as an admission or concession
11 by the Defendants of the truth of any of the allegations in the Action, or of any liability, fault, or
12 wrongdoing of any kind, nor construed as, or deemed to be evidence of, or an admission or
13 concession that Lead Plaintiffs or any Class Members have suffered any damages, harm, or loss.

14 23. The Court reserves the right to adjourn the date of the Settlement Hearing without
15 further notice to the Class Members, and retains jurisdiction to consider all further applications
16 arising out of or connected with the proposed Settlement. The Court may approve the Settlement,
17 with such modifications as may be agreed to by the Settling Parties, if appropriate, without further
18 notice to the Class.

19 24. If the Stipulation and the Settlement set forth therein is not approved or
20 consummated or the Effective Date as provided in the Stipulation fails to occur for any reason
21 whatsoever, then this Order shall be rendered null and void to the extent provided by and in
22 accordance with the Stipulation, and in such event, all orders entered and releases delivered in
23 connection herewith shall be null and void to the extent provided by and in accordance with the
24 Stipulation and all proceedings had in connection therewith shall be without prejudice to the
25 rights of the Settling Parties *status quo ante*.

26 25. Pending final determination of whether the proposed Settlement should be
27 approved, neither the Lead Plaintiffs nor any Class Member, directly or indirectly,
28 representatively, or in any other capacity, shall commence or prosecute against any of the

1 Defendants, the Director Defendants, or the Underwriter Defendants, any action or proceeding in
2 any court or tribunal asserting any of the Released Claims.

3 **IT IS SO ORDERED.**

4 DATED: _____

5 THE HONORABLE PHYLLIS J. HAMILTON
6 UNITED STATES DISTRICT JUDGE
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**INDEX OF EXHIBITS TO ORDER PRELIMINARILY APPROVING SETTLEMENT
AND PROVIDING FOR NOTICE**

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re ROCKET FUEL INC. SECURITIES LITIGATION	)	CASE NO.: 4:14-cv-03998-PJH-JCS
	)	<u>CONSOLIDATED CLASS ACTION</u>
	)	NOTICE OF PENDENCY AND
	)	PROPOSED SETTLEMENT OF
	)	CLASS ACTION
	)	EXHIBIT A-1
)	
This Document Relates To:)	
ALL ACTIONS)	
)	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

**IF YOU PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF
ROCKET FUEL INC. (“ROCKET FUEL” OR THE “COMPANY”) FROM
SEPTEMBER 20, 2013 THROUGH AUGUST 5, 2014, INCLUSIVE, YOUR RIGHTS
ARE AFFECTED AND YOU COULD RECEIVE A PAYMENT FROM THE
PROPOSED 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.*

- This settlement (the “Settlement”) will provide \$3,150,000 in cash, plus interest, to pay claims from investors who (i) purchased or otherwise acquired Rocket Fuel common stock from September 20, 2013 through August 5, 2014, inclusive (the “Class Period”), and were damaged thereby. Depending on the number of eligible shares purchased by investors who elect to participate in the Settlement, and when those shares were purchased and sold, the average distribution is estimated to be \$0.15 per damaged share before deduction of Court-approved fees and expenses described below. A further description of the Plan of Allocation is on pages _____ to _____ below.¹
- The Settlement, subject to court approval, resolves class action claims alleging that Rocket Fuel, certain of its current and former officers and directors, and the underwriters of Rocket Fuel’s initial public offering and secondary public offering violated the federal securities laws by making false or misleading statements regarding Rocket Fuel’s ability to detect and combat ad fraud, and regarding Rocket Fuel’s business prospects. For Lead Plaintiffs, the principal reason for the Settlement is the benefit to be provided to the Class now, while avoiding the costs and risks to you and the Class from continuing with litigation. The Lead Plaintiffs conducted a substantial investigation and discovery into the facts of the case prior to reaching the Settlement, and considered the risks of proving liability and damages, in addition to the further risk that a later judgment may not be as large as the Settlement amount. For Defendants, the principal reason for the Settlement is to eliminate the expense, risks, and uncertainty of continued litigation.
- If the Settlement is approved by the Court, the Court-appointed lawyers for Class Members, Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti, LLC, will apply to the Court for an award of attorneys’ fees, which amounts to approximately \$787,500.00, or 25% percent of the Settlement Fund, and for reimbursement of expenses not to exceed \$232,000.00 incurred in investigating the facts, prosecuting the case, and negotiating the Settlement. In addition, Lead Plaintiffs may seek reimbursement in an amount not to exceed \$10,000.00 for reasonable costs and expenses in connection with their representation of the Class. These payments, if approved, will come out of the \$3.15 million Settlement Fund, and are estimated to be an average of \$0.05 per damaged share.
- Lead Plaintiffs and the Defendants do not agree on the average amount of damages per share that would be recoverable if the Lead Plaintiffs were to have prevailed on each claim alleged. The issues on which the parties disagree include: (1) whether the Defendants violated the federal securities laws; (2) whether the alleged federal securities laws violations actually caused any damage to investors; and (3) whether the allegedly false or misleading statements and omissions caused the price of Rocket Fuel’s common

¹ Capitalized terms that are not defined in this Notice are defined in the Stipulation and Agreement of Settlement, which is available at www.rocketfuelsecuritieslitigation.com.

stock to be artificially inflated during the Class Period, and if so, the amount by which Rocket Fuel's common stock was allegedly artificially inflated (if at all) during the Class Period.

- If you are a Class Member (as the term is defined below), your legal rights are affected by the Settlement, regardless of whether you act or do not act. Read this notice carefully.
- If you have questions about the proposed Settlement, or would like further information about the lawsuit, you may contact Lead Counsel at:

Ramzi Abadou
KAHN SWICK & FOTI, LLP
912 Cole Street, #251
San Francisco, CA 94117
(504) 455-1400

Laurence D. King
Mario M. Choi
KAPLAN FOX & KILSHEIMER LLP
350 Sansome Street, Suite 400
San Francisco, CA 94104
(415) 772-4700

- You can also visit the following website, which has information specifically about the Settlement, including the Stipulation and Agreement of Settlement, forms, and key dates: www.rocketfuelsecuritieslitigation.com. You can obtain additional documents via the Court's PACER website at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>, or in person by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 1301 Clay Street, Suite 400 S, Oakland, CA 94612, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SUBMIT A CLAIM FORM: The only way to possibly receive a payment from the Settlement.

Deadline: _____, 2017.

EXCLUDE YOURSELF: You get no payment from the Settlement. This is the only option that might allow you to bring an individual lawsuit against the defendants asserting the legal claims being released in this case, if you have a valid and timely claim.

Deadline: _____, 2017.

OBJECT: You may write to the Court if you do not like this Settlement, the Plan of Allocation, and/or the Fee and Expense Award requested by Lead Plaintiffs and Lead Counsel.

Deadline: _____, 2017.

GO TO A HEARING: You may ask to speak in Court about the fairness of the Settlement.

Hearing Date: _____, 2017.

DO NOTHING: You get no payment and give up your rights relating to the claims described in this Notice.

- These rights and options *and the deadlines to exercise them* are explained in this Notice.
- The Court in charge of the lawsuit must decide whether to approve the Settlement. If approved, payments will be made to claimants from the Settlement Fund on the Effective Date, *i.e.*, after the Court approves the Settlement and enters judgment, and after all appeals and subsequent proceedings (if any) are resolved.

WHAT THIS NOTICE CONTAINS

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3. What is a class action?
4. Why is there a Settlement?

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17. How will the lawyers be paid?

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21. What's the difference between objecting and excluding?

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SPECIAL NOTICE TO NOMINEES

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

UNDERSTANDING YOUR PAYMENT – THE PLAN OF ALLOCATION

1. Why did I get this Notice package?

You or someone in your family may have purchased Rocket Fuel common stock during the Class Period.

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. If the Court approves the Settlement, and after any objections or appeals are resolved, a claims administrator appointed by the Court will make the payments that the Settlement allows.

This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. It is not an expression of any opinion by the Court with respect to the truth of the allegations of the litigation or the merits of the claims or defenses asserted.

The Court in charge of the lawsuit is the United States District Court for the Northern District of California, and the case is known as *In re Rocket Fuel Inc. Securities Litigation*, Case No. 4:14-cv-03998-PJH-JCS. The Honorable Phyllis J. Hamilton is the Judge in charge of this class action.

2. What is this lawsuit about?

The lawsuit is a class action alleging violations of the federal securities laws by Rocket Fuel, certain of its current and former senior officers, certain of its current and former directors, and the underwriters of its initial public offering in September 2013 and its secondary public offering in January 2014. The people who are suing are Patrick Browder, Browder Capital, LLC, and the Oklahoma Firefighters Pension and Retirement System. These people are called the Lead Plaintiffs and are suing on behalf of other similarly situated investors who purchased Rocket Fuel common stock during the Class Period.

