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8 ACADIA PHARMACEUTICALS INC., ULI
HACKSELL, STEPHEN R. DAVIS, AND
9 ROGER G. MILLS

10 Additional counsel on signature page

11 UNITED STATES DISTRICT COURT
12 SOUTHERN DISTRICT OF CALIFORNIA

14 JEFF RIHN, Individually and on Behalf of
All Others Similarly Situated,

15 Plaintiff,

16 v.

17 ACADIA PHARMACEUTICALS INC.,
18 ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

19 Defendants.
20

21 STEVE A. WRIGHT AND VICKI G.
22 WRIGHT, Individually and on Behalf of
All Others Similarly Situated,

23 Plaintiffs,

24 v.

25 ACADIA PHARMACEUTICALS INC.,
26 ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

27 Defendants.
28

Case No. 15-cv-00575 BTM DHB

**STIPULATION AND AGREEMENT
OF SETTLEMENT**

CLASS ACTION

1 This stipulation and agreement of settlement is made and entered into by and
2 between lead plaintiffs Paul and Sharyn Levine (“Lead Plaintiffs”), on behalf of
3 themselves and the class of persons defined below, and defendants ACADIA
4 Pharmaceuticals Inc. (the “Company” or “ACADIA”), Uli Hacksell, Stephen R. Davis
5 and Roger G. Mills (collectively, “Defendants”), pursuant to Rule 23 of the Federal
6 Rules of Civil Procedure.

7 **WHEREAS:**

8 A. Commencing on March 13, 2015, two securities class actions were filed
9 against Defendants: *Rihn v. ACADIA Pharmaceuticals Inc., et al.*, 15-cv-00575 BTM
10 DHB; and *Steve A. Wright, et al v. ACADIA Pharmaceuticals Inc., et al.*, 15-cv-00593
11 BTM DHB;¹

12 B. By order dated September 8, 2015, the Court consolidated the actions
13 under the lead action styled *Rihn v. ACADIA Pharmaceuticals Inc., et al.*, 15-cv-00575
14 BTM DHB;

15 C. By order dated September 8, 2015, the Court appointed Paul and Sharyn
16 Levine as Lead Plaintiffs and approved their selection of the law firm of Faruqi &
17 Faruqi, LLP as Lead Counsel;

18 D. On November 16, 2015, Lead Plaintiffs Paul and Sharyn Levine filed a
19 Consolidated Class Action Complaint (the “CC”);

20 E. On January 15, 2016, Defendants moved to dismiss the CC. On September
21 19, 2016, the Court issued an Order Denying the Motion to Dismiss;

22 F. On November 2, 2016, the parties filed a Joint Motion to Stay the Action
23 Pending Private Mediation. On November 4, 2016, the Court granted the joint motion
24 and stayed the action in its entirety until January 3, 2017, pending the outcome of the
25 parties’ scheduled mediation on December 6, 2016;

26
27
28 ¹ All capitalized words or terms not otherwise defined herein shall have the meanings
for those words or terms as set forth in the section below entitled “Definitions” at ¶1.

1 G. Lead Counsel and Defendants' Counsel conducted a mediation session
2 before Robert Meyer of Loeb & Loeb LLP on December 6, 2016;

3 H. Defendants provided documents to Lead Plaintiffs, including
4 documentation of the Company's preparations to submit a new drug application to the
5 U.S. Food and Drug Administration in 2015, to further the mediation discussion;

6 I. Lead Counsel has conducted an investigation, reviewed documents,
7 analyzed the claims, consulted with a damages expert, and researched the applicable
8 law with respect to the claims against Defendants and their potential defenses thereto;

9 J. Lead Counsel and Defendants' Counsel have engaged in arm's-length
10 negotiations to resolve the claims by Lead Plaintiffs and the Class against Defendants,
11 and have now agreed to settle those claims on terms that include the payment of
12 \$2,925,000 for the benefit of the Class;

13 K. Based upon their independent investigation, Lead Counsel and Lead
14 Plaintiffs have concluded that the terms and conditions of this Stipulation are fair,
15 reasonable, and adequate to the Class, and are in the Class's best interests, and have
16 agreed to settle the claims raised in the Action with Defendants pursuant to the terms
17 and provisions of this Stipulation, after considering (a) the substantial benefits that the
18 Class will receive from the Settlement, (b) the attendant risks of litigation, and (c) the
19 desirability of permitting the Settlement to be consummated as provided by the terms
20 of this Stipulation; and

21 L. Defendants have denied and continue to deny each and all of the claims
22 and contentions alleged by Lead Plaintiffs, as well as all charges of wrongdoing or
23 liability against them arising out of any of the conduct, statements, acts, or omissions
24 alleged, or that could have been alleged, in the Action. Defendants believe the Action
25 has no merit. Defendants deny that they made any false or misleading statements during
26 the Class Period, that they had the state of mind required to render any of the alleged
27 misrepresentations and omissions actionable, that any alleged loss was caused by any
28 alleged misrepresentations, and that any Defendant engaged in insider trading.

1 Nonetheless, taking into account the uncertainty and risks inherent in any litigation,
2 especially in complex cases such as this one, Defendants have concluded that further
3 litigation of the Action would be protracted, burdensome, and expensive, and that it is
4 desirable and beneficial to them to resolve the Action upon the terms and conditions set
5 forth in this Stipulation. Further, Defendants believe that this resolution is in the best
6 interests of ACADIA’s shareholders.

7 **NOW THEREFORE**, without any concession by Lead Plaintiffs that the Action
8 lacked merit, and without any concession by Defendants of any liability or wrongdoing
9 or lack of merit in their defenses, it is hereby **STIPULATED AND AGREED**, by and
10 among the Settling Parties to this Stipulation, through their respective attorneys, subject
11 to approval by the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure,
12 in consideration of the benefits flowing to the Settling Parties hereto, that all Settled
13 Claims as against Defendants shall be compromised, settled, released, and dismissed on
14 the merits and with prejudice, subject to the following terms and conditions:

15 **DEFINITIONS**

16 1. As used hereinafter in this Stipulation, the following terms shall have the
17 following meanings:

18 a. “Action” means *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.*,
19 15-cv-00575 BTM DHB, pending in the United States District Court for the Southern
20 District of California, and all actions consolidated therein.

21 b. “Authorized Claimant” means a Class Member who submits a
22 timely and valid Proof of Claim to the Claims Administrator and does not opt out.

23 c. “CC” means the Consolidated Class Action Complaint filed in this
24 Action by Lead Plaintiffs on November 16, 2015.

25 d. “Claims Administrator” means KCC LLC, the firm retained by Lead
26 Counsel, subject to Court approval, which shall mail and publish the Notices, process
27 Proofs of Claim, and distribute the Net Settlement Amount to Authorized Claimants.

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1 e. “Class” means Lead Plaintiffs Paul and Sharyn Levine as well as all
2 Persons who purchased or otherwise acquired the publicly traded common stock and/or
3 call options of ACADIA in the United States or on the NASDAQ Global Select Market
4 during the Class Period and who allege to have been damaged thereby. Excluded from
5 the Class are Defendants named herein; members of their immediate families; any firm,
6 trust, partnership, corporation, officer, director, or other individual or entity in which a
7 Defendant has a controlling interest or which is related to or affiliated with any of the
8 Defendants and the legal representatives, heirs, successors-in-interest or assigns of such
9 excluded Persons. Also excluded from the Class is any Person who properly excludes
10 himself, herself, or itself by filing a valid and timely request for exclusion in accordance
11 with the requirements to be set forth in the Settlement Notice.

12 f. “Class Distribution Order” means an order of the Court approving
13 the Claims Administrator’s administrative determinations concerning the acceptance
14 and rejection of the claims submitted herein, and approving any fees and expenses not
15 previously applied for, including the fees and expenses of the Claims Administrator
16 and, if the Effective Date has occurred, directing payment of the Net Settlement Fund
17 to Authorized Claimants.

