

THIS IS AN IMPORTANT LEGAL NOTICE

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

LEONARD BECKER, on behalf of himself and all those similarly situated,	:	CIVIL ACTION NO. 11-cv-6460
	:	(consolidated with No. 12-6412)
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. and J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION,	:	
	:	
	:	
Defendants.	:	

**NOTICE OF (I) PROPOSED SETTLEMENT OF CLASS ACTION;
(II) SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD
OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

TO: ALL PERSONS OR ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED THE BONDS IDENTIFIED AS THE BOROUGH OF LANGHORNE MANOR HIGHER EDUCATION AND HEALTH AUTHORITY HOSPITAL REVENUE BONDS, SERIES OF 1992 (THE LOWER BUCKS HOSPITAL), AND WHO ARE HOLDERS OF AN ALLOWED CLASS A3 CLAIM PURSUANT TO SECTION 5.1.3(A)(ii) OF THE PLAN OF REORGANIZATION OF LOWER BUCKS HOSPITAL, WHICH PLAN WAS CONFIRMED UNDER CHAPTER 11 OF THE BANKRUPTCY CODE.

EXCLUDED FROM THE CLASS ARE DEFENDANTS AND ANY PERSON, FIRM, TRUST, CORPORATION, OR OTHER ENTITY AFFILIATED WITH ANY DEFENDANT AND ANY OFFICERS, AND DIRECTORS THEREOF.

THE RECORD DATE FOR HOLDERS OF AN ALLOWED CLASS A3 CLAIM IS DECEMBER 7, 2011.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.
YOUR RIGHTS MAY BE AFFECTED BY THIS LITIGATION.**

NOTICE OF SETTLEMENT: Please be advised that your rights may be affected by the settlement in the above-captioned class action (the "Action") pending in the United States District Court for the Eastern District of Pennsylvania (the "Court"), if you are a member of the Class (as defined in ¶23 below). Specifically, the class representative, Leonard Becker ("Plaintiff"), on behalf of himself and the Class, has reached a proposed settlement of the Action with The Bank of New York Mellon Trust Company, N.A. ("BNY Mellon") and J.P. Morgan Trust Company National Association ("J.P. Morgan") (together, the "Defendants") for \$13,500,000.00 in cash that, if approved, will resolve all claims in the Action (the "Settlement").¹

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated June 8, 2018 (the "Stipulation").

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Class, your legal rights will be affected whether or not you act.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please **DO NOT** contact Defendants or their counsel. All questions should be directed to Class Counsel or the Claims Administrator (*see* ¶66 below).

1. Description of the Action and the Class:

This Notice relates to a proposed Settlement of claims in the pending Action brought by Plaintiff against Defendants alleging, among other things, that Defendants, as indenture trustees, breached certain duties they owed to Lower Bucks Hospital bondholders by failing to ensure that the bondholders' security interest in the unrestricted gross revenues of Lower Bucks Hospital was valid, or perfected. Plaintiff alleges that Defendants' conduct caused him and the other bondholders to receive less money than they otherwise would have received as secured creditors in Lower Bucks Hospital's bankruptcy proceeding. A more detailed description of the Action is set forth in paragraphs 9- 22 below. The proposed Settlement, if approved by the Court, will settle claims of the Class, as defined in paragraph 23 below.

2. Statement of Class's Recovery:

Subject to Court approval, Plaintiff, on behalf of himself and the Class, has agreed to settle the Action in exchange for a settlement payment of \$13,500,000.00 in cash (the "Settlement Amount") to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the "Settlement Fund") less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any attorneys' fees awarded by the Court) will be distributed on a pro rata basis based on the face value of each Class Member's proportional holdings of the Bonds in relation to the total face value of the Bonds held by Authorized Claimants.