This litigation began in September 2014, when two class action complaints were filed against Rocket Fuel, George H. John, Richard Frankel, J. Peter Bardwick (the “Defendants”); Susan L. Bostrom, Ronald E.F. Codd, William Ericson, John Gardner, Clark Kokich, and Monte Zweben (the “Director Defendants”); and the underwriters of Rocket Fuel’s initial public offering and its secondary public offering, which were: Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., Needham & Company, LLC, Oppenheimer & Co., Inc., Piper Jaffray & Co., BMO Capital Markets Corp., LUMA Securities LLC, and Goldman, Sachs & Co. (the “Underwriter Defendants”). On December 15, 2014, the court consolidated the two actions as *In re Rocket Fuel Inc. Securities Litigation* (the “Action”); appointed Patrick Browder, Browder Capital, LLC, and the Oklahoma Firefighters Pension and Retirement System as Lead Plaintiffs; and approved

Lead Plaintiffs' choice of the law firms Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti, LLC as Lead Counsel. George H. John, Richard Frankel, J. Peter Bardwick are collectively called the "Individual Defendants." When the word "Defendants" is capitalized in this Notice, it means Rocket Fuel and the Individual Defendants.

On February 27, 2015, Lead Plaintiffs filed a Consolidated Class Action Complaint for Violations of the Federal Securities Laws ("Complaint"). Plaintiffs alleged that during the Class Period, the defendants made false and misleading statements regarding Rocket Fuel's ability to detect and combat ad fraud and its future business prospects. Lead Plaintiffs also alleged that the defendants made materially false and misleading statements in the registration statements and prospectuses for Rocket Fuel's initial public offering in September 2013 and its secondary public offering in January 2014. Lead Plaintiffs alleged that the materially false and misleading statements artificially inflated the price of Rocket Fuel common stock, and that the price of Rocket Fuel's common stock fell when the truth was partially revealed on May 8, 2014, and fell further when the truth was fully revealed on August 5, 2014, thus damaging the members of the Class. Lead Plaintiffs alleged that Rocket Fuel and the Individual Defendants each violated Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), that the Individual Defendants also violated Section 20(a) of the Exchange Act as "control persons," and that the Individual Defendants violated Section 20A of the Exchange Act by selling Rocket Fuel stock while allegedly in possession of material non-public information. Lead Plaintiffs also alleged that Rocket Fuel, the Individual Defendants, the Director Defendants, and the Underwriter Defendants violated Sections 11 and 12(a)(2) of the Securities Act of 1933 ("Securities Act") by making false or misleading statements in the registration statements and prospectuses for Rocket Fuel's public stock offerings, and that the Individual Defendants and Director Defendants violated Section 15 of the Securities Act as "control persons."

In April 2015, the defendants filed motions to dismiss the Complaint. In December 2015, the Court granted in part and denied in part the motions to dismiss. The Court dismissed all claims under the Securities Act, all claims against the Director Defendants, and all claims against the Underwriter Defendants. The Court allowed certain Exchange Act claims against Rocket Fuel and the Individual Defendants to go forward. Specifically, the Court allowed Lead Plaintiffs to proceed on their claims that (i) the Defendants each violated Section 10(b) and Rule 10b-5 of the Exchange Act by making a false or misleading statement on Rocket Fuel's web site regarding Rocket Fuel's ability to detect and combat ad fraud, (ii) the Individual Defendants violated Section 20(a) of the Exchange Act as "control persons," and (iii) the Individual Defendants violated Section 20A of the Exchange Act by selling Rocket Fuel stock while allegedly in possession of material non-public information.

The Defendants deny Lead Plaintiffs' allegations and claims. The Defendants assert, among other things, that they did not violate any federal securities laws and that Rocket Fuel's investors were not damaged.

The proposed Settlement would resolve all claims against Rocket Fuel, the Individual Defendants, the Director Defendants, and the Underwriter Defendants.

3. What is a class action?

In a class action, the Lead Plaintiffs sue on behalf of numerous persons who have similar claims. The Lead Plaintiffs act as the representative of the class of similarly situated persons. All persons with similar claims constitute a Class, and each one is a Class Member. The Court will resolve the claims of all Class Members, except for those who properly exclude themselves from the Class.

4. Why is there a Settlement?

The proposed Settlement is the result of arm's-length negotiations, including a full day mediation in November 2016 under the auspices of an experienced mediator. The Settlement allows Lead Plaintiffs and the Class to avoid the possibility that one or more of their claims would be rejected by the Court or the jury, and also avoids the risks and costs of a trial and possible appeals. Class Members who, in accordance with the Plan of Allocation, lost money will get some compensation.

Lead Counsel has investigated and litigated the claims since September 2014. At the time the Settlement was reached, Lead Counsel also had the benefit of a substantial amount of fact discovery provided by defendants, as well as several non-parties. Lead Counsel has reviewed nearly 150,000 pages of documents. Lead Counsel also retained an experienced financial expert to assist them.

If Lead Plaintiffs proceeded to trial, they faced the risk that the Defendants would prevail on the defenses they asserted and that Lead Plaintiffs would not win on any of the claims. Even if Lead Plaintiffs had won at trial, they may not get any more money than the \$3.15 million that Rocket Fuel has agreed to pay in the Settlement, and the Defendants would also be able to challenge the judgment through appeals.

As a result, and based upon their factual investigation, discovery conducted to date, consultation with experts and evaluation of the claims of the Class Members and defenses that Defendants asserted, Lead Plaintiffs and Lead Counsel believe that the Settlement is fair, reasonable and adequate, and in the best interests of the Class. The Settlement provides an immediate and certain recovery without incurring any additional risk. By settling, Lead Plaintiffs and the Class avoid the cost, uncertainty, and delay of continued litigation.

The Defendants believe the Settlement is fair because it allows the Defendants to avoid the cost and distraction of continued litigation and the risk of losing at trial or on appeal.

WHO IS INCLUDED IN THE SETTLEMENT

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

Everyone who fits the following description is a Class Member:

All Persons who purchased or otherwise acquired Rocket Fuel common stock between September 20, 2013 to August 5, 2014, inclusive, and were damaged thereby, excluding anyone named as a defendant in this action including the Company, Individual Defendants, Director Defendants, Underwriter Defendants; their respective former and current directors and officers, majority-owned legal affiliates, representatives, controlling persons, predecessors-in-interest, heirs, assigns, and any successors-in-interest; members of the immediate family of any defendant; any entity in which any defendant has a majority interest.

Also excluded are those Persons who timely and validly request exclusion from the Class pursuant to the Notice.

"Person" means any natural person, individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association,

government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

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

Yes. As mentioned in the description above, you are **not** a Class Member if **any** of the following applies to you:

- You do not meet the definition of the Class above.
- You exclude yourself from the Class.
- You are a Defendant, Director Defendant, or Underwriter Defendant.
- You are an officer and/or director of Rocket Fuel.
- You are a member of the immediate family or an heir, successor or assign of the foregoing.
- You are a firm, trust, corporation, or other entity in which any Defendant, Director Defendant, or Underwriter Defendant has a controlling interest.

7. I'm still not sure whether 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 **866-905-8102** or you can fill out the claim form described in question 10, to see if you qualify. You can also contact Lead Counsel at the following address:

Ramzi Abadou
KAHN SWICK & FOTI, LLP
912 Cole Street, #251
San Francisco, CA 94117
(504) 455-1400

Laurence D. King
Mario M. Choi
KAPLAN FOX & KILSHEIMER LLP
350 Sansome Street, Suite 400
San Francisco, CA 94104
(415) 772-4700

THE SETTLEMENT BENEFITS

8. What does the Settlement provide?

\$3.15 million was paid on Rocket Fuel's behalf into an escrow account that is earning interest for the benefit of the Class. The balance of this fund, after payment of Court-approved attorneys' fees and expenses, taxes, and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice, will be divided among all Class Members who submit valid claim forms (also called Authorized Claimants). The amount of money you will receive depends on a number of factors, including the total

number of other Class Members who submit valid Proof of Claim and Release forms. This is discussed further in the next question below.

9. How much will my payment be?

The Settlement Fund of \$3.15 million, plus interest earned, minus the costs and expenses described in question 8 above, will be distributed on a pro rata basis to Authorized Claimants. If you are entitled to a payment, you will receive your pro rata share. The amount of your share of the Settlement Fund will depend on the number of valid and timely Proof of Claim and Release forms that Class Members send in, how many shares of Rocket Fuel common stock you bought or acquired during the Class Period, and when you bought and sold those shares. You should look at the Plan of Allocation section of this notice that appears on pages ____ to ____ below for a description of the calculations to be made in computing the claims of the Authorized Claimants, that is, those investors who submit valid and timely Proof of Claim and Release forms establishing that they are Class Members.

Depending on the number of Authorized Claimants, and the number of eligible shares purchased by Authorized Claimants and when those shares were purchased and sold, the average distribution is estimated to be \$0.15 per damaged share before deduction of the costs and Court-approved payments described under question 8 above.