18 g. “Class Member” means any person or entity who or which is a
19 member of the Class and is not excluded therefrom.

20 h. “Class Period” means the period from November 10, 2014, through
21 and including March 11, 2015, both dates inclusive.

22 i. “Class Representatives” means Lead Plaintiffs Paul and Sharyn
23 Levine.

24 j. “Court” means the United States District Court for the Southern
25 District of California.

26 k. “Defendants’ Claims” means any and all claims, rights, demands,
27 obligations, controversies, debts, damages, losses, causes of action and liabilities of any
28 kind or nature whatsoever in law or in equity, including both known and Unknown

1 Claims, held at any point from the beginning of time to the date of the execution of this
2 Stipulation, which claims have been or could have been asserted by the Defendants
3 against any of the Released Plaintiff Parties and arising out of the institution or
4 prosecution of the Action.

5 l. “Defendants’ Counsel” means the law firm of Cooley LLP.

6 m. “Defendant Releasees” means (1) Defendants, (2) Defendants’
7 Counsel, (3) with regard to ACADIA, all past or present agents, officers, directors,
8 attorneys, accountants, auditors, investment bankers, commercial bankers,
9 underwriters, financial or investment advisors, or other advisors, insurers, co-insurers,
10 reinsurers, partners, limited partners, controlling shareholders, joint venturers, co-
11 developers, co-promoters; related or affiliated entities, advisors, employees, affiliates,
12 predecessors, successors, parents, subsidiaries, and assigns for ACADIA and all such
13 Persons of any entity in which ACADIA has a controlling interest; (4) with regard to
14 Uli Hacksell, Stephen R. Davis and Roger G. Mills, each individual’s spouses, marital
15 communities, immediate family members, heirs, executors, personal representatives,
16 estates, administrators, trusts, predecessors, successors, and assigns or other individual
17 or entity in which either Uli Hacksell, Stephen R. Davis and Roger G. Mills has a
18 controlling interest, and each and all of their respective past or present officers,
19 directors, employees, agents, affiliates, parents, subsidiaries, divisions, attorneys,
20 accountants, auditors, advisors, insurers, co-insurers, re-insurers, heirs, executors,
21 personal representatives, estates, administrators, trusts, predecessors, successors, and
22 assigns; and each of Uli Hacksell, Stephen R. Davis and Roger G. Mills’ present and
23 former attorneys, legal representatives, insurers, and assigns in connection with the
24 Action.

25 n. “Effective Date” means the date upon which the Judgment becomes
26 Final.

27 o. “Escrow Account” means the interest-bearing account maintained
28 by the Escrow Agent into which the Settlement Amount shall be deposited. The Escrow

1 Account shall be controlled and maintained by Lead Counsel on behalf of Lead
2 Plaintiffs and the Class.

3 p. “Escrow Agent” means Lead Counsel or their duly appointed
4 agent(s). The Escrow Agent shall perform the duties set forth in this Stipulation.

5 q. “Escrow Agreement” means the escrow agreement between Lead
6 Counsel and the Escrow Agent with respect to the Escrow Account.

7 r. “Final Fairness Hearing” means the hearing to be held by the Court
8 to make a final decision pursuant to Federal Rule of Civil Procedure 23 as to whether
9 this Settlement Agreement is fair, reasonable, and adequate and, therefore, should be
10 approved by the Court.

11 s. “Final,” with respect to the Judgment, means the later of: (i) the
12 expiration of the time to file a motion to alter or amend the Judgment under Federal
13 Rule of Civil Procedure 59(e) has passed without any such motion having been filed;
14 (ii) the expiration of time in which to appeal the Judgment has passed without any
15 appeal having been taken; and (iii) if there is a motion to alter or amend the Judgment
16 or an appeal from the Judgment (other than an appeal or motion to alter or amend
17 pertaining solely to the Court’s approval of a Plan of Allocation and/or the Court’s
18 award of attorneys’ fees, costs or expenses), the date of final affirmance of the Judgment
19 and the expiration of the time for any further judicial review whether by appeal,
20 reconsideration or a petition for a writ of certiorari and, if certiorari is granted, the date
21 of final affirmance of the Judgment following review pursuant to the grant. Any appeal
22 or proceeding seeking judicial review pertaining solely to (i) Court approval of the Plan
23 of Allocation of the Net Settlement Fund; or (ii) the Court’s award of attorneys’ fees,
24 costs or expenses, shall not in any way delay or preclude the Judgment from becoming
25 Final or affect the time set forth above for the Judgment to become Final.

26 t. “Judgment” means the final proposed judgment to be entered
27 approving the Settlement substantially in the form attached hereto as Exhibit B, or any
28 alternative thereto that may be entered by the Court.

1 u. “Lead Counsel” means Faruqi & Faruqi, LLP, counsel for Lead
2 Plaintiffs Paul and Sharyn Levine.

3 v. “Lead Plaintiffs” means Paul and Sharyn Levine.

4 w. “Litigation Expenses” means the costs and expenses incurred by
5 Lead Counsel in connection with commencing and prosecuting the Action, for which
6 Lead Counsel intends to apply to the Court for reimbursement from the Settlement
7 Fund.

8 x. “Net Settlement Fund” means the Settlement Fund less (i) Court
9 awarded attorneys’ fees; (ii) Notice and Administration Expenses; (iii) any required
10 Taxes; (iv) Court-awarded Litigation Expenses; and (v) any other fees or expenses
11 approved by the Court.

12 y. “Notice and Administration Expenses” means all expenses incurred
13 in connection with the preparation, printing, mailing, and online publication of the
14 Settlement Notice; the preparation and publication of the Publication Notice; providing
15 notice to the Class by mail, publication and other means; receiving and reviewing
16 claims; applying the Plan of Allocation; corresponding with Class Members; and the
17 costs of the Claims Administrator.

18 z. “Notices” means the Publication Notice and the Settlement Notice,
19 collectively, as well as any other notice required or approved by the Court in connection
20 with this Settlement.

21 aa. “Person” and “Persons” means an individual, corporation,
22 partnership, association, affiliate, joint stock company, estate, trust, unincorporated
23 association, entity, government and any political subdivision thereof, or any other type
24 of business or legal entity, any legal representative, and their spouses, heirs,
25 predecessors, successors, representatives, agents, or assignees.

26 bb. “Plan of Allocation” means the plan that Lead Plaintiffs will submit
27 to the Court at a later date and upon notice to the Class that shall be utilized for
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1 distribution of the Net Settlement Fund to Authorized Claimants in a manner consistent
2 with the terms of this Stipulation, and as approved by the Court.

3 cc. "Preliminary Approval Hearing" means the preliminary hearing to
4 be held by the Court to determine whether the proposed Settlement is fair, reasonable
5 and adequate and should be approved.

6 dd. "Preliminary Approval Order" means the proposed order
7 preliminarily approving the Settlement, which shall be substantially in the form attached
8 hereto as Exhibit A.

9 ee. "Proof of Claim" means the form which is to be sent to members of
10 the Class substantially in the form attached hereto as Exhibit A-2.

11 ff. "Publication Notice" means the notice of the proposed Settlement
12 which shall be published in *PR Newswire* and *Investor's Business Daily*, substantially
13 in the form attached hereto as Exhibit A-3.

14 gg. "Released Parties" means the Defendant Releasees and the Released
15 Plaintiff Parties collectively.

16 hh. "Released Plaintiff Parties" means (1) Lead Plaintiffs, (2) Lead
17 Counsel, and (3) with regards to Lead Plaintiffs, each of Lead Plaintiff's spouses,
18 marital communities, immediate family members, heirs, executors, personal
19 representatives, estates, administrators, trusts, predecessors, successors, and assigns or
20 other individual or entity in which any Lead Plaintiff has a controlling interest, and each
21 and all of their respective past or present officers, directors, employees, agents,
22 affiliates, parents, subsidiaries, divisions, attorneys, accountants, auditors, advisors,
23 insurers, co-insurers, re-insurers, heirs, executors, personal representatives, estates,
24 administrators, trusts, predecessors, successors, and assigns; and each Lead Plaintiff's
25 present and former attorneys, legal representatives, insurers, and assigns in connection
26 with the Action.