3. Attorneys' Fees and Expenses Sought:

Court-appointed Class Counsel, Barrack, Rodos & Bacine, has been prosecuting the Action on a wholly contingent basis since its inception, has not received any payment of attorneys' fees for its representation of the Class, and has advanced the funds to pay expenses necessarily incurred to prosecute this Action and the proceedings in the Bankruptcy Court relating to the Plaintiff's objection to the third party release that was stricken from Lower Bucks Hospital's plan of reorganization. Class Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed \$2,150,000.00. In addition, Class Counsel will apply for reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution and resolution of the claims against the Defendants, in an amount not to exceed \$325,000.00. In addition, there will be costs in connection with sending this Notice to the Class and administration of the Settlement. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

4. Identification of Attorneys' Representatives:

Plaintiff and the Class are represented by Daniel E. Bacine, Esq., Jeffrey B. Gittleman, Esq., and Lisa M. Port, Esq., of Barrack, Rodos & Bacine, 3300 Two Commerce Square, 2001 Market Street, Philadelphia, PA 19103, (215) 963-0600, dbacine@barrack.com, jgittleman@barrack.com, lport@barrack.com.

5. Reasons for the Settlement:

Plaintiff's principal reason for entering into the Settlement is the substantial immediate cash benefit for the Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery – or indeed no recovery at all – might have been achieved as a result of the jury trial of the Action, and/or the likely appeals that would have followed the trial. This process could have lasted several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden and expense of further litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:

<p>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN NOVEMBER 1, 2018.</p>	<p>This is the only way to be eligible to receive a payment from the Settlement Fund. Whether or not you submit a Claim Form, you will be bound by the Settlement if approved by the Court and you will give up any Released Plaintiff's Claims (defined in ¶34 below) that you have against Defendants and the other Defendants' Releasees (defined in ¶35 below), so it is in your interest to submit a Claim Form.</p>
<p>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN AUGUST 18, 2018.</p>	<p>If you do not like the proposed Settlement or the request for attorneys' fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement or the fee and expense request unless you are a Class Member.</p>
<p>GO TO A HEARING ON SEPTEMBER 20, 2018 AT 9:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN AUGUST 18, 2018.</p>	<p>Filing a written objection and notice of intention to appear by August 18, 2018 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement and/or the request for attorneys' fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.</p>
<p>DO NOTHING.</p>	<p>If you are a Class Member, you will not be eligible to receive any payment from the Settlement Fund if you do not submit a valid Claim Form. You will, however, remain a member of the Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.</p>

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WHY DID I GET THIS NOTICE?

6. The Court directed that this Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired Lower Bucks Hospital Bonds and may be a member of the Class, as defined in paragraph 23 below. The Court has directed us to send you this Notice because, as a Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, the claims administrator selected by Plaintiff and Class Counsel and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.
7. The purpose of this Notice is to inform you of the terms of the proposed Settlement and how you might be affected, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and the motion by Class Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing"). See paragraph 57 below for details about the Settlement Hearing, including the date and location of the hearing.
8. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

9. This Notice relates to a proposed Settlement of claims in a pending class action brought by Plaintiff, individually and on behalf of other holders of Lower Bucks Hospital ("LBH") Bonds, against Defendants BNY Mellon and J.P. Morgan as successive Indenture Trustees under multi-party agreements that created the bond financing transaction at issue.
10. LBH filed for protection under Chapter 11 of the Bankruptcy Code on January 13, 2010, and then challenged the bondholders' security interest in the collateral that LBH pledged to secure the bond debt, contending that the security interest in the collateral had become unperfected.
11. BNY Mellon filed a proof of claim in which it claimed the amount due under the bonds was \$25,906,294.98 (plus amounts that continued to accrue post-petition, including interest, less compensation, fees, costs, and expenses under the indenture, the loan agreement, and all related documents), which it asserted as a secured claim in the amount of the value of the collateral. The proof of claim listed that value as "no less than" \$15.3 million. BNY Mellon contends that the amount listed was based on the statements of LBH regarding its available cash and the book value of its accounts receivable. In an adversary proceeding in LBH's bankruptcy, LBH and BNY Mellon resolved their dispute by entering into a settlement agreement.
12. The bankruptcy settlement agreement allowed BNY Mellon's claim as a secured claim in the amount of \$8,150,000, plus the amounts remaining in the reserve and debt service funds that BNY Mellon maintained on behalf of the bondholders, which totaled \$2,202,047 as of January 13, 2010, the date LBH filed for bankruptcy. The settlement agreement also included a provision that would have released BNY Mellon from liability to the bondholders arising out of the perfection of security interest issue.
13. Plaintiff filed an objection to the confirmation of LBH's Plan of Reorganization (the "Plan") based only on the inclusion of that release language. The Bankruptcy Court struck the release language from the Plan ruling that the notice to bondholders about the settlement of the dispute with LBH did not adequately disclose the inclusion of the release, and the Court could therefore not approve the release. BNY Mellon appealed the Bankruptcy Court's decision to the United States District Court for the Eastern District of Pennsylvania, which affirmed the Bankruptcy Court's decision. BNY Mellon again appealed, to the Court of Appeals for the Third Circuit, which affirmed the District Court's decision.