Lead Counsel, without further notice to the Class, will apply to the Court for payment of the Claims Administrator's fees and expenses incurred in sending this Notice, administering the Settlement and distributing the Settlement proceeds to the Authorized Claimants. These fees and expenses will be paid from the Settlement Fund and will reduce the amount available for distribution to Authorized Claimants. The same will be true of Court-awarded attorneys' fees and expenses to Lead Counsel. Lead Counsel's request for attorneys' fees and costs is discussed further at question 17 below.

10. How can I get a payment?

To qualify for payment, you must timely send in a Proof of Claim and Release form that is received by the Claims Administrator. A Proof of Claim and Release form is attached to this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it postmarked no later than _____, 2017. Unless the Court orders otherwise, if you do not timely submit a Proof of Claim and Release, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the Final Judgment in the case.

11. When will I receive my payment?

The Court will hold a hearing on _____, 2017, to decide whether to approve the Settlement (as discussed below on pages ____ to ____). If the Court approves the Settlement, there may be appeals. If there are any appeals, it is uncertain when these appeals will be resolved, and resolving them can take time, typically more than a year. The Claims Administrator will also need time to process the submitted claims before any distribution can be

made to Authorized Claimants. The claim administration process is complicated and will take many months, even when there is no delay due to an appeal. Please be patient.

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

If you are a member of the Class, unless you exclude yourself, you will give up and release any claims you might have against the Released Persons relating to any of the claims brought by Lead Plaintiffs, as described more fully below. It also means that all of the Court's orders will apply to you and legally bind you. This will be true even if you do not submit or sign a Proof of Claim and Release form, unless you exclude yourself from the Class.

If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice. The Judgment will dismiss the Released Claims with prejudice as to all Released Persons. The Judgment will provide that all Class Members shall be deemed to have released and forever discharged all Released Claims against all Released Persons and that the Released Persons shall be deemed to have released and discharged all Class Members and counsel to the Lead Plaintiffs from all claims arising out of the prosecution and settlement of the Action or the Released Claims.

"Released Claims" means any and all claims, demands, rights, causes of action or liabilities of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on federal, state, local, foreign, statutory or common law or any other law, rule, ordinance, administrative provision or regulation, including Unknown Claims as defined below, whether class or individual in nature, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, concealed or hidden, suspected or unsuspected, which now exist or heretofore have existed, that were asserted or could have been asserted by Lead Plaintiffs or any Class Member against the Released Persons based on, arising from or relating to both: (i) the purchase, acquisition, holding, disposition, or sale of any shares of Rocket Fuel common stock during the Class Period; and (ii) the allegations, transactions, facts, matters, events, disclosures, registration statements, public filings, acts, occurrences, representations, statements, omissions or failures to act that occurred during the Class Period and that were or could have been alleged by Lead Plaintiffs in the Action against the Released Persons. Released Claims does not include claims to enforce the Settlement or any derivative actions.

"Released Persons" means each and all of the Defendants, Individual Defendants, Director Defendants, and Underwriter Defendants, and each and all of their Related Persons.

"Related Persons" means each of the Released Persons' and their legal affiliates' past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a Released Person has a controlling interest, any members of an Individual Defendant's or Director Defendant's immediate family, any trust of which an Individual Defendant or Director Defendant is the settlor or which is for the benefit of an Individual Defendant or Director Defendant and/or any member of an Individual Defendant's or Director Defendant's immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant's or Director Defendant's immediate family has or have a controlling interest (directly or indirectly).

"Unknown Claims" means collectively any Released Claims which Lead Plaintiffs or any Class Member do not know or suspect to exist in his, her or its favor at the time of the release of the

Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement or seek exclusion from the Class. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil 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.

Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or any foreign country, or any principle of common law, which is similar, comparable or equivalent in substance to California Civil Code §1542. Lead Plaintiffs and 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 Released Claims, but upon the Effective Date, each Class Member, and Lead Plaintiffs expressly, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released 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, 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. Lead Plaintiffs acknowledge, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to be bound by the Judgment or recover money from the Settlement Fund, and instead want to keep any claims you may have and any right you may have to sue the defendants on your own about the legal issues in this case, then you must take steps to get out. This is called excluding yourself from – or opting out of – the Class.

Please note that there is a separate confidential supplemental agreement between Lead Plaintiffs and Rocket Fuel (the “Supplemental Agreement”). If, as specified in the Supplemental Agreement, the number of shares of Rocket Fuel common stock purchased or acquired during the Class Period by Class Members, but who request exclusion from the Settlement Class, exceeds the threshold(s) specified in the Supplemental Agreement, Rocket Fuel will have the option to terminate this Settlement in accordance with the procedures set forth in the Supplemental Agreement.

13. How do I exclude myself from the Settlement?

If you do not wish to be included in the 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 that must be received on or before _____, 2017 and must:

(a) state the name, address, and telephone number of the Person(s) requesting exclusion;

(b) identify the Person's purchases (or acquisitions) and sales of Rocket Fuel common stock made during the Class Period, including the dates of purchase, acquisition or sale, prices paid or received, and the number of shares of common stock purchased and/or sold; (c) include the Person's signature; and (d) state that the Person wishes to be excluded from the Class. No request will be considered valid unless all of the information described above is included in the request. The request must be addressed as follows:

Rocket Fuel Securities Litigation
c/o A.B. Data, Ltd.
Exclusions
P.O. Box 173001
Milwaukee, WI 53217

You cannot exclude yourself by phone or by e-mail.

If you ask to be excluded from the Class, you will not get any settlement payment. If you exclude yourself, you will not be legally bound by anything that happens in this lawsuit. You might be able to sue (or continue to sue) Rocket Fuel and the other defendants in the future about the claims in this lawsuit, but your claims may not be timely, valid, or you may not prevail on the merits.

14. If I don't exclude myself, can I sue the defendants for the same things later?

No. Unless you exclude yourself, you give up any right to sue any of the defendants about the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from *this* Class to continue or file any lawsuit alleging the same claims as are alleged herein. Remember, the exclusion deadline is _____, **2017**. See also Question No. 12: "What am I giving up to get a payment or stay in the Class?"

15. If I exclude myself, can I get money from this Settlement?

NO. If you exclude yourself, you will not be entitled to receive any money from the Settlement Fund. If you exclude yourself, do not send in a Proof of Claim and Release form to ask for any money.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the law firms of Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti, LLC to represent you and the other Class Members. These law firms are called Lead Counsel. You will not be individually charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

You can send any questions to Lead Counsel at:

Ramzi Abadou
KAHN SWICK & FOTI, LLP
912 Cole Street, #251
San Francisco, CA 94117
(504) 455-1400

Laurence D. King
Mario M. Choi
KAPLAN FOX & KILSHEIMER LLP
350 Sansome Street, Suite 400
San Francisco, CA 94104
(415) 772-4700

or to the Claims Administrator at: Rocket Fuel Securities Litigation, c/o A.B. Data, Ltd., P.O. Box 173033, Milwaukee, WI 53217.

17. How will the lawyers be paid?

Lead Counsel will apply to the Court for attorneys' fees of \$787,500.00 and for reimbursement of their out-of-pocket expenses not to exceed \$232,000.00. In addition, Lead Plaintiffs may seek reimbursement in an amount not to exceed \$10,000.00 for reasonable costs and expenses (including lost wages) in connection with their representation of the Class in accordance with 15 U.S.C. § 78u-4(a)(4). These payments, if approved, will reduce the amount to be divided among all Authorized Claimants by approximately \$0.05 per damaged share. *Such sums as may be approved by the Court will be paid from the Settlement Fund.* Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Lead Counsel have not been paid anything for their services for conducting this litigation on behalf of the Lead Plaintiffs and the Class nor for their substantial out-of-pocket expenses. The Court may, however, award less than this amount in its discretion.

THE COURT'S SETTLEMENT HEARING

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

The Court will hold a hearing at _____ on _____, 2017 before the Honorable Phyllis J. Hamilton, United States District Judge, at the United States District Court for the Northern District of California, United States Courthouse – Courtroom 3, 3rd Floor, 1301 Clay Street, Oakland, CA 94612 (the "Settlement Hearing"). At this hearing the Court will consider whether the Settlement, the Plan of Allocation, and the Fee and Expense Application are fair, reasonable, and adequate. If there are objections, the Court will hear them. Any Class Member who has not previously submitted a request for exclusion from the Class may appear and be heard, to the extent allowed by the Court, to state any objections.

The Court may reschedule the Settlement Hearing at any time, so if you plan to attend or participate, you should check with the Clerk of the Court to know whether there have been any changes of the place, date and time for the hearing. You can also check the Court's calendar on the internet by selecting Judge Phyllis J. Hamilton from the list of judges at www.cand.uscourts.gov.