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1 ii. “Response Deadline” means the last date on which Class Members
2 may submit a request for exclusion, or objection to the Settlement. The Response
3 Deadline is to be determined by the Court, as set out in the Preliminary Approval Order.

4 jj. “Settled Claims” means any and all claims, rights, demands,
5 obligations, controversies, debts, damages, losses, causes of action and liabilities of any
6 kind or nature whatsoever (including, but not limited to, any claims for damages,
7 restitution, rescission, interest, attorneys’ fees, expert or consulting fees, and any other
8 costs, expenses, or liability whatsoever), whether based on federal, state, local,
9 statutory, or common law or any other law, rule, or regulation, whether fixed or
10 contingent, accrued, or un-accrued, liquidated or unliquidated, at law or in equity,
11 matured or unmatured, or class or individual in nature (including both known and
12 Unknown Claims) against Defendant Releasees, based on, arising out of, relating in any
13 way to, or in connection with both (i) the facts, events, transactions, acts, occurrences,
14 statements, representations, misrepresentations, or omissions which were or could have
15 been alleged in the Action, and (ii) the purchase or acquisition of ACADIA publicly-
16 traded common stock and/or call options during the Class Period.

17 kk. “Settlement” means the resolution of the Action in accordance with
18 the terms and provisions of this Stipulation.

19 ll. “Settlement Amount” means \$2,925,000, cash.

20 mm. “Settlement Fund” means the Settlement Amount plus any interest
21 earned on any monies held in the Escrow Account.

22 nn. “Settlement Notice” means the Notice of Pendency and Settlement
23 of Class Action which is to be sent to Class Members substantially in the form attached
24 hereto as Exhibit A-1.

25 oo. “Settling Parties” means, collectively, Defendants and Lead
26 Plaintiffs.

27 pp. “Stipulation” means this Stipulation and Agreement of Settlement.
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1 qq. “Taxes” means all federal, state, local, or other taxes on the income
2 earned by the Settlement Fund and expenses and costs incurred in connection with the
3 taxation of the Settlement Fund (including, without limitation, expenses of tax attorneys
4 and accountants).

5 rr. “Termination Notice” shall have the meaning set forth in ¶42 below.

6 ss. “Unknown Claims” means any and all Settled Claims which Lead
7 Plaintiffs in the Action or any Class Member does not know to exist in his, her, or its
8 favor at the time of the release of Defendants Releasees, and any Defendants’ Claims
9 which Defendants did not know to exist in their favor at the time of the release of the
10 Released Plaintiff Parties, which if known might have affected the decision to enter into
11 the Settlement or the decision not to object to the Settlement. With respect to any and
12 all Settled Claims and Defendants’ Claims, the Settling Parties stipulate and agree that
13 upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each Class
14 Member shall be deemed to have, and by operation of the Judgment shall have,
15 expressly waived the provisions, rights and benefits of Cal. Civ. Code § 1542, which
16 provides:

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

20 Lead Plaintiffs and Defendants shall expressly and each of the Class Members shall be
21 deemed to have, and by operation of the Judgment shall have, expressly waived any and
22 all provisions, rights, and benefits conferred by any law of any state or territory of the
23 United States, or principle of common law, which is similar, comparable, or equivalent
24 to California Civil Code § 1542. Lead Plaintiffs and Class Members may hereafter
25 discover facts in addition to or different from those which he, she, or it now knows or
26 believes to be true with respect to the subject matter of the Settled Claims, but Lead
27 Plaintiffs shall expressly, fully, finally and forever settle and release, and each Class
28 Member, upon the Effective Date, shall be deemed to have, and by operation of the

1 Judgment shall have, fully, finally, and forever settled and released, any and all Settled
2 Claims, known or unknown, suspected or unsuspected, contingent or non-contingent,
3 whether or not concealed or hidden, which now exist, or heretofore have existed, or
4 coming into existence in the future, including, but not limited to, conduct which is
5 negligent, intentional, with or without malice, or a breach of any duty, law, or rule,
6 without regard to the subsequent discovery or existence of such different or additional
7 facts. Lead Plaintiffs and Defendants acknowledge, and other Class Members by
8 operation of law shall be deemed to have acknowledged, that the inclusion of
9 “Unknown Claims” in the definition of Settled Claims and Defendants’ Claims was
10 separately bargained for and was a key element of this Settlement.

11 **RELEASES**

12 2. The obligations incurred pursuant to this Stipulation are in full and final
13 disposition of the Action with respect to all Released Parties and any and all Settled
14 Claims and Defendants’ Claims.

15 3. As of the Effective Date, Lead Plaintiffs, the Class, and each Class
16 Member who has not submitted a valid and timely request for exclusion, on behalf of
17 themselves and each of their predecessors, successors, assigns, parents, subsidiaries,
18 affiliates, agents, representatives, heirs, trustees, joint tenants, tenants in common,
19 beneficiaries, executors and administrators, attorneys, insurers, and anyone else who
20 could make a claim through or on behalf of a Class Member, directly or indirectly,
21 individually, derivatively, representatively, or in any other capacity, by operation of the
22 Judgment, will release and forever discharge each and every Settled Claim, as against
23 each and all of the Defendant Releasees, and shall forever be barred and enjoined from
24 commencing, instituting or maintaining any of the Settled Claims against the Defendant
25 Releasees.

26 4. As of the Effective Date, Defendants, on behalf of themselves and each of
27 their predecessors, successors, assigns, parents, subsidiaries, affiliates, agents,
28 representatives, heirs, trustees, joint tenants, tenants in common, beneficiaries,

1 executors and administrators, attorneys, insurers, and anyone else who could make a
2 claim through or on behalf of a Defendant, directly or indirectly, individually,
3 derivatively, representatively, or in any other capacity, by operation of the Judgment,
4 will release and forever discharge each and every Defendants' Claim, and shall forever
5 be barred and enjoined from commencing, instituting or maintaining any of Defendants'
6 Claims against any of the Released Plaintiff Parties.

7 5. Only those Class Members filing valid and timely Proofs of Claim shall be
8 entitled to participate in the Settlement and receive a distribution from the Settlement
9 Fund. The Proof of Claim to be executed by Class Members shall release all Settled
10 Claims against the Released Parties, and shall be substantially in the form contained in
11 Exhibit A-2 attached hereto. All Class Members who have not submitted a valid and
12 timely request for exclusion shall be bound by the releases set forth in this Stipulation,
13 whether or not they submit a valid and timely Proof of Claim.

14 **CLASS CERTIFICATION**

15 6. For purposes of this Settlement only, Defendants stipulate to (i)
16 certification of the Action as a class action, pursuant to Rules 23(a) and 23(b)(3) of the
17 Federal Rules of Civil Procedure; (ii) the appointment of Lead Plaintiffs Paul and
18 Sharyn Levine as representatives of the Class; and (iii) the appointment of Lead Counsel
19 as Class Counsel pursuant to Rule 23(g) of the Federal Rules of Civil Procedure. Lead
20 Plaintiffs will move for, and Defendants shall not oppose, entry of the Preliminary
21 Approval Order substantially in the form of Exhibit A attached hereto, which will
22 certify the Action to proceed as a class action for purposes of this Settlement only and
23 only if the Judgment contemplated by this Stipulation becomes Final and the Effective
24 Date occurs.