14. On January 19, 2012, the Plan became effective. On January 24, 2012, BNY Mellon received a cash distribution of the funds allowed under the Plan (and subject to the provisions of the Plan) in the amount of \$8,150,000. BNY Mellon also had been holding the reserve and debt service funds. BNY Mellon has made no distributions to bondholders since that date, contending that it had a right to be indemnified for expenses it incurred in connection with the bankruptcy proceeding and in connection with this class action.
15. Plaintiff's first suit ("Becker I") alleges that Defendants breached their fiduciary and contractual duties to the bondholders by failing to maintain a perfected security interest in the collateral securing the bonds. The complaint alleges that the bondholders were awarded less in LBH's bankruptcy than the value of the collateral securing the bondholders' debt, which they would have been entitled to receive if the security interest had been perfected.
16. Plaintiff's second suit ("Becker II") seeks a declaratory judgment that the bondholders are entitled to prompt disbursement of the funds allowed under the Plan, and that Defendant BNY Mellon is not entitled to deduct from those funds any amounts that it incurred as a defendant in the bankruptcy proceedings or in this litigation. Becker II seeks equitable remedies including: an injunction compelling BNY Mellon to distribute funds to the bondholders and damages for conversion and for money had and received. (Becker I and Becker II have been consolidated.)
17. Discovery in the consolidated actions was completed on October 10, 2014. The parties thereafter filed cross-motions for summary judgment. By order dated March 23, 2016, the Court granted in part and denied in part those motions.
18. By order dated September 30, 2016, the Court denied Defendants' motion for reconsideration of the Court's summary judgment ruling.
19. On October 5, 2016, the Court granted Plaintiff's motion for class certification, certifying the class defined below. Defendants thereafter sought permission to appeal the class certification order under Rule 23(f) of the Federal Rules of Civil Procedure. The Court of Appeals for the Third Circuit denied Defendants' petition asking for permission to appeal the class certification decision.
20. In September 2017, the Notice of Pendency was sent to potential Class members advising them of the pendency of the Action and of their rights with respect thereto, including their right to exclude themselves from the Class by submitting a written request for exclusion by November 14, 2017. Specifically, the Notice of Pendency apprised potential Class members of the background of the litigation and Plaintiff's claims, notified potential Class members of the Court's class certification decision and the certified class, provided potential Class members with the status of the Action at that time, and set forth instructions for potential Class members to contact Class Counsel to resolve any questions about the Notice of Pendency or the Action. No Class Members excluded themselves from the Class.
21. On October 27, 2017, the Court entered an Order that provided for, among other things, the filing of pretrial motions by March 5, 2018, and a final pretrial conference to be held on April 6, 2018. The Order also assigned the Action to the April 16, 2018 trial pool. Defendants filed eight pretrial motions, including motions to exclude certain evidence or testimony from trial (including the testimony from Plaintiff's three expert witnesses) and dispositive motions seeking to have certain of Plaintiff's claims dismissed. In argument held on April 6, 2018, the Court largely denied Defendants' motions, but reserved decision for the end of trial on certain of Defendants' arguments for dismissal of Plaintiff's claims. Defendants filed additional motions on April 18, 2018, one of which the Court denied that same day. Defendants also filed a motion for reconsideration of the Court's denial of one of their pretrial motions seeking to exclude certain evidence from trial, which the Court also denied.
22. A trial of the Action began on April 16, 2018. The trial in this matter was to resolve, on behalf of the entire Class, issues, claims, and defenses over whether Defendants breached any fiduciary or contractual duty owed to bondholders as a result of the alleged imperfection of the bonds' security interest in a manner that caused the bondholders to incur loss or damage, and the extent and measure of any loss or damage. The trial was also to resolve on behalf of the entire Class whether Defendants were permitted to withhold amounts from the settlement funds that would otherwise have been paid to the bondholders and, if so, the amount to be withheld. The trial included extensive evidence and testimony on behalf of both Plaintiff and the Defendants related to the claims and defenses in the Action, and just before Defendants called their last witness, the parties reached the proposed