19. Do I have to come to the Settlement Hearing?

No. Lead Counsel will answer questions the Judge may have. But you are welcome to come at your own expense, and the Court will give you the opportunity to be heard. If you send a written objection, the Court will consider it. You don't have to come to Court to talk about it. You may also pay your own lawyer to attend, but it's not necessary. Information about sending a written objection is provided below.

If you or your representative intend to appear in person at the Settlement Hearing but have not submitted a written objection postmarked by _____, 2017 (as described in Section 20 below), it is recommended that you give advance notice to Lead Counsel and/or counsel for Defendants of your intention to attend the hearing in order to object and the basis for your objection. You may contact them at the addresses provided in Section 20 below.

OBJECTING TO THE SETTLEMENT

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

If you are a Class Member and do not exclude yourself, you can object to the Settlement at the Settlement Hearing if you do not like any part of it, including the terms and conditions of the Settlement, the Judgment to be entered approving the Settlement, the Plan of Allocation, or the attorneys' fees and expenses to be awarded to Lead Counsel. Please note, however, that the Court can only approve or deny the Settlement; it cannot change the terms of the Settlement.

You can object in one of two ways: either (1) send a written objection, or (2) attend the Settlement Hearing to object in person as described in Sections 18 and 19 above. You do not have to do both. If you do not either send a written objection on time, or attend the Settlement Hearing to tell the Court about your objections, you **cannot** object to the Settlement later. Any objections you might have will be waived.

All written objections must be postmarked no later than _____, 2017, to the Court at the address listed below. The written objection is a statement saying that you object to the Settlement in *In re Rocket Fuel Inc. Securities Litigation*, No. 4:14-cv-03998-PJH (JCS). The objection should include: (a) the full name, address and telephone number of the objecting Class Member, (b) the number of shares of Rocket Fuel common stock the Class Member purchased or sold from September 20, 2013 through November 3, 2014; (c) documentation evidencing your transactions in Rocket Fuel securities during this time period, such as brokerage confirmation receipts or other evidence that demonstrates the amount and date of each purchase or acquisition or sale or disposition and the price paid and/or received and an indication of the number of Rocket Fuel common stock held, if any, at the close of trading on September 19, 2013 (*i.e.*, immediately before the Class Period); (d) the reasons for the objection; (e) copies of any papers and briefs upon which your objections are based; and (f) your signature, even if represented by counsel. The objection should also advise the Court if the objecting Class Member intends to appear at the Settlement Hearing, and if the objecting Class Member intends to appear at the Settlement Hearing through an attorney, the objection should also state the identity of all attorneys who will appear at the Settlement Hearing.

Please send your objections to the Settlement to:

Clerk of the Court
United States District Court
Northern District of California
1301 Clay Street, Suite 400 S
Oakland, CA 94612

You may also file your objection in person at any location of the United States District Court for the Northern District of California.

You do not need to go to the Settlement Hearing to have your written objection considered by the Court. However, if you intend to appear at the Settlement Hearing through an attorney, you will be responsible for paying for your attorney's costs and expenses.

21. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the Settlement, the Plan of Allocation, or the Fee and Expense Application. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

If the Court approves the Settlement despite your objections, you are still bound by the Settlement.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you do nothing, you will not receive any money from this Settlement, **but the judgment of the Court will still be binding upon you.** You **must file a Proof of Claim and Release** form to be eligible to receive anything from the Settlement. Also, unless you exclude yourself, you will be bound by the judgment and will have released the Released Claims against the Released Persons even if you do not file a Proof of Claim and Release. This means you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the defendants relating to the Released Claims.

OBTAINING MORE INFORMATION

23. Are there more details about the Settlement?

This Notice summarizes the most important aspects of the proposed Settlement, but it is not a complete description of the Settlement. You can get a copy of the Stipulation and Agreement of Settlement by writing to Lead Counsel at the addresses stated in item no. 16 above.

You can also call the Claims Administrator at **866-905-8102**, or contact it by mail or through its website at the address listed below in item no. 24 to find answers to common questions about the Settlement and obtain information about the status of the Settlement approval process.

You can also review a copy of the entire Stipulation and Agreement of Settlement and other documents filed in the Action during normal business hours at the office of the Clerk of the Court, United States Courthouse, Northern District of California, 1301 Clay Street, Suite 400 S, Oakland, CA 94612 (refer to Case No. 14-03998).

PLEASE DO NOT CALL THE COURT OR THE CLERK'S OFFICE ABOUT THIS SETTLEMENT.

SPECIAL NOTICE TO NOMINEES

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

Nominees who purchased the common stock of Rocket Fuel for the beneficial interest of other Persons during the Class Period shall, within ten (10) calendar days after receipt of this Notice: (1) provide the Claims Administrator with the names and addresses of such beneficial owners; or (2) forward a copy of this Notice and the Proof of Claim and Release by First-Class Mail to each such beneficial owner and, provide Lead Counsel with written confirmation that the Notice and Proof of Claim and Release have been so forwarded. Upon submission of appropriate documentation to the Claims Administrator, reimbursement of your reasonable costs and expenses of complying with this provision will be paid from the Settlement Fund in accordance with the provisions of the Stipulation, subject to further order of the Court with respect to any dispute concerning such expenses. Additional copies of this Notice may be obtained from the Claims Administrator by writing to:

Rocket Fuel Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173033
Milwaukee, WI 53217
866-905-8102
www.rocketfuelsecuritieslitigation.com

UNDERSTANDING YOUR PAYMENT - THE PLAN OF ALLOCATION

Please note that the approval of the Settlement is separate from and not conditioned on the Court's approval of the Plan of Allocation.

The Settlement Fund will be used to pay the Class Notice and Administration Expenses, the Taxes and Tax Expenses, the Fee and Expense Award to Lead Counsel (as approved by the Court), and any award to Lead Plaintiffs (as approved by the Court). The balance (the "Net Settlement Fund") shall be distributed to Class Members who submit valid and timely Proof of Claim and Release forms.

The following proposed Plan of Allocation reflects the contention of the Class that because of Defendants' alleged misstatements, the price of Rocket Fuel stock was inflated artificially during the Class Period (September 20, 2013 through August 5, 2014), and that the stock price decreases on May 9, 2014 and August 6, 2014 resulted from disclosures of facts exposing Defendants' prior misstatements and omissions.

1 The Court has not made any finding that the Defendants are liable to the Class or that the
 2 Class has suffered any compensable damages, nor has the Court made any finding as to the
 measure of damages.

3 **PROPOSED PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND AMONG** 4 **CLASS MEMBERS**

5 The objective of this Plan of Allocation is to equitably distribute the Net Settlement Fund
 6 among Authorized Claimants based on their respective alleged economic losses as a result of the
 alleged fraud, as opposed to losses caused by market- or industry-wide factors, or Company-
 7 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
 (the "Recognized Loss") described below. A Recognized Loss will be calculated for each share
 8 of Rocket Fuel common stock purchased or otherwise acquired during the Class Period (i.e.,
 September 20, 2013 through August 5, 2014, inclusive).² The calculation of Recognized Loss
 9 will depend upon several factors, including when Rocket Fuel common stock was purchased or
 otherwise acquired during the Class Period, and in what amounts, and whether such shares were
 10 sold, and if sold, when they were sold, and for what amounts. The Recognized Loss is not
 intended to estimate the amount a Class Member might have been able to recover after a trial, nor
 11 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
 12 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
 13 economically feasible.

14 The Plan of Allocation was created with the assistance of a consulting damages expert,
 and reflects the assumption that the price of Rocket Fuel common stock was artificially inflated
 15 throughout the Class Period. The calculations made pursuant to the Plan of Allocation are
 generally based upon the measure of damages set forth in Section 10(b) of the Securities
 16 Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by the Securities and Exchange
 Commission. The estimated alleged artificial inflation in the price of Rocket Fuel common stock
 17 is reflected in Table 1 below. The estimated alleged artificial inflation in the price of Rocket Fuel
 common stock during the Class Period is based on certain misrepresentations alleged by Lead
 18 Plaintiffs and the stock price reaction to the public announcements that allegedly corrected the
 misrepresentations alleged by Lead Plaintiffs, net of market and industry effects, as well as
 19 Company-specific disclosures unrelated to the alleged fraud.

20 Federal securities laws allow investors to recover for losses caused by disclosures which
 corrected Defendants' previous alleged misleading statements or omissions. Thus, in order to
 21 have been damaged by the alleged violations of the federal securities laws, Rocket Fuel common
 stock purchased or otherwise acquired during the Class Period must have been held during a
 22 period of time in which its price declined due to the disclosure of information which corrected an
 allegedly misleading statement or omission. Lead Plaintiffs and Lead Plaintiffs' Counsel have
 23 determined that such price declines occurred on May 9, 2014 and August 6, 2014 (the "Corrective
 Disclosures"). Accordingly, if Rocket Fuel common stock was sold before May 9, 2014 (the
 24 earliest Corrective Disclosure date), the Recognized Loss for such stock is \$0.00, and any loss
 suffered is not compensable under the federal securities laws. Likewise, if Rocket Fuel common
 25 stock was both purchased and sold during the period May 9, 2014 through August 5, 2014,
 inclusive, the Recognized Loss for such stock is \$0.00.