25 **THE SETTLEMENT CONSIDERATION**

26 7. In full settlement of the Settled Claims, including without limitation the
27 claims asserted in the Action against Defendants, and in consideration of the releases
28 specified in ¶¶2-5, above, Defendants shall pay or cause to be paid \$2,925,000 into the

1 Escrow Account within fifteen (15) business days after (1) the Preliminary Approval
2 Order is entered, or (2) the receipt by Defense Counsel of payment instructions and a
3 Form W-9 providing the tax identification number for Lead Counsel, whichever is later.
4 Upon payment of the Settlement Amount into the Escrow Account, Defendants and the
5 Defendant Releasees shall have no further liability or obligation to make any payment
6 into the Settlement Fund or otherwise with respect to the Action, the Settlement or this
7 Stipulation, and neither Lead Plaintiffs, Class Members, nor Lead Counsel shall have
8 any recourse against Defendants or Defendant Releasees regarding any of the foregoing.

9 **USE AND ADMINISTRATION OF THE SETTLEMENT FUND**

10 8. The Settlement Fund may be used (i) to pay any Taxes; (ii) to pay Notice
11 and Administration Expenses; (iii) to pay any attorneys' fees, Litigation Expenses, and
12 an award for Lead Plaintiffs approved by the Court; (v) to pay any other fees and
13 expenses approved by the Court; and (vi) to pay claims of Authorized Claimants
14 determined valid for payment. The Settlement Fund shall be the sole source for any
15 attorneys' fees, Litigation Expenses, and award for Lead Plaintiffs, and Lead Plaintiffs
16 will have no recourse against Defendants or the Defendant Releasees for attorneys' fees,
17 Litigation Expenses, or an award for Lead Plaintiffs.

18 9. Defendants and Defendants' Counsel shall have no responsibility for,
19 interest in, or liability whatsoever with respect to: (i) any act, omission or determination
20 of Lead Counsel, the Escrow Agent or the Claims Administrator, or any of their
21 respective designees or agents, in connection with the administration of the Settlement
22 or otherwise; (ii) the management, investment or distribution of the Settlement Fund;
23 (iii) the Plan of Allocation; (iv) the determination, administration, calculation, or
24 payment of any claims asserted against the Settlement Fund; (v) any losses suffered by,
25 or fluctuations in value of, the Settlement Fund; or (vi) the payment or withholding of
26 any Taxes, expenses, and/or costs incurred in connection with the taxation of the
27 Settlement Fund or the filing of any returns. Lead Plaintiffs, Class Members and Lead
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1 Counsel shall have no recourse against Defendants or Defendant Releasees regarding
2 any of the foregoing.

3 10. The Net Settlement Fund shall remain in the Escrow Account until the
4 Effective Date, whereafter the Net Settlement Fund shall be distributed to Authorized
5 Claimants as provided in ¶¶31-34 hereof. All funds held by the Escrow Agent shall be
6 deemed to be in the custody of the Court, and shall remain subject to the jurisdiction of
7 the Court until such time as the funds shall be distributed or returned pursuant to this
8 Stipulation and/or further order of the Court. The Escrow Agent shall invest any funds
9 in the Escrow Account in United States Treasury Bills or, if approved by each of the
10 Lead Counsel and Lead Plaintiffs, in money market funds with one or more of the fifty
11 (50) largest banking institutions in the United States, and shall collect and reinvest all
12 interest accrued thereon. Lead Counsel has structured the Escrow Account so that it
13 will qualify as a “qualified settlement fund,” as that term is defined in Treas. Reg.
14 §1.468B-1, which has been promulgated under Section 468B of the Internal Revenue
15 Code of 1986, as amended, and the Settling Parties hereto accordingly agree to treat the
16 Settlement Fund as a Qualified Settlement Fund within the meaning of Treasury
17 Regulation §1.468B-1, and that Lead Counsel, as administrator of the Settlement Fund
18 within the meaning of Treasury Regulation §1.468B-2(k)(3), shall be responsible for
19 timely filing tax returns and any relevant tax filings and documentation relating thereto
20 for the Settlement Fund and timely paying from the Settlement Fund any Taxes owed
21 with respect to the Settlement Fund. Defendants’ Counsel as transferor agrees to
22 provide promptly to Lead Counsel the required statement described in Treasury
23 Regulation §1.468B-3(e).

24 11. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid
25 by the Escrow Agent without prior order of the Court. Any Tax returns prepared for
26 the Settlement Fund (as well as the election set forth therein) shall be consistent with
27 the previous paragraph, and in all events shall reflect that all Taxes (including any
28 interest or penalties) on the income earned by the Settlement Fund shall be paid out of

1 the Settlement Fund as provided herein. The Settlement Fund shall indemnify and hold
2 Defendants harmless for Taxes and related expenses (including without limitation, taxes
3 payable by reason of any such indemnification), if any, payable by Defendants by
4 reason of the income earned on the Settlement Fund. Defendants shall notify the
5 Escrow Agent promptly if they receive any notice of any claim for Taxes relating to the
6 Settlement Fund.

7 12. Lead Counsel may pay from the Escrow Account Notice and
8 Administration Expenses up to \$260,000 without further order of the Court.

9 13. Lead Counsel may pay from the Settlement Amount all reasonable costs
10 and expenses associated with the administration of the Settlement, including, without
11 limitation, the actual costs of identifying and notifying Class Members, disseminating
12 the Notices, the administrative expenses incurred and fees charged by the Claims
13 Administrator in connection with mailing notices and processing the submitted claims,
14 and any other Notice and Administration Expenses. In the event that the Settlement is
15 terminated, all monies paid by Defendants into the Settlement Fund shall be returned to
16 Defendants, with interest actually earned, except that amounts used to pay for Notice
17 and Administration Expenses, up to \$260,000, shall not be returned.

18 14. Lead Counsel will apply to the Court for a Class Distribution Order, on
19 notice to Defendants' Counsel, approving the Claims Administrator's administrative
20 determinations concerning the acceptance and rejection of the claims submitted herein
21 and approving any fees and expenses not previously applied for, including the fees and
22 expenses of the Claims Administrator, and, if the Effective Date has occurred, directing
23 the payment of the Net Settlement Fund to Authorized Claimants.

24 15. This is not a claims-made settlement. As of the Effective Date, neither
25 Defendants nor any Person paying the Settlement Amount or any portion of the
26 Settlement Amount on behalf of Defendants shall have any right to the return of the
27 Settlement Fund or any portion thereof irrespective of the number of Proofs of Claim
28 filed, the collective amount of losses of Authorized Claimants, the percentage of

1 recovery of losses, or the amounts to be paid to Authorized Claimants from the Net
2 Settlement Fund.

3 16. The Claims Administrator will administer the Settlement under Lead
4 Counsel's supervision and subject to the jurisdiction of the Court for all members of the
5 Class. Defendants and Defendant Releasees will have no responsibility for the
6 administration of the Settlement, and shall have no liability to the Class in connection
7 with such administration, Notice and Administration Expenses, or any related costs or
8 expenses. On a schedule to be set by the Court, Lead Counsel will cause the Claims
9 Administrator to mail the Settlement Notice to those members of the Class whose
10 addresses may be identified through reasonable effort. The Claims Administrator will
11 publish the Publication Notice of the proposed Settlement on one occasion in *PR*
12 *Newswire* within ten (10) calendar days of the mailing of the Notice, and on one
13 occasion in *Investors Business Daily*, or in such other form or manner as may be ordered
14 by the Court. Lead Counsel will post the Settlement Notice and Proof of Claim form
15 on a website where they will be available to Class Members.