Settlement. The proposed Settlement, if approved by the Court, will settle claims of the Class, as defined in paragraph 23 below.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT? WHO IS INCLUDED IN THE CLASS?

23. If you are a member of the Class and did not previously submit a timely request to be excluded, you are subject to the Settlement. The Class consists of:

All persons or entities who purchased or otherwise acquired the bonds identified as the Borough of Langhorne Manor Higher Education and Health Authority Hospital Revenue Bonds, Series of 1992 (The Lower Bucks Hospital), and who are holders of an allowed Class A3 claim pursuant to Section 5.1.3(A)(ii) of the Plan of Reorganization of Lower Bucks Hospital, which plan was confirmed under Chapter 11 of the Bankruptcy Code. Excluded from the Class are Defendants and any person, firm, trust, corporation, or other entity affiliated with any Defendant and any officers and directors thereof.

In accordance with ¶¶ 1.30, 1.45 and 10.11 of the Plan of Reorganization of Lower Bucks Hospital, and the Confirmation Order (10-cv-10239, ECF 1538), the record date for holders of an allowed Class A3 is December 7, 2011.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN NOVEMBER 1, 2018.

WHAT ARE PLAINTIFF'S REASONS FOR THE SETTLEMENT?

24. Plaintiff and Class Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against Defendants through trial and appeals, as well as the very substantial risks they faced in establishing liability and damages. Defendants argued that they had no duty to ensure the perfection of the security interest in the collateral because the indenture imposes that obligation on the hospital and the municipal authority that issued the bonds for the hospital, not on the Defendants as indenture trustees. Defendants also argued that the bondholders' recovery under the Plan was not reduced as a result of the lien issue, because the bondholders received all of the funds available in the bankruptcy for the secured creditors of the hospital. Defendants contended that Bondholders lost money because of the poor financial condition of the hospital, not because of anything that Defendants did or did not do. Defendants further argued that, under the bond documents, they are entitled to indemnification, including for defense costs from the bankruptcy recovery.
25. Defendants presented evidence in support of all of these arguments at trial, including testimony from expert witnesses that supported Defendants' positions. Indeed, at trial, even if Plaintiff overcame hurdles to establishing liability, Defendants presented expert and other evidence contesting the amount of damages that Plaintiff and the Class could recover. There is a substantial risk that, had the case gone to the jury, the verdict could have been in favor of Defendants or that, even if the verdict was in favor of Plaintiff, the jury may have awarded damages in an amount far below that achieved by the Settlement.

26. When the settlement was reached, the Court had not yet ruled on certain dispositive pretrial motions made by Defendants that could have led to dismissal of certain of Plaintiff's claims or substantially reduced any damages that may have been awarded to Plaintiff and the Class.
27. Even if Plaintiff would have prevailed at trial, Defendants would have likely initiated an appeal to contest a verdict and the damages assessed against them. That appeal likely would have focused not only on the trial, but on the Court's pretrial orders in the case, including the Court's class certification order and its orders on summary judgment. Litigation of any appeal likely would have been a lengthy and expensive proposition, with the distinct possibility that any recovery by Plaintiff and the Class could have been substantially reduced or eliminated altogether.
28. As such, there were significant risks attendant to the continued prosecution of the Action. In light of these risks, the amount of the Settlement and the immediacy of recovery to the Class, Plaintiff and Class Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Plaintiff and Class Counsel believe that the Settlement provides a substantial benefit to the Class, namely \$13,500,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no recovery after trial and appeals, possibly years in the future.
29. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