26
 27 ² During the Class Period, Rocket Fuel common stock was listed on the NASDAQ Global Select
 28 Market under the ticker symbol "FUEL."

The estimated alleged artificial inflation in the price of Rocket Fuel common stock during the Class Period also takes into account the Court's December 23, 2015 Order on Defendants' motions to dismiss the Complaint, which found claims relating to Defendants' statements prior to November 6, 2013 not actionable. Because of the dismissal of these claims, Lead Plaintiffs and Lead Plaintiffs' Counsel have determined that it is unlikely that Lead Plaintiffs could prevail on those claims. Accordingly, 5% of the total estimated artificial inflation in Rocket Fuel common stock during the period September 20, 2013 through November 5, 2013, inclusive, is used in Table 1 below to reflect the far lesser likelihood of success on the dismissed claims.

Table 1
Artificial Inflation in Rocket Fuel Common Stock³

From	To	Per-Share Price Inflation
September 20, 2013	November 5, 2013	\$0.18
November 6, 2013	May 8, 2014	\$3.66
May 9, 2014	August 5, 2014	\$2.52
August 6, 2014	Thereafter	\$0

The "90-day look back" provision of the Private Securities Litigation Reform Act of 1995 ("PSLRA") is incorporated into the calculation of the Recognized Loss for Rocket Fuel common stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on Rocket Fuel common stock purchased during the Class Period and held as of the close of the 90-day period subsequent to the Class Period (the "90-Day Lookback Period") cannot exceed the difference between the purchase price paid for such stock and the average price of Rocket Fuel common stock during the 90-Day Lookback Period. The Recognized Loss on Rocket Fuel common stock purchased during the Class Period and sold during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such stock and the rolling average price of Rocket Fuel common stock during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

Calculation of Recognized Loss Per Share of Rocket Fuel Common Stock

For each share of Rocket Fuel common stock purchased or otherwise acquired during the Class Period (*i.e.*, September 20, 2013 through August 5, 2014, inclusive), the Recognized Loss per share shall be calculated as described in what follows. 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.

- i. For each share of Rocket Fuel common stock that was purchased during the Class Period that was sold prior to May 9, 2014, the Recognized Loss per share is \$0.00.
- ii. For each share of Rocket Fuel common stock that was purchased during the Class Period that was sold during the period May 9, 2014 through August 5, 2014, inclusive, the Recognized Loss per share is:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above, *minus* the amount of per-share price inflation on the date of sale as appears in Table 1 above; or

³ Any transactions in Rocket Fuel 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.

- b. the per-share purchase price minus the per-share sale price.
- iii. For each share of Rocket Fuel common stock that was purchased during the Settlement Class Period that was sold during the period August 6, 2014 through November 3, 2014, inclusive (i.e., sold during the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - b. the per-share purchase price *minus* the per-share sale price; or
 - c. the per-share purchase price *minus* the “90-Day Lookback Value” on the date of sale provided in Table 2 below.
- iv. For each share of Rocket Fuel common stock that was purchased during the Class Period and still held as of the close of trading on November 3, 2014, the Recognized Loss per share is *the lesser of*:
 - a. the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - b. the per-share purchase price *minus* the average closing price for Rocket Fuel common stock during the 90-Day Lookback Period, which is \$16.05.

Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
8/6/2014	\$17.05	9/5/2014	\$15.68	10/6/2014	\$15.71
8/7/2014	\$16.86	9/8/2014	\$15.70	10/7/2014	\$15.74
8/8/2014	\$16.77	9/9/2014	\$15.68	10/8/2014	\$15.78
8/11/2014	\$16.74	9/10/2014	\$15.64	10/9/2014	\$15.82
8/12/2014	\$16.60	9/11/2014	\$15.66	10/10/2014	\$15.84
8/13/2014	\$16.40	9/12/2014	\$15.67	10/13/2014	\$15.86
8/14/2014	\$16.29	9/15/2014	\$15.69	10/14/2014	\$15.87
8/15/2014	\$16.21	9/16/2014	\$15.69	10/15/2014	\$15.89
8/18/2014	\$16.12	9/17/2014	\$15.68	10/16/2014	\$15.92
8/19/2014	\$16.02	9/18/2014	\$15.67	10/17/2014	\$15.94
8/20/2014	\$15.92	9/19/2014	\$15.66	10/20/2014	\$15.97
8/21/2014	\$15.79	9/22/2014	\$15.64	10/21/2014	\$15.99
8/22/2014	\$15.70	9/23/2014	\$15.62	10/22/2014	\$16.01
8/25/2014	\$15.64	9/24/2014	\$15.61	10/23/2014	\$16.03
8/26/2014	\$15.61	9/25/2014	\$15.60	10/24/2014	\$16.06
8/27/2014	\$15.61	9/26/2014	\$15.60	10/27/2014	\$16.07
8/28/2014	\$15.61	9/29/2014	\$15.62	10/28/2014	\$16.08
8/29/2014	\$15.65	9/30/2014	\$15.62	10/29/2014	\$16.08
9/2/2014	\$15.69	10/1/2014	\$15.63	10/30/2014	\$16.07
9/3/2014	\$15.70	10/2/2014	\$15.65	10/31/2014	\$16.06
9/4/2014	\$15.68	10/3/2014	\$15.67	11/3/2014	\$16.05

INSTRUCTIONS APPLICABLE TO ALL CLAIMANTS

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.

The date of purchase or sale is the “contract” or “trade” date as distinguished from the “settlement” date.

Acquisition by Gift, Inheritance, or Operation of Law: If a Class Member acquired Rocket Fuel common stock during the 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. To the extent that Rocket Fuel common stock was originally purchased prior to commencement of the Class Period, the Recognized Loss for that acquisition shall be deemed to be zero (\$0.00).

Notwithstanding any of the above, receipt of Rocket Fuel common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Rocket Fuel common stock.

For Class Members who made multiple purchases or sales during the Class Period, the First-In, First-Out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a claim. Under the FIFO method, sales of Rocket Fuel common stock during the Class Period will be matched, in chronological order, first against shares of common stock held at the beginning of the Class Period. The remaining sales of common stock during the Class Period will then be matched, in chronological order, against common stock purchased during the Class Period.

The date of covering a “short sale” is deemed to be the date of purchase of shares. The date of a “short sale” is deemed to be the date of sale of shares. In accordance with the Plan of Allocation, however, the Recognized Loss on “short sales” is zero. In the event that a claimant has an opening short position in Rocket Fuel common stock, the earliest Class Period purchases shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.

With respect to Rocket Fuel common stock purchased or sold through the exercise of an option, the purchase/sale date of the stock shall be the exercise date of the option and the purchase/sale price of the stock shall be the closing price of Rocket Fuel common stock on the date of exercise of the option. Any Recognized Loss arising from purchases of Rocket Fuel common stock acquired during the Class Period through the exercise of an option on Rocket Fuel common stock⁴ shall be computed as provided for other purchases of Rocket Fuel common stock in the Plan of Allocation.

A Claimant’s “Recognized Claim” under the Plan of Allocation shall be the sum of his, her or its Recognized Loss amounts.

The Net Settlement Fund will be distributed to Authorized Claimants on a pro rata basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s

⁴ Including (1) purchases of Rocket Fuel common stock as the result of the exercise of a call option, and (2) purchases of Rocket Fuel common stock by the seller of a put option as a result of the buyer of such put option exercising that put option.

1 Recognized Claim divided by the total Recognized Claims of all Authorized Claimants,
 2 multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant's
 3 Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and
 no distribution will be made to such Authorized Claimant.

4 To the extent a Claimant had a market gain with respect to his, her, or its overall
 transactions in Rocket Fuel common stock during the Class Period, the value of the Claimant's
 5 Recognized Claim shall be zero (\$0.00). Such Claimants shall in any event be bound by the
 Settlement. To the extent that a Claimant suffered an overall market loss with respect to his, her,
 6 or its overall transactions in Rocket Fuel common stock during the Class Period, but that market
 loss was less than the total Recognized Claim calculated above, then the Claimant's Recognized
 Claim shall be limited to the amount of the actual market loss.

7 For purposes of determining whether a Claimant had a market gain with respect to his,
 8 her, or its overall transactions in Rocket Fuel common stock during the Class Period or suffered a
 market loss, the Claims Administrator shall determine the difference between (i) the Total
 9 Purchase Amount⁵ and (ii) the sum of the Total Sales Proceeds⁶ and Holding Value.⁷ This
 difference shall be deemed a Claimant's market gain or loss with respect to his, her, or its overall
 10 transactions in Rocket Fuel common stock during the Class Period.

11 Please contact the Claims Administrator or Lead Counsel if you disagree with any
 12 determinations made by the Claims Administrator regarding your Proof of Claim. The Court has
 reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable
 grounds.