16 **ATTORNEYS' FEES AND EXPENSES**

17 17. At any time prior to distribution to the Class, upon reasonable notice to
18 Class Members, Lead Counsel may apply to the Court for reimbursement of Litigation
19 Expenses, plus interest thereon, and an award from the Settlement Fund of attorneys'
20 fees not to exceed 25% of the Settlement Amount, plus interest therein. Defendants
21 will take no position on any request for attorneys' fees by Lead Counsel. With the sole
22 exception of Defendants' obligation to pay the Settlement Amount into the Escrow
23 Account as provided for in ¶7, Defendants and Defendant Releasees shall have no
24 liability for attorneys' fees, an award to Lead Plaintiffs, or Litigation Expenses. Any
25 attorneys' fees awarded by the Court shall be paid from the Settlement Fund to Lead
26 Counsel immediately upon final approval of the Settlement by the Court,
27 notwithstanding the existence of any timely filed objections thereto, or potential for
28 appeal therefrom, or collateral attack on the Settlement or any part thereof. Lead

1 Counsel will refund to the Settlement Fund, the amount received plus accrued interest
2 at the rate paid on the Escrow Account within five (5) business days of any of following:
3 (1) as a result of any appeal and/or further proceeding on remand, or successful
4 collateral attack, the fee or cost award is reduced or reversed; (2) the award order does
5 not become final; (3) the Settlement itself is voided by any Settling Party as provided
6 herein; or (4) the Settlement is later reversed or modified by any court.

7 18. The procedure for and the allowance or disallowance of any application
8 for attorneys' fees, an award for Lead Plaintiffs, and Litigation Expenses are not part of
9 the Settlement and are to be considered by the Court separately from the Court's
10 consideration of the fairness, reasonableness, and adequacy of the Settlement. Any
11 order or proceedings relating to attorneys' fees, or any appeal from any order relating
12 thereto or reversal or modification thereof, shall not operate to terminate the Settlement
13 or affect or delay the Effective Date or the effectiveness or finality of the Order and
14 Final Judgment and the release of the Settled Claims. The finality of the Settlement
15 shall not be conditioned on any ruling by the Court concerning Lead Counsel's
16 application for attorneys' fees and expenses.

17 **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

18 19. ACADIA shall provide or cause to be provided to the Claims
19 Administrator and/or Lead Counsel, within seven (7) calendar days of entry of an order
20 preliminarily approving the Settlement, ACADIA's shareholder list or other lists, as it
21 or its transfer agent may possess, as appropriate for providing notice to the Class.

22 20. The Claims Administrator shall determine each Authorized Claimant's *pro*
23 *rata* share of the Net Settlement Fund in accordance with ¶¶23-30 below and the Plan
24 of Allocation.

25 21. Lead Plaintiffs shall propose to the Court a Plan of Allocation pursuant to
26 which the Net Settlement Fund shall be distributed to Authorized Claimants, and shall
27 seek approval of the Court for such Plan of Allocation at the Final Fairness Hearing.
28 Approval of the proposed Plan of Allocation set forth in the Settlement Notice is not a

1 condition to the Settlement and Effective Date. Lead Plaintiffs and Lead Counsel may
2 not cancel or terminate the Stipulation or the Settlement in accordance with ¶37 or
3 otherwise based on this Court's or any appellate court's ruling solely with respect to the
4 Plan of Allocation or any plan of allocation in the Action. Defendants shall not object
5 in any way to the Plan of Allocation or any other plan of allocation in the Action.
6 Defendants have no responsibility or liability for allocation of the Net Settlement Fund.

7 22. All cash distributions to Authorized Claimants shall be from the Net
8 Settlement Fund pursuant to an approved Plan of Allocation.

9 23. To receive a cash distribution from the Net Settlement Fund, a Class
10 Member must be an Authorized Claimant pursuant to the procedures set out in this
11 Settlement Agreement or by order of the Court, and must submit a Proof of Claim.

12 24. Lead Counsel shall be responsible for supervising the administration of the
13 Settlement and disbursement of the Net Settlement Fund subject to Court approval. No
14 Defendant, or any other Defendant Releasees, shall be permitted to review, contest, or
15 object to any Proof of Claim, or any decision of the Claims Administrator or Lead
16 Counsel with respect to accepting or rejecting any claim for payment by a Class
17 Member. Lead Counsel shall have the right, but not the obligation, to waive what it
18 deems to be form or technical defects in any Proof of Claim submitted in the interests
19 of achieving substantial justice.

20 25. Each Authorized Claimant who wishes to receive a distribution from the
21 Net Settlement Fund must complete and submit a Proof of Claim (i) by first-class mail,
22 such that it is postmarked no later than the date set forth in the Notices, or (ii) so that it
23 is actually received at the address on the Proof of Claim form by the date stated in the
24 Notices, unless that date is extended by Lead Counsel in the interest of achieving
25 substantial justice or by order of the Court. The address to which the Proof of Claim
26 must be mailed shall be stated in the Proof of Claim form itself and shall also be printed
27 in the Notices.
28

1 26. The Proof of Claim must be sworn on oath or made subject to the penalties
2 of perjury pursuant to 28 U.S.C. § 1746, must be supported by such documents and
3 other information as called for in the Proof of Claim, and must be submitted by the date
4 provided thereon. A Proof of Claim shall be deemed to have been submitted when
5 posted, if received with a postmark indicated on the envelope and if mailed first-class
6 postage prepaid and addressed in accordance with the instructions thereon. In all other
7 cases, the Proof of Claim shall be deemed to have been submitted when actually
8 received by the Claims Administrator.

9 27. The Proof of Claim shall be substantially in the form of Exhibit A-2
10 attached hereto.

11 28. The validity of each Proof of Claim filed will be initially determined by
12 the Claims Administrator in accordance with the Plan of Allocation approved by the
13 Court. Proofs of Claim that do not meet the submission requirements may be rejected.
14 The Claims Administrator shall promptly advise the claimant in writing if it determines
15 to reject the claim. Neither Lead Counsel, nor its designees or agents, nor Defendants,
16 nor Defendants' Counsel shall have any liability arising out of such determination. If
17 any claimant whose claim has been rejected in whole or in part desires to contest such
18 rejection, the claimant must, within twenty (20) calendar days after the date of the
19 Claims Administrator's mailing of the writing rejecting the claimant's claim, serve upon
20 the Claims Administrator a notice and statement of reasons indicating the claimant's
21 grounds for contesting the rejection along with any supporting documentation, and
22 requesting a review thereof by the Court. If a dispute concerning a claim cannot be
23 otherwise resolved, Lead Counsel shall thereafter present the request for review to the
24 Court for summary resolution, without any right of appeal or review. Any such claimant
25 shall be responsible for his, her, or its own costs, including, without limitation,
26 attorneys' fees incurred in pursuing any dispute. All proceedings with respect to the
27 administration, processing, and determination of claims described in this Stipulation
28 and the determination of all controversies relating thereto, including disputed questions

1 of law and fact with respect to the validity of claims, shall be subject to the jurisdiction
2 of the Court.

3 29. All initial determinations as to the validity of a Proof of Claim, the amount
4 of any claims and the calculation of the extent to which each Authorized Claimant will
5 participate in the Distribution Amount, the preparation and mailing of distributions to
6 Authorized Claimants, and the distribution of the Distribution Amount shall be made
7 by the Claims Administrator. The administration of the Net Settlement Fund, and
8 decisions on all disputed questions of law and fact with respect to the validity of any
9 Proof of Claim or regarding the rejection or amount of any claim, shall remain under
10 the jurisdiction of the Court. All Class Members expressly waive trial by jury (to the
11 extent any such right may exist) and any right of appeal or review with respect to such
12 determinations.

13 30. Unless otherwise ordered by the Court, any Class Member who fails to
14 submit a valid and timely Proof of Claim shall be barred from receiving a distribution
15 from the Net Settlement Fund. Any Class Member who fails to submit a valid and
16 timely Proof of Claim shall nevertheless be bound by the Release and by all
17 proceedings, orders and judgments in the Action even if he, she or it does not receive a
18 distribution from the Net Settlement Fund and/or has pending, or subsequently initiates,
19 any litigation, arbitration or other proceeding, or has any Claim, against any or all of
20 the Defendants that is, or relates in any way to, any Settled Claim.