30. If there were no Settlement and the jury were to have found that Plaintiff failed to establish any essential legal or factual element of his claims against Defendants, Plaintiff and the other members of the Class would likely have only recovered the amount of the secured claim negotiated by BNY Mellon in settlement of the adversary proceeding in the bankruptcy court, *less* BNY Mellon's expenses incurred in the bankruptcy proceeding. However, if Defendants had initiated an appeal of this Court's rulings, and particularly this Court's ruling on the parties' summary judgment motion, and were successful on appeal, there is a possibility that the Class would have recovered substantially less than that amount, including the possibility that they would receive nothing at all.

HOW ARE CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

31. As a Class Member, you are represented by Plaintiff and Class Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," on page 10 below.
32. If you are a Class Member and you wish to object to the Settlement, or Class Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, you may present your objections by following the instructions in the section entitled, "When And Where Will The Court Decide Whether To Approve The Settlement?," on page 10 below.
33. If you are a Class Member, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the "Judgment"). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Plaintiff and each of the other Class Members, on behalf of themselves, and their respective heirs, executors, administrators, attorneys, agents, partners, predecessors, successors, beneficiaries, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiff's Claim (as defined in ¶34 below) against the Defendants and the other Defendants' Releasees

(as defined in ¶35 below), and shall forever be barred and enjoined from commencing, instituting, asserting, maintaining, enforcing, prosecuting, or otherwise pursuing, either directly or in any other capacity, any or all of the Released Plaintiff's Claims against any of the Defendants' Releasees.

34. "Released Plaintiff's Claims" means any and all actions, suits, claims, debts, demands, rights, causes of action, proofs of claim, or liabilities of every nature and description whatsoever (including, but not limited to, those for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liability whatsoever), whether based in law or equity, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or not matured, under federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign, domestic or international, including both known claims and Unknown Claims, whether or not concealed or hidden, that have been or could have been or could in the future be asserted in any forum, whether foreign or domestic, by the Plaintiff, any member of the Class, or their successors, assigns, executors, administrators, representatives, attorneys, agents, affiliates, and partners, and any persons they represent, whether brought directly or indirectly, that arise out of, are based on, or relate in any way, directly or indirectly, to any of the allegations, acts, transactions, facts, events, matters, occurrences, representations or omissions involved, set forth, alleged or referred to, in the Action, or that could have been alleged in the Action based upon the facts alleged therein, and/or that arise out of, are based upon, or relate in any way, directly or indirectly, to (i) the purchase, acquisition, transfer, holding, ownership, disposition, or sale of any Bonds by any Class Member, or (ii) any facts, matters, allegations, transactions, events, disclosures, conduct, statements, representations, acts, failures to act, or omissions relating to the Bonds, the bankruptcy proceedings of Lower Bucks Hospital, any adversary proceeding in those bankruptcy proceedings, or the bond proceeds. Released Plaintiff's Claims do not include any claims relating to the enforcement of the Settlement. Released Plaintiff's Claims include "Unknown Claims" as defined in ¶36 hereof.
35. "Defendants' Releasees" means each and both of the Defendants, their Related Parties (as defined in ¶40 below), and any entity in which any Defendant has or had a controlling interest (directly or indirectly).
36. "Unknown Claims" means any Released Plaintiff's Claims that the Plaintiff or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants' Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiff and Defendants shall expressly waive, and each of the other Class Members shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by California Civil Code §1542, or by any law of any state or territory of the United States, or principle of common law or foreign law, that is similar, comparable, or equivalent to 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.

The Plaintiff, Defendants, and Class Members acknowledge that they may hereafter discover facts in addition to or different from those that any of them or their counsel now know or believe to be true with respect to the subject matter of the Released Plaintiffs' Claims or the Released Defendants' Claims, but the Plaintiff, Defendants, and Class Members shall expressly settle and release, and shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Plaintiffs' Claims and Released Defendants' Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, that 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 that 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. Plaintiff and Defendants acknowledge, and each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which the Releases are a part.

37. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, attorneys, agents, partners, predecessors, successors, beneficiaries, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim (as

defined in ¶38 below) against Plaintiff and the other Plaintiffs' Releasees (as defined in ¶39 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

38. "Released Defendants' Claims" means any and all actions, suits, claims, debts, demands, rights, causes of action, proofs of claim, or liabilities of every nature and description whatsoever (including, but not limited to, those for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liability whatsoever), whether based in law or equity, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or not matured, under federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign, domestic or international, including both known claims and Unknown Claims, whether or not concealed or hidden, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action against the Defendants. Released Defendants' Claims do not include any claims relating to the enforcement of the Settlement.
39. "Plaintiff's Releasees" means the Plaintiff, his respective attorneys including Class Counsel, and all other Class Members, and each and all of their respective past, present and future heirs, executors, administrators, predecessors, successors, assigns, employees, agents, affiliates, assignees, associates, attorneys, auditors, consultants, controlling shareholders, directors, divisions, domestic partners, employers, financial advisors, general or limited partners, general or limited partnerships, insurers, investment advisors, investment bankers, investment banks, joint ventures and joint venturers, managers, marital communities, members, officers, parents, personal or legal representatives, principals, reinsurers, shareholders, spouses, direct and indirect parent entities, subsidiaries (foreign or domestic), trustees, underwriters and retained professionals, in their respective capacities as such.
40. "Related Parties" means each of a Defendant's respective former, present or future parents, subsidiaries, divisions and affiliates and the respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, attorneys, advisors, accountants, auditors, and insurers and reinsurers of each of them; and the predecessors, successors, estates, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives and assigns of each of them, in their capacity as such.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

41. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than November 1, 2018**. A Claim Form is included with this Notice, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 855-711-8800. Please retain all records of your ownership of Lower Bucks Hospital Bonds, as they may be needed to document your Claim. If you do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

42. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.
43. Pursuant to the Settlement, Defendants have agreed to pay or caused to be paid thirteen million five hundred thousand dollars (\$13,500,000.00) in cash. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state and/or local taxes on any income earned by the Settlement Fund and the expenses and costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including the expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Class Members and administering the Settlement on behalf of Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed on a pro rata basis to Class Members who submit valid Claim Forms.

44. The Settlement proceeds will be distributed equitably among Authorized Claimants based on the face value of their proportional holdings of the Bonds in relation to the total face value of the Bonds held by Authorized Claimants who have filed valid Proofs of Claim.
45. A “Distribution Amount” will be calculated based on each Authorized Claimant’s holdings of the Lower Bucks Hospital Bonds as listed on the Proof of Claim Form and for which adequate documentation is provided.
46. The Distribution Amount for each Authorized Claimant will be calculated in the following way:
 - a. the face amount of the Authorized Claimant’s Lower Bucks Hospital Bonds held on the record date (see paragraph 23 above) shall be divided by the total face amount of Lower Bucks Hospital Bonds of all Authorized Claimants; and
 - b. the Net Settlement Fund shall then be multiplied by each Authorized Claimant’s pro rata percentage, resulting in each Authorized Claimant’s Distribution Amount.
47. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.
48. Defendants and all other persons or entities that paid any portion of the Settlement Amount on their behalf are not entitled to get back any portion of the Settlement Fund once the Court’s order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement or the disbursement of the Net Settlement Fund.
49. Unless the Court otherwise orders, any Class Member who fails to submit a Claim Form postmarked on or before November 1, 2018 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Class Member releases the Released Plaintiff’s Claims (as defined in ¶34 above) against the Defendants’ Releasees (as defined in ¶35 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiff’s Claims against any of the Defendants’ Releasees whether or not such Class Member submits a Claim Form.
50. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Class Member.
51. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.
52. Only Class Members as defined in paragraph 23 above will be eligible to share in the distribution of the Net Settlement Fund. The only securities that are included in the Settlement are the Lower Bucks Hospital Bonds.

ADDITIONAL PROVISIONS

53. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund nine (9) months after the initial distribution, if Class Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional re-distributions may occur thereafter if Class Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be

contributed to non-sectarian, not-for-profit organization(s), to be recommended by Class Counsel and approved by the Court.