13 Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all
 14 Authorized Claimants. Defendants, their respective counsel, and all other Released Persons will
 have no responsibility or liability whatsoever for the investment of the Settlement Fund, the
 15 distribution of the Net Settlement Fund, the Plan of Allocation or the payment of any claim. No
 Person shall have any claim against Lead Plaintiffs, Plaintiffs' Counsel, any claims administrator,
 16 or other Person designated by Lead Plaintiffs' counsel, or Defendants or Defendants' counsel
 based on distributions made substantially in accordance with the Stipulation and the Settlement
 17 contained therein, the Plan of Allocation, or further orders of the Court.

18 All Class Members who fail to complete and file a valid and timely Proof of Claim and
 19 Release shall be barred from participating in distributions from the Net Settlement Fund (unless
 otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the
 Stipulation, including the terms of any judgment entered and the releases given.

21 ⁵ The "Total Purchase Amount" is the total amount the Claimant paid (excluding
 22 commissions and other charges) for all Rocket Fuel common stock purchased or acquired during
 the Class Period.

23 ⁶ The Claims Administrator shall match any sales of Rocket Fuel common stock during the
 Settlement Class Period, first against the Claimant's opening position in Rocket Fuel common
 24 stock (the proceeds of those sales will not be considered for purposes of calculating market
 gains or losses). The total amount received (excluding commissions and other charges) for the
 25 remaining sales of Rocket Fuel common stock sold during the Class Period shall be the "Total
 Sales Proceeds."

26 ⁷ The Claims Administrator shall ascribe a value of \$16.05 per share for Rocket Fuel
 27 common stock purchased or acquired during the Class Period and still held as of the close of
 trading on August 5, 2014 (the "Holding Value").

1 Distributions will be made to Authorized Claimants after all claims have been processed
2 and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement
3 Fund by reason of uncashed distribution checks or otherwise, then, after the Claims Administrator
4 has made reasonable and diligent efforts to have Class members who are entitled to participate in
5 the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the
6 Net Settlement Fund after a reasonable time after the initial distribution, will be used in the
7 following fashion: (a) first, to pay any amounts mistakenly omitted from the initial disbursement;
8 (b) second, to pay any additional settlement administration fees, costs, and expenses, including
9 those of Lead Counsel as may be approved by the Court; and (c) finally, to make a second
10 distribution to claimants who cashed their checks from the initial distribution and who would
11 receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in
12 administering the Net Settlement Fund and in making this second distribution, if such second
13 distribution is economically feasible. These redistributions shall be repeated, if economically
14 feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining
15 balance will then be donated to the Legal Aid Society of San Mateo.

16 **DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE**

17 DATED: _____, 2017

18 BY ORDER OF THE COURT
19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA
21
22
23
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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re ROCKET FUEL INC. SECURITIES LITIGATION	)	No. 4:14-cv-03998-PJH-JCS
)	
	)	<u>CONSOLIDATED CLASS ACTION</u>
This Document Relates To:)	
	)	PROOF OF CLAIM AND RELEASE
ALL ACTIONS.	)	EXHIBIT A-2
)	

I. GENERAL INSTRUCTIONS

1. To recover as a Class Member based on your claims in the action entitled *In re Rocket Fuel Inc. Securities Litigation*, No. 4:14-cv-03998-PJH-JCS (the “Action”), you must complete and, on page ____ hereof, sign this Proof of Claim and Release form. If you fail to submit a timely and properly addressed (as set forth in paragraph 3 below) Proof of Claim and Release form, your claim may be rejected and you may not receive any recovery from the Net Settlement Fund created in connection with the proposed settlement.

2. Submission of this Proof of Claim and Release form, however, does not assure that you will share in the proceeds of the settlement of the Action.

3. YOU MUST MAIL (POSTMARKED ON OR BEFORE _____, 2017) OR SUBMIT ONLINE (ON OR BEFORE _____, 2017) YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, ADDRESSED AS FOLLOWS:

Rocket Fuel Securities Litigation
c/o A.B. Data, Ltd.
P.O. Box 173033
Milwaukee, WI 53217
Online Submissions: www.rocketfuelsecuritieslitigation.com

If you are NOT a Class Member, as defined in the Notice of Pendency and Proposed Settlement of Class Action (“Notice”), DO NOT submit a Proof of Claim and Release form.

4. If you are a Class Member and you did not timely request exclusion in response to the Notice, you are bound by the terms of any judgment entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.

II. CLAIMANT IDENTIFICATION

If you purchased Rocket Fuel common stock and held the certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased Rocket Fuel common stock and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

1 Use Part I of this form entitled "Claimant Identification" to identify each purchaser of
 2 record ("nominee"), if different from the beneficial purchaser of the Rocket Fuel common stock
 3 that form the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL
 4 BENEFICIAL PURCHASER(S) OR THE LEGAL REPRESENTATIVE OF SUCH
 5 PURCHASER(S) OF THE ROCKET FUEL COMMON STOCK UPON WHICH THIS CLAIM
 6 IS BASED.

7 All joint purchasers must sign this claim. Executors, administrators, guardians,
 8 conservators, and trustees must complete and sign this claim on behalf of persons represented by
 9 them and their authority must accompany this claim and their titles or capacities must be stated.
 10 The Social Security (or taxpayer identification) number and telephone number of the beneficial
 11 owner may be used in verifying the claim. Failure to provide the foregoing information could
 12 delay verification of your claim or result in rejection of the claim.

13 **III. CLAIM FORM**

14 Use Part II of this form entitled "Schedule of Transactions in Rocket Fuel Common
 15 Stock" to supply all required details of your transaction(s) in Rocket Fuel common stock. If you
 16 need more space or additional schedules, attach separate sheets giving all of the required
 17 information in substantially the same form. Sign and print or type your name on each additional
 18 sheet.

19 On the schedules, provide all of the requested information with respect to *all* of your
 20 purchases and *all* of your sales of Rocket Fuel common stock which took place during the period
 21 September 20, 2013 through and including November 3, 2014, whether such transactions
 22 resulted in a profit or a loss. You must also provide all of the requested information with respect
 23 to *all* of the Rocket Fuel common stock you held at the close of trading on September 19, 2013,
 24 August 5, 2014, and November 3, 2014. Failure to report all such transactions may result in the
 25 rejection of your claim.

26 List each transaction separately and in chronological order, by trade date, beginning with
 27 the earliest. You must accurately provide the month, day, and year of each transaction you list.
 28

1 The date of covering a “short sale” is deemed to be the date of purchase of Rocket Fuel
2 common stock. The date of a “short sale” is deemed to be the date of sale of Rocket Fuel
3 common stock.

4 Copies of broker confirmations or other documentation of your transactions in Rocket
5 Fuel common stock should be attached to your claim. Failure to provide this documentation
6 could delay verification of your claim or result in rejection of your claim.

7 NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of
8 transactions may request to, or may be requested to, submit information regarding their
9 transactions in electronic files. All claimants MUST submit a manually signed paper Proof of
10 Claim and Release form whether or not they also submit electronic copies. If you have a large
11 number of transactions and wish to file your claim electronically, you must contact the Claims
12 Administrator at 866-905-8102 to obtain the required file layout. No electronic files will be
13 considered to have been properly submitted unless the Claims Administrator issues to the
14 claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re Rocket Fuel Inc. Securities Litigation

No. 4:14-cv-03998-PJH-JCS

PROOF OF CLAIM AND RELEASE

Must Be Postmarked (if Mailed) or Received (if Filed Electronically) No Later Than:

_____, 2017

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City

State or Province

Zip Code or Postal Code

Country

Last 4 digits of Social Security Number or
Taxpayer Identification Number

Individual
Corporation/Other

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

PART II: SCHEDULE OF TRANSACTIONS IN ROCKET FUEL COMMON STOCK

A. Number of shares of Rocket Fuel common stock held at the close of trading on September 19, 2013: _____

B. Purchases of Rocket Fuel common stock (September 20, 2013 – November 3, 2014, inclusive):

Trade Date Month Day Year	Number of Shares Purchased	Total Purchase Price ¹
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

IMPORTANT: If any purchase listed covered a “short sale,” please mark Yes: ☐ Yes

C. Sales of Rocket Fuel common stock (September 20, 2013 – November 3, 2014, inclusive):

Trade Date Month Day Year	Number of Shares Sold	Total Sales Price ¹
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

D. Number of shares of Rocket Fuel common stock held at the close of trading on August 5, 2014: _____

E. Number of shares of Rocket Fuel common stock held at the close of trading on November 3, 2014: _____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

IMPORTANT: Be sure to attach the required documentation. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

¹ Excluding commissions, transfer taxes or other fees.

**IV. SUBMISSION TO JURISDICTION OF COURT AND
ACKNOWLEDGMENTS**

I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Northern District of California, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish additional information to the Claims Administrator to support this claim (including transactions in other Rocket Fuel securities) if requested to do so. I (We) have not submitted any other claim covering the same purchases or sales of Rocket Fuel common stock during the Class Period and know of no other person having done so on my (our) behalf.

V. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Released Claims each and all of the “Released Persons,” defined as each and all of the Defendants, Director Defendants, and Underwriter Defendants, and each and all of their Related Persons. Related Persons means each of the Released Persons’ and their legal affiliates’ past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a Released Person has a controlling interest, any members of an Individual Defendant’s or Director Defendant’s immediate family, any trust of which an Individual Defendant or Director Defendant is the settlor or which is for the benefit of an Individual Defendant or Director Defendant and/or any member of an Individual Defendant’s or Director Defendant’s immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant’s or Director Defendant’s immediate family has or have a controlling interest (directly or indirectly).

2. “Released Claims” means any and all claims, demands, rights, causes of action or liabilities of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on federal, state, local, foreign, statutory or common law or any other law, rule, ordinance, administrative provision or regulation, including Unknown Claims as defined below, whether class or individual in nature, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, concealed or hidden, suspected or unsuspected, which now exist or heretofore have existed, that were asserted or could have been asserted by Lead Plaintiffs or any Class Member against the Released Persons based on, arising from or relating to both: (i) the purchase, acquisition, holding, disposition, or sale of any shares of Rocket Fuel common stock during the Class Period; and (ii) the allegations, transactions, facts, matters, events, disclosures, registration statements, public filings, acts, occurrences, representations, statements, omissions or failures to act that occurred during the Class Period and that were or could have been alleged by Lead Plaintiffs in the Action against the Released Persons. Released Claims does not include claims to enforce the Settlement or any derivative actions.

3. “Unknown Claims” means collectively any Released Claims which Lead Plaintiffs or any Class Member do not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement or seek exclusion from the Class. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil 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.

1 Lead Plaintiffs shall expressly waive and each of the Class Members shall be deemed to
2 have, and by operation of the Judgment shall have, expressly waived any and all provisions,
3 rights, and benefits conferred by any law of any state or territory of the United States or any
4 foreign country, or any principle of common law, which is similar, comparable or equivalent in
5 substance to California Civil Code §1542. Lead Plaintiffs and Class Members may hereafter
6 discover facts in addition to or different from those which he, she or it now knows or believes to
7 be true with respect to the subject matter of the Released Claims, but upon the Effective Date,
8 each Class Member, and Lead Plaintiffs expressly, shall be deemed to have, and by operation of
9 the Judgment shall have, fully, finally, and forever settled and released any and all Released
10 Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or
11 not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or
12 equity now existing or coming into existence in the future, including, but not limited to, conduct
13 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
14 without regard to the subsequent discovery or existence of such different or additional facts.
15 Lead Plaintiffs acknowledge, and the Class Members shall be deemed by operation of the
16 Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a
17 key element of the Settlement of which this release is a part.

18 4. This release shall be of no force or effect unless and until the Court approves the
19 Stipulation and Agreement of Settlement and the Stipulation becomes effective on the Effective
20 Date (as defined in the Stipulation).

21 5. I (We) hereby warrant and represent that I (we) have not assigned or transferred
22 or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to
23 this release or any other part or portion thereof.

24 6. I (We) hereby warrant and represent that I (we) have included the information
25 requested about all of my (our) transactions in Rocket Fuel common stock which are the subject
26 of this claim, which occurred during the Class Period as well as the opening and closing
27 positions in such securities held by me (us) on the dates requested in this claim form.

28

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. If this Claim is being made on behalf of Joint Claimants, then both must sign.
3. Remember to attach copies of supporting documentation, if available.
4. **Do not send** originals of certificates.
5. Keep a copy of your claim form and all supporting documentation for your records.
6. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send your new address to the address below.
8. **Do not use red pen or highlighter** on the Proof of Claim and Release form or supporting documentation.

**THIS PROOF OF CLAIM AND RELEASE MUST BE SUBMITTED ONLINE OR, IF
MAILED, POSTMARKED NO LATER THAN _____, 2017, ADDRESSED AS
FOLLOWS:**

Rocket Fuel Securities Litigation
c/o A.B. Data Ltd.
P.O. Box 173033
Milwaukee, WI 53217
www.rocketfuelsecuritieslitigation.com

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9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 OAKLAND DIVISION

12 In re ROCKET FUEL INC. SECURITIES) No. 4:14-cv-03998-PJH-JCS
13 LITIGATION)
14) CONSOLIDATED CLASS ACTION
15 This Document Relates To:) SUMMARY NOTICE
16)
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ALL ACTIONS.

1 TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE COMMON
2 STOCK OF ROCKET FUEL INC. ("ROCKET FUEL" OR THE "COMPANY") FROM
3 SEPTEMBER 20, 2013 THROUGH AUGUST 5, 2014, INCLUSIVE, AND WERE
4 DAMAGED THEREBY,

5 YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District
6 Court for the Northern District of California, that a hearing will be held on _____, 2017, at
7 _____.m., before the Honorable Phyllis J. Hamilton, United States District Judge, at the United
8 States District Court for the Northern District of California, United States Courthouse –
9 Courtroom 3, 3rd Floor, 1301 Clay Street, Oakland, CA 94612, for the purpose of determining:
10 (1) whether the proposed settlement of the claims in the Action for the principal amount of
11 \$3,150,000.00, plus interest, should be approved by the Court as fair, just, reasonable, and
12 adequate; (2) whether a Final Judgment and Order of Dismissal with Prejudice should be entered
13 by the Court dismissing the Action with prejudice; (3) whether the Plan of Allocation is fair,
14 reasonable, and adequate and should be approved; and (4) whether the application of Lead
15 Counsel for the payment of attorneys' fees and expenses and Lead Plaintiffs' expenses in
16 connection with this Action should be approved.

17 IF YOU PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF
18 ROCKET FUEL BETWEEN SEPTEMBER 20, 2013 AND AUGUST 5, 2014, INCLUSIVE,
19 YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION. If
20 you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action
21 ("Notice") and a copy of the Proof of Claim and Release form, you may obtain copies by writing
22 to Rocket Fuel Securities Litigation, c/o A.B. Data, Ltd., P.O. Box 173033, Milwaukee, WI
23 53217 or at www.rocketfuelsecuritieslitigation.com. If you are a Class Member, in order to
24 share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and
25 Release by mail (*postmarked no later than* _____, 2017) or submitted electronically *no later*
26 *than* _____, 2017, establishing that you are entitled to recovery.

27 If you are a Class Member and you desire to be excluded from the Class, you must
28 submit a request for exclusion such that it is *postmarked no later than* _____, 2017, in
the manner and form explained in the detailed Notice, referred to above. All Class Members

1 who do not timely and validly request exclusion from the Class in response to the Notice will be
2 bound by any judgment entered in the Action pursuant to the Stipulation.

3 If you are a Class Member, you have the right to object to the Settlement, the Plan of
4 Allocation, or the fee and expense application, or otherwise request to be heard. To object, you
5 may submit a written objection in accordance with the procedures described in the more detailed
6 Notice, referred to above, and/or you may appear at the hearing described above. Any written
7 objection must be delivered to the Clerk of the Court, United States District Court, Northern
8 District of California, 1301 Clay Street, Suite 400 S, Oakland, CA 94612, such that it is
9 *postmarked no later than* _____, 2017. Note that the Court can only approve or deny the
10 settlement, not change the terms of the settlement.

11 **PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE**
12 **REGARDING THIS NOTICE.** If you have any questions about the Settlement, you may
13 contact Lead Counsel at the address listed below:

14 Ramzi Abadou
15 KAHN SWICK & FOTI, LLP
16 912 Cole Street, #251
San Francisco, CA 94117
(504) 455-1400

17 Laurence D. King
18 Mario M. Choi
19 KAPLAN FOX & KILSHEIMER LLP
20 350 Sansome Street, Suite 400
San Francisco, CA 94104
21 (415) 772-4700

22 DATED: _____, 2017

23 BY ORDER OF THE COURT
24 UNITED STATES DISTRICT COURT
25 NORTHERN DISTRICT OF CALIFORNIA
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27
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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re ROCKET FUEL INC. SECURITIES LITIGATION	)	No. 4:14-cv-03998-PJH-JCS
)	
	)	<u>CONSOLIDATED CLASS ACTION</u>
)	
This Document Relates To:	)	[PROPOSED] FINAL JUDGMENT AND
	)	ORDER OF DISMISSAL WITH PREJUDICE
ALL ACTIONS.)	
	)	EXHIBIT B

1 This matter came before the Court pursuant to the Order Preliminarily Approving
2 Settlement and Providing for Notice (“Order”) dated _____, 2017, on the application of
3 the parties for approval of the settlement set forth in the Stipulation and Agreement of Settlement
4 dated April 25, 2017 (the “Stipulation”). Due and adequate notice having been given to the
5 Class as required in said Order, and the Court having considered all papers filed and proceedings
6 had herein and otherwise being fully informed in the premises and good cause appearing
7 therefore, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

8 1. This Judgment incorporates by reference the Stipulation, and all terms used herein
9 shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein. *See*
10 *Kelly v. Wengler*, 822 F.3d 1085 (9th Cir. 2016).