21 31. The Net Settlement Fund shall be distributed to Authorized Claimants by
22 the Claims Administrator only after the Effective Date and after all claims have been
23 processed and all claimants whose claims have been rejected or disallowed, in whole or
24 in part, have been notified and provided the opportunity to communicate with the
25 Claims Administrator concerning such rejection or disallowance.

26 32. Payment pursuant to the Class Distribution Order shall be final and
27 conclusive against all Class Members. All Class Members whose claims are not
28 approved by the Court for payment shall be barred from participating in distributions

1 from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this
2 Stipulation and the Settlement, including the terms of the Judgment or Alternate
3 Judgment, if applicable, to be entered in this Action and the Releases provided for
4 herein and therein, and will be permanently barred and enjoined from bringing any
5 action against any and all Defendants Releasees with respect to any and all of the
6 Released Plaintiff Parties' Claims.

7 33. No person or entity shall have any claim against Lead Plaintiffs, Lead
8 Counsel, the Claims Administrator, or any other agent designated by Lead Counsel, or
9 the Defendant Releasees, or Defendants' Counsel, arising from distributions made
10 substantially in accordance with the Stipulation, the Plan of Allocation approved by the
11 Court, or any order of the Court. Lead Plaintiffs and Defendants, and their respective
12 counsel, and Lead Plaintiffs' damages expert and all other Releasees shall have no
13 liability whatsoever for the investment or distribution, administration, calculation, or
14 payment of any claim or nonperformance of the Claims Administrator, the payment or
15 withholding of Taxes (including interest and penalties) owed by the Settlement Fund,
16 or any losses incurred in connection therewith.

17 34. If any funds remain in the Net Settlement Fund by reason of uncashed
18 distribution checks or otherwise, then, after the Claims Administrator has made
19 reasonable and diligent efforts to have Class Members who are entitled to participate in
20 the distribution of the Net Settlement Fund cash their distributions, any balance
21 remaining in the Net Settlement Fund after at least six (6) months after the initial
22 distribution of such funds will be used in the following fashion: (a) first, to pay any
23 amounts mistakenly omitted from the initial disbursement; (b) second, to pay any
24 additional settlement administration fees, costs, and expenses, including those of Lead
25 Counsel as may be approved by the Court; and (c) finally, to make a second distribution
26 to claimants who cashed their checks from the initial distribution and who would receive
27 at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in
28 administering the Net Settlement Fund and in making this second distribution, if such

1 second distribution is economically feasible. These redistributions shall be repeated, if
2 economically feasible, until the balance remaining in the Net Settlement Fund is *de*
3 *minimis* and such remaining balance will then be distributed to Investor Protection
4 Trust.

5 **REQUESTS FOR EXCLUSION**

6 35. Any Class Member may seek to be excluded from the Class and the
7 Settlement provided for in this Stipulation by submitting a written request for exclusion
8 in conformity with the requirements set forth in the Notices. Any members of the Class
9 so excluded shall not be bound by the terms of the Stipulation, or be entitled to any of
10 its benefits, and shall not be bound by the Judgment and/or other order of the Court,
11 whether pursuant to this Stipulation or otherwise.

12 36. Class Members requesting exclusion from the Class shall file a written
13 request prior to the Response Deadline that (i) provides the name, address, telephone
14 number, and signature of the Class Member requesting exclusion; (ii) states the specific
15 reasons for the request for exclusion, including any legal and evidentiary support the
16 Class Member wishes to bring to the Court's attention; and (iii) includes documents
17 sufficient to prove the Class Member's membership in the Class, such as the number of
18 shares of ACADIA common stock or number of ACADIA call options purchased,
19 acquired, and sold during the Settlement Class Period, as well as the dates and prices of
20 each such purchase, acquisition, or sale. Unless otherwise ordered by the Court, any
21 Class Member who does not submit a timely written request for exclusion as provided
22 by this section shall be bound by the Stipulation.

23 **SUPPLEMENTAL AGREEMENT**

24 37. Simultaneously herewith, the Settling Parties are executing a
25 "Supplemental Agreement." Unless otherwise directed by the Court, the Supplemental
26 Agreement will not be filed with the Court. The Settling Parties may, in accordance
27 with the terms set forth in the Supplemental Agreement, terminate the Settlement and
28 this Stipulation under certain conditions set forth in the Supplemental Agreement if

1 Lead Counsel is unable to cure these conditions in accordance with the terms of the
2 Supplemental Agreement. Such election must be done in writing to the other Settling
3 Parties. If required by the Court, the Supplemental Agreement and/or any of its terms
4 may be disclosed to the Court for purposes of approval of the Settlement, but such
5 disclosure shall be carried out to the fullest extent possible in accordance with the
6 practices of the Court so as to preserve the confidentiality of the Supplemental
7 Agreement, particularly the opt-out threshold. In the event of a termination of this
8 Settlement pursuant to the Supplemental Agreement, this Stipulation and Settlement
9 shall become null and void and of no further force and effect.

10 **TERMS OF THE PRELIMINARY APPROVAL ORDER**

11 38. Promptly after execution of this Stipulation, Lead Counsel shall apply to
12 the Court for entry of an order preliminarily approving settlement of the Action,
13 substantially in the form of the Preliminary Approval Order annexed hereto as Exhibit
14 A.

15 **TERMS OF THE JUDGMENT**

16 39. If the Settlement contemplated by this Stipulation is approved by the
17 Court, Lead Counsel and Defendants' Counsel shall jointly request that the Court enter
18 a Judgment substantially in the form annexed hereto as Exhibit B. The Judgment shall
19 contain a provision barring claims for contribution to the fullest extent permitted by 15
20 U.S.C. § 78u-4(f)(7) and any other applicable law or regulation, by or against
21 Defendants. Nothing herein is intended to broaden the language of the Private
22 Securities Litigation Reform Act of 1995.

23 40. The Settlement, including the certification of the Action as a class action,
24 is conditioned upon final court approval; payment in full of the Settlement Amount;
25 dismissal of the Action as to Defendants with prejudice; and the Judgment becoming
26 Final. Should those conditions not be met, the Settlement shall be null and void.
27
28

EFFECTIVE DATE

1
2 41. The Effective Date of this Settlement shall be the first business day on
3 which all of the following shall have occurred or been waived:

4 a) entry of the Preliminary Approval Order, which shall be in
5 all material respects substantially in the form set forth in Exhibit A annexed hereto;

6 b) payment of the Settlement Amount into the Escrow
7 Account;

8 c) approval by the Court of the Settlement, following notice
9 to the Class and the Final Fairness Hearing, as prescribed by Rule 23 of the Federal
10 Rules of Civil Procedure; and a Judgment, which shall be in all material respects
11 substantially in the form set forth in Exhibit B annexed hereto, has been entered by
12 the Court and has become Final; or in the event that the Court enters an alternative
13 judgment and none of the Settling Parties elects to terminate the Settlement by reason
14 of such variance, the alternative judgment has become Final.

TERMINATION

15
16 42. Each of the Defendants and Lead Plaintiffs shall have the right to terminate
17 the Settlement and this Stipulation by providing written notice of their election to do so
18 (“Termination Notice”) to all other Settling Parties hereto within thirty (30) calendar
19 days of (a) the Court’s declining to enter the Preliminary Approval Order in any material
20 respect; (b) the Court’s refusal to approve this Stipulation or any part of it in any
21 material respect; (c) the Court’s declining to enter the Judgment in any material respect;
22 (d) the date upon which the Judgment is modified or reversed in any material respect
23 by the United States Court of Appeals or the Supreme Court of the United States; or (e)
24 in the event that the Court enters an alternative judgment and none of the Settling Parties
25 hereto elects to terminate this Settlement, the date upon which such alternative judgment
26 is modified or reversed in any material respect by the United States Court of Appeals
27 or the Supreme Court of the United States. The award of attorneys’ fees, if any, to Lead
28 Counsel is not a basis for termination of this Settlement Agreement.