54. Payment pursuant to the Stipulation as may be approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiff, Class Counsel, Defendants, Defendants' Counsel, or any of the other Plaintiff's Releasees or Defendants' Releasees, or the Claims Administrator or other agent designated by Class Counsel arising from distributions made substantially in accordance with the Stipulation or further orders of the Court. Plaintiff, Defendants and their respective counsel, and all other Defendants' Releasees, shall have no responsibility or liability whatsoever for: the investment or distribution of the Settlement Fund or the Net Settlement Fund; the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator; the payment or withholding of Taxes; or any losses incurred in connection therewith.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

55. Class Counsel has not received any payment for its services in pursuing claims against Defendants on behalf of the Class, nor has Class Counsel been reimbursed for its out-of-pocket expenses. Before final approval of the Settlement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed \$2,150,000.00. At the same time, Class Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed \$325,000.00. In addition, there will be costs in connection with sending this Notice to the Class and administration of the Settlement. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. 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.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

56. **Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.**
57. The Settlement Hearing will be held on September 20, 2018 at 9:00 a.m., before the Honorable Juan R. Sánchez at the United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106, Courtroom 11-A. The Court reserves the right to approve the Settlement, Class Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Class.
58. Any Class Member may object to the Settlement or Class Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Eastern District of Pennsylvania at the address set forth below on or before August 18, 2018. You must also serve the papers on Class Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are *received on or before August 18, 2018*.

Clerk's Office

United States District Court
Eastern District of Pennsylvania
Clerk of the Court
James A. Byrne U.S. Courthouse
601 Market Street
Philadelphia, PA 19106

Class Counsel

Barrack, Rodos & Bacine
Daniel E. Bacine
Lisa M. Port
Jeffrey B. Gittleman
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103

Defendants' Counsel

Morgan, Lewis & Bockius LLP
Marc J. Sonnenfeld
John C. Goodchild, III
1701 Market Street
Philadelphia, PA 19103

59. Any objection (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove membership in the Class, including the amount of Lower Bucks Hospital Bonds that the objecting Class Member purchased/acquired and owned as of the record date. You may not object to the Settlement or Class Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses if you previously excluded yourself from the Class pursuant to the Notice of Pendency or if you are not a member of the Class.
60. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.
61. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement or Class Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Class Counsel and Defendants' Counsel at the addresses set forth above so that it is **received on or before August 18, 2018**. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.
62. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Class Counsel and Defendants' Counsel at the addresses set forth in ¶66 above so that the notice is **received on or before August 18, 2018**.
63. The Settlement Hearing may be adjourned by the Court without further written notice to the Class. If you plan to attend the Settlement Hearing, you should confirm the date and time with Class Counsel.
64. **Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement or Class Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

WHAT IF I BOUGHT BONDS ON BEHALF OF SOMEONE ELSE?

65. If you purchased or otherwise acquired or hold Lower Bucks Hospital Bonds for the beneficial interest of persons or organizations other than yourself, you must either (a) within fourteen (14) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within ten (10) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within fourteen (14) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to Heffler Claims Group, LLC,

1515 Market Street, Suite 1700, Philadelphia, Pa, 19102. If you choose the second option, the Claims Administrator will send a copy of the Notice and the Claim Form to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained by calling the Claims Administrator toll-free at 855-711-8800.

**CAN I SEE THE COURT FILE?
WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?**

66. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Eastern District of Pennsylvania, James A. Byrne U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106.

All inquiries concerning this Notice and the Claim Form should be directed to:

Heffler Claims Group, LLC
1515 Market Street
Suite 1700
Philadelphia, PA 19102
(855) 711-8800

and/or

Daniel E. Bacine
Jeffrey B. Gittleman
Lisa M. Port
BARRACK, RODOS & BACINE
3300 Two Commerce Square
2001 Market Street
Philadelphia, PA 19103
(215) 963-0600
dbacine@barrack.com
jgittleman@barrack.com
lport@barrack.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT,
DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: June 20, 2018

By Order of the Court
United States District Court
Eastern District of Pennsylvania