11 2. This Court has jurisdiction over the subject matter of the Action and over all
12 parties to the Action, including all members of the Class.

13 3. The Court finds that the prerequisites for a class action under Rules 23(a) and
14 (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class
15 Members is so numerous that joinder of all members thereof is impracticable; (b) there are
16 questions of law and fact common to the Class; (c) the claims of the Lead Plaintiffs are typical of
17 the claims of the Class it seeks to represent; (d) Lead Plaintiffs fairly and adequately represent
18 the interests of the Class; (e) the questions of law and fact common to the members of the Class
19 predominate over any questions affecting only individual members of the Class; and (f) a class
20 action is superior to other available methods for the fair and efficient adjudication of the
21 controversy.

22 4. Pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, the
23 Court hereby certifies this action as a class action on behalf of a class consisting of all Persons
24 who purchased or otherwise acquired Rocket Fuel common stock between September 20, 2013
25 to August 5, 2014, inclusive, and were damaged thereby, excluding anyone named as a defendant
26 in this action including the Company, Individual Defendants, Director Defendants, Underwriter
27 Defendants; their respective former and current directors and officers, majority-owned legal
28 affiliates, representatives, controlling persons, predecessors-in-interest, heirs, assigns, and any

1 successors-in-interest; members of the immediate family of any defendant; any entity in which
2 any defendant has a majority interest. Also excluded from the Class are those Persons who
3 timely and validly request exclusion from the Class Pursuant to the Notice of Pendency and
4 Proposed Settlement of Class Action. The Class is certified pursuant to Rule 23 of the Federal
5 Rules of Civil Procedure for settlement purposes only.

6 5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of
7 settlement only, Lead Plaintiffs are certified as class representative and Lead Plaintiffs' selection
8 of Kaplan Fox & Kilsheimer LLP and Kahn Swick & Foti, LLP as Lead Counsel for the Class is
9 approved.

10 6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby
11 approves the settlement set forth in the Stipulation and finds that said settlement is, in all
12 respects, fair, reasonable and adequate to, and is in the best interests of, the Lead Plaintiffs, the
13 Class and each of the Class Members. This Court further finds the settlement set forth in the
14 Stipulation is the result of arm's-length negotiations between experienced counsel representing
15 the interests of the Lead Plaintiffs, the Class Members and the Defendants. Accordingly, the
16 settlement embodied in the Stipulation is hereby approved in all respects and shall be
17 consummated in accordance with its terms and provisions. The Settling Parties are ordered to
18 comply with the terms of the Stipulation.

19 7. Pursuant to Federal Rule of Civil Procedure 23, the Court hereby approves the
20 Stipulation and the settlement embodied therein and finds that:

21 (a) said Stipulation and the settlement embodied therein, are, in all respects,
22 fair, reasonable, and adequate and in the best interest of the Class;

23 (b) there was no collusion in connection with the Stipulation;

24 (c) the Stipulation was the product of informed, arm's-length negotiations
25 among competent, able counsel; and

26 (d) the record is sufficiently developed and complete to have enabled the Lead
27 Plaintiffs and the Defendants to have adequately evaluated and considered their positions.

1 8. Accordingly, the Court authorizes and directs implementation and performance of
2 all the terms and provisions of the Stipulation, as well as the terms and provisions hereof.
3 Except as to any individual claim of those Persons (identified in Exhibit 1 attached hereto) who
4 have validly and timely requested exclusion from the Class, the Court hereby dismisses the
5 Action and all Released Claims of the Class with prejudice. The Settling Parties are to bear their
6 own costs, except as and to the extent provided in the Stipulation and herein.

7 9. Upon the Effective Date, and as provided in the Stipulation, Lead Plaintiffs shall,
8 and each of the Class Members shall be deemed to have, and by operation of this Judgment shall
9 have, fully, finally, and forever released, relinquished, and discharged against the Released
10 Persons (whether or not such Class Member executes and delivers the Proof of Claim and
11 Release form) any and all Released Claims (including, without limitation, Unknown Claims).
12 Claims to enforce the Stipulation or this judgment are not released. The Settling Parties
13 acknowledge and the Class Members shall be deemed by operation of law to acknowledge that
14 the waiver of Unknown Claims, and of the provisions, rights and benefits of Section 1542 of the
15 California Civil Code, was bargained for and is a key element of the settlement of which the
16 release in this paragraph is a part.

17 10. Upon the Effective Date, and as provided in the Stipulation, Lead Plaintiffs and
18 each of the Class Members and anyone claiming through or on behalf of them, shall be
19 permanently barred and enjoined from (i) the commencement, assertion, institution,
20 maintenance, prosecution, or enforcement against any Released Person of any action or other
21 proceeding in any court of law or equity, arbitration tribunal, administrative forum, or forum of
22 any kind, asserting any of the Released Claims, and/or (ii) appealing any prior rulings in this
23 case, including the dismissal with prejudice of the Underwriter Defendants or the Director
24 Defendants from the case.

25 11. Upon the Effective Date, and as provided in the Stipulation, each of the Released
26 Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and
27 forever released, relinquished, and discharged Lead Plaintiffs, each and all of the Class
28 Members, and Plaintiffs' Counsel from all claims (including, without limitation, Unknown

1 Claims) arising out of, relating to, or in connection with, the institution, prosecution, settlement,
2 or resolution of the Action or the Released Claims, except for claims relating to the enforcement
3 of the Stipulation or this judgment.

4 12. The Notice of Pendency and Proposed Settlement of Class Action given to the
5 Class was the best notice practicable under the circumstances, including the individual notice to
6 all members of the Class who could be identified through reasonable effort. Said notice provided
7 the best notice practicable under the circumstances of those proceedings and of the matters set
8 forth therein, including the Stipulation and the settlement embodied therein, to all Persons
9 entitled to such notice, and said notice fully satisfied the requirements of Federal Rule of Civil
10 Procedure 23 the requirements of due process, and any other applicable law, including the
11 Private Securities Litigation Reform Act of 1995.

12 13. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding
13 any attorneys' fee and expense application shall in no way disturb or affect this Final Judgment
14 and shall be considered separate from this Final Judgment.

15 14. Neither the Stipulation nor the settlement contained therein, nor any negotiations,
16 discussions, proceedings or act performed or document executed pursuant to or in furtherance of
17 the Stipulation: (a) is or may be deemed to be or may be used as an admission of, or evidence of,
18 the validity of any Released Claims, or of any wrongdoing or liability of Defendants, Director
19 Defendants, or Underwriter Defendants; or (b) is or may be deemed to be or may be used as an
20 admission of, or evidence of, any fault or omission of any of Defendants, Director Defendants, or
21 Underwriter Defendants in any civil, criminal or administrative proceeding in any court,
22 administrative agency or other tribunal. The Released Persons, Lead Plaintiffs, Class Members,
23 and Plaintiffs' Counsel may file the Stipulation and/or this Judgment in any action that may be
24 brought against them in order to support a defense or counterclaim based on principles of *res*
25 *judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any
26 other theory of claim preclusion or issue preclusion or similar defense or counterclaim, or in
27 connection with any proceeding to enforce the terms of the Stipulation.

1 15. Without affecting the finality of this Judgment in any way, this Court hereby
2 retains continuing jurisdiction over: (a) implementation of this judgment and any award or
3 distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the
4 Settlement Fund; (c) hearing and determining applications for attorneys' fees, expenses, and
5 interest in the Action; and (d) all parties herein for the purpose of construing, enforcing, and
6 administering the Stipulation. *See Kokkonen v. Guardian Life Insurance Co. of America*, 511
7 U.S. 375 (1994).

8 16. The Court finds that during the course of the Action, the Settling Parties and their
9 respective counsel at all times complied with the requirements of Federal Rule of Civil
10 Procedure 11.

11 17. In the event that the settlement embodied in the Stipulation does not become
12 effective in accordance with the terms of the Stipulation, or the Effective Date does not occur, or
13 in the event that the Settlement Fund, or any portion thereof, is returned to the Defendants'
14 insurers, then this Judgment shall be rendered null and void to the extent provided by and in
15 accordance with the Stipulation and shall be vacated and, in such event, all orders entered and
16 releases delivered in connection herewith shall be null and void to the extent provided by and in
17 accordance with the Stipulation.

18 18. Without further order of the Court, the Settling Parties may agree to reasonable
19 extensions of time to carry out any of the provisions of the Stipulation.

20 19. The Court directs immediate entry of this Judgment by the Clerk of the Court.

21 IT IS SO ORDERED.

22 DATED: _____

THE HONORABLE PHYLLIS J. HAMILTON
UNITED STATES DISTRICT JUDGE