1 43. In addition, as set forth in ¶37, pursuant to the terms of the Settling Parties’
2 Supplemental Agreement, ACADIA shall then have, in its sole discretion, the option to
3 terminate this Settlement. This option must be exercised on or before ten (10) calendar
4 days prior to the date set by the Court for the Final Fairness Hearing, or the option is
5 waived. If ACADIA exercises its option to terminate this Settlement, that defendant
6 shall provide written notice to Lead Counsel. The Settling Parties shall, if this option
7 is exercised, proceed in all respects as if this Stipulation had not been executed.

8 44. In addition to the rights and remedies that Lead Plaintiffs have under the
9 terms of this Stipulation, Lead Plaintiffs shall also have the right to terminate the
10 Settlement in the event that the Settlement Amount has not been paid in the time
11 provided for in ¶7 above, by providing written notice of the election to terminate to
12 all other Settling Parties and, thereafter, if there is a failure to pay the Settlement
13 Amount within fourteen (14) calendar days of such written notice.

14 45. Except as otherwise provided herein, in the event the Settlement is
15 terminated or fails to become effective for any reason, then the Settlement shall be
16 without prejudice and none of its terms shall be effective or enforceable except as
17 specifically provided herein, the Settling Parties to this Stipulation shall be deemed to
18 have reverted to their respective status in the Action as of December 5, 2016 and, except
19 as otherwise expressly provided, the Settling Parties in the Action shall proceed in all
20 respects as if this Stipulation and any related orders had not been entered. In such event,
21 the fact and terms of this Stipulation shall not be admissible in any trial or any other
22 proceedings of this Action or any other action or proceeding.

23 46. If the Settlement is terminated, or if the Settlement Amount, or any portion
24 thereof, is to be returned pursuant to the provisions of this Stipulation, any portion of
25 the Settlement Amount previously paid by or on behalf of Defendants, plus interest
26 earned less any Taxes paid or due (in which case the deducted funds will be used to pay
27 such Taxes) with respect to such interest income, and less any Notice and
28

1 Administration Expenses actually paid or incurred up to \$260,000, shall be returned to
2 the source of such payments within ten (10) business days of the date of termination.

3 **NO ADMISSION OF WRONGDOING**

4 47. This Stipulation, whether or not consummated, and any negotiations,
5 proceedings, agreements, documents, or statements relating to the Stipulation, the
6 Settlement, and any matters arising in connection with settlement negotiations,
7 proceedings, or agreements:

8 a. shall not be admissible in any action or proceeding for any reason,
9 other than an action to enforce the terms hereof;

10 b. shall not be described as, construed as, offered or received against
11 Defendants as evidence of and/or deemed to be evidence of any presumption,
12 concession, or admission by Defendants of: the truth of any fact alleged by Lead
13 Plaintiffs; the validity of any claim that has been or could have been asserted in the
14 Action or in any litigation; the deficiency of any defense that has been or could have
15 been asserted in the Action or in any litigation; or any liability, negligence, fault, or
16 wrongdoing of Defendants;

17 c. shall not be described as, construed as, offered or received against
18 Lead Plaintiffs or any Class Members as evidence of any infirmity in the claims of said
19 Lead Plaintiffs and the Class or that damages recoverable under the CC would not have
20 exceeded the Settlement Amount;

21 d. shall not be described as, construed as, offered or received against
22 any of the Settling Parties to this Stipulation or any of the Defendant Releasees or
23 Released Plaintiff Parties, in any other civil, criminal, or administrative action or
24 proceeding, provided, however, that (i) if it is necessary to refer to this Stipulation to
25 effectuate the provisions of this Stipulation, it may be referred to in such proceedings,
26 and (ii) if this Stipulation is approved by the Court, the Defendant Releasees may refer
27 to it to effectuate the liability protection granted to them hereunder; and
28

1 e. shall not be described as or construed against Defendants, Defendant
2 Releasees or Lead Plaintiffs and any Class Members as an admission or concession that
3 the consideration to be given hereunder represents the amount which could be or would
4 have been awarded to said Lead Plaintiffs or Class Members after trial.

5 **MISCELLANEOUS PROVISIONS**

6 48. The Settling Parties agree that the United States District Court for the
7 Southern District of California has exclusive jurisdiction over this Settlement.

8 49. All of the exhibits attached hereto are hereby incorporated by reference as
9 though fully set forth herein.

10 50. Defendants warrant that they are not insolvent, nor will the payment of the
11 Settlement Amount render them insolvent, within the meaning of and/or for the
12 purposes of the United States Bankruptcy Code, including §§ 101 and 547 thereof.

13 51. If a case is commenced in respect of any of the Defendants under Title 11
14 of the United States Code (Bankruptcy), or a trustee, receiver or conservator is
15 appointed under any similar law, and in the event of the entry of a final order of a court
16 of competent jurisdiction determining the transfer of money to the Settlement Fund or
17 any portion thereof by or on behalf of any of the Defendants to be a preference, voidable
18 transfer, fraudulent transfer or similar transaction, and any portion thereof is required
19 to be returned, and such amount is not promptly deposited to the Settlement Fund by
20 others, then, at the election of Lead Plaintiffs, the Settling Parties shall jointly move the
21 Court to vacate and set aside the releases given and the Judgment entered in favor of
22 Defendants pursuant to this Stipulation, which releases and Judgment shall be null and
23 void, and the Settling Parties shall be restored to their respective positions in the
24 litigation as of December 5, 2016, and any cash amounts in the Settlement Fund shall
25 be returned as provided above.

26 52. The Settling Parties to this Stipulation and Agreement of Settlement intend
27 the Settlement of the Action to be a final and complete resolution of all disputes asserted
28 or which could be asserted by Lead Plaintiffs and Class Members against Defendants

1 with respect to the Settled Claims. Accordingly, Lead Plaintiffs and Defendants agree
2 not to assert in any forum that the Action was brought or defended in bad faith or
3 without a reasonable basis. The Settling Parties hereto shall assert no claims of any
4 violation of Rule 11 of the Federal Rules of Civil Procedure relating to the maintenance,
5 defense, or settlement of the Action. The Settling Parties agree that the amount paid
6 and the other terms of the Settlement were negotiated at arm's-length in good faith by
7 the Settling Parties, and reflect a settlement that was reached voluntarily after
8 consultation with experienced legal counsel. Lead Plaintiffs and Class Members agree
9 not to seek any additional discovery of any form from any Defendant related to Settled
10 Claims.

11 53. The Settling Parties (a) acknowledge that it is their intent to consummate
12 this Stipulation; and (b) agree, subject to their fiduciary and other legal obligations, to
13 cooperate to the extent reasonably necessary to effectuate and implement all terms and
14 conditions of this Stipulation and to exercise their reasonable best efforts to accomplish
15 the foregoing terms and conditions of this Stipulation. Lead Counsel and Defendants'
16 Counsel agree to cooperate with one another in seeking Court approval of the
17 Stipulation and the Settlement, and to promptly agree upon and execute all such other
18 documentation as may be reasonably required to obtain Final approval of the
19 Settlement.

20 54. This Stipulation may not be modified or amended, nor may any of its
21 provisions be waived, except by a writing signed by all Settling Parties hereto or their
22 successors-in-interest.

23 55. The headings herein are used for the purpose of convenience only and are
24 not meant to have legal effect.

25 56. The administration and consummation of the Settlement as embodied in
26 this Stipulation shall be under the authority of the Court, and the Court shall retain
27 jurisdiction for the purpose of entering orders providing for awards of attorneys' fees
28 and expenses to Lead Counsel and enforcing the terms of this Stipulation.

1 57. The waiver by one Settling Party of any breach of this Stipulation by any
2 other Settling Party shall not be deemed a waiver of any other prior or subsequent breach
3 of this Stipulation.

4 58. This Stipulation and its exhibits constitute the entire agreement among the
5 Settling Parties hereto concerning the Settlement of the Action as against Defendants,
6 and no representations, warranties, or inducements have been made by any Settling
7 Party hereto concerning this Stipulation and the exhibits other than those contained and
8 memorialized in such documents.

9 59. This Stipulation may be executed in one or more counterparts, including
10 by signatures transmitted by email in PDF format. All executed counterparts and each
11 of them shall be deemed to be one and the same instrument provided that counsel for
12 the Settling Parties to this Stipulation shall exchange among themselves original signed
13 counterparts.

14 60. This Stipulation shall be binding upon, and inure to the benefit of, the
15 successors and assigns of the Settling Parties hereto.

16 61. The construction, interpretation, operation, effect and validity of this
17 Stipulation, and all documents necessary to effectuate it, shall be governed by the
18 internal laws of the State of California without regard to conflicts of laws, except to the
19 extent that federal law requires that federal law govern.

20 62. All counsel and any other Person executing this Stipulation and any of the
21 exhibits hereto, or any related settlement documents, warrant and represent that they
22 have the full authority to do so, and that they have the authority to take appropriate
23 action required or permitted to be taken pursuant to the Stipulation to effectuate its
24 terms.

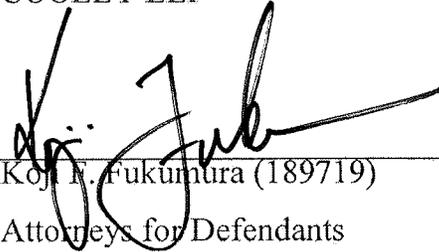
25 63. This Stipulation shall not be construed more strictly against one Settling
26 Party than another Settling Party merely by virtue of the fact that it, or any part of it,
27 may have been prepared by counsel for one of the Settling Parties, it being recognized
28 that it is the result of arm's-length negotiations between the Settling Parties and that all

1 Settling Parties have contributed substantially and materially to the preparation of this
2 Stipulation.

3 **IN WITNESS HEREOF**, Lead Plaintiffs and Defendants have caused this
4 Stipulation to be executed, by their duly authorized attorneys, as of March 13, 2017.

5
6 Dated: March 13, 2017

COOLEY LLP

7
8 
9 _____
10 Koji N. Fukumura (189719)
11 Attorneys for Defendants

12 Dated: March 13, 2017

FARUQI & FARUQI, LLP

13 
14 _____
15 Richard W. Gonnello (admitted *pro hac*
16 *vice*)
17 685 Third Avenue, 26th Floor
18 New York, New York 10017
19 Telephone: (212) 983-9330
20 Facsimile: (212) 983-9331

21 Attorneys for Lead Plaintiffs

22 139887149

EXHIBIT A

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

JEFF RIHN, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

v.

ACADIA PHARMACEUTICALS INC.,
ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

Defendants.

Case No. 15-cv-00575 BTM DHB

**[PROPOSED] ORDER
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING
FOR NOTICE**

CLASS ACTION

STEVE A. WRIGHT AND VICKI G.
WRIGHT, Individually and on Behalf of
All Others Similarly Situated,

Plaintiffs,

v.

ACADIA PHARMACEUTICALS INC.,
ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

Defendants.

1 WHEREAS, Lead Plaintiffs Paul and Sharyn Levine (“Lead Plaintiffs”), on
2 behalf of all Class Members, on the one hand, and Defendants ACADIA
3 Pharmaceuticals Inc. (the “Company” or “ACADIA”), Uli Hacksell, Stephen R. Davis
4 and Roger G. Mills (collectively, “Defendants,” and together with Lead Plaintiffs, the
5 “Settling Parties”), on the other hand, by and through their respective counsel, have
6 entered into a Stipulation and Agreement of Settlement dated as of March 13, 2017
7 (the “Stipulation”), which, together with the exhibits annexed thereto, sets forth the
8 terms and conditions for settlement of the above captioned class action (the “Action”)
9 and for dismissal with prejudice of the Action as against Defendants;

10 WHEREAS, Lead Plaintiffs have made an application, pursuant to Rule 23 of
11 the Federal Rules of Civil Procedure, for an order preliminarily approving the proposed
12 settlement of the Action;

13 WHEREAS, the Court, having read and considered the Stipulation and the
14 exhibits annexed thereto and Lead Plaintiffs’ motion for preliminary approval; and

15 WHEREAS, unless otherwise defined, all defined terms herein have the same
16 meanings as set forth in the Stipulation.

17 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, and
18 DECREED THAT:

19 1. The Court preliminarily approves the Settlement as being fair, reasonable,
20 and adequate, subject to further consideration at a hearing to be held before this Court
21 on _____, 2017 at _____ a.m./p.m. (a date at least 100 days from the
22 date of entry of this Order) (the “Final Fairness Hearing”) to determine whether the
23 proposed Settlement of the Action on the terms and conditions provided for in the
24 Stipulation is fair, reasonable, adequate and should be approved by the Court; whether
25 the Order and Final Judgment, attached as Exhibit B to the Stipulation should be
26 entered; whether the proposed Plan of Allocation is reasonable and should be
27 approved; whether Lead Counsel’s application for an award of attorneys’ fees and
28 Litigation Expenses and an award for Lead Plaintiffs should be granted; to hear any

1 objections by Class Members to the Settlement or proposed Plan of Allocation and to
2 any award of fees and/or expenses to Lead Counsel and to Lead Plaintiffs; and to
3 consider such other matters as the Court may deem appropriate.

4 2. The District Court finds, preliminarily and for purposes of Settlement
5 only, that the prerequisites for a class action under Rule 23(a) and (b)(3) for the Federal
6 Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members
7 is so numerous that joinder of all members of the Class is impracticable; (b) there are
8 questions of law and fact common to each Class Member; (c) the claims of Lead
9 Plaintiffs are typical of the claims of the Class they seek to represent; (d) Lead
10 Plaintiffs will fairly and adequately represent the interests of the Class; (e) the
11 questions of law and fact common to Class Members predominate over any questions
12 affecting only individual members of the Class; and (f) a class action is superior to
13 other available methods for the fair and efficient adjudication of the controversy.

14 3. Pursuant to Rule 23 of the of the Federal Rules of Civil Procedure,
15 preliminarily and for the purposes of Settlement only, Lead Plaintiffs are certified as
16 the Class Representatives on behalf of the Class and the Lead Counsel previously
17 selected by Lead Plaintiffs and appointed by the District Court, Faruqi & Faruqi, LLP,
18 is hereby appointed as Class Counsel.

19 4. The Class is defined as Lead Plaintiffs as well as all Persons who
20 purchased or otherwise acquired the publicly traded common stock and/or call options
21 of ACADIA in the United States or on the NASDAQ Global Select Market during the
22 Class Period and who allege to have been damaged thereby. Excluded from the Class
23 are Defendants; members of their immediate families; any firm, trust, partnership,
24 corporation, officer, director, or other individual or entity in which a Defendant has a
25 controlling interest or which is related to or affiliated with any of the Defendants, and
26 the legal representatives, heirs, successors-in-interest or assigns of such excluded
27 Persons. Also excluded from the Class is any Person who properly excludes himself,
28 herself, or itself by filing a valid and timely request for exclusion in accordance with

1 the requirements to be set forth in the Settlement Notice. The Class Period is defined
2 as the period from November 10, 2014, through and including March 11, 2015, both
3 dates inclusive.

4 5. Pending final determination of whether the Settlement should be
5 approved, each Class Member is barred and enjoined from commencing, instituting, or
6 continuing to prosecute any action or any proceeding in any court of law or equity,
7 arbitration tribunal, administrative forum, or other forum of any kind asserting any of
8 the Settled Claims against any of the Defendant Releasees.

9 6. The Court appoints KCC LLC (the “Claims Administrator”) to supervise
10 and administer the notice procedure and processing of claims pursuant to the
11 Stipulation.

12 7. The Court approves the form of the Settlement Notice and Publication
13 Notice, attached hereto as Exhibits A-1 and A-3, respectively, and finds that the
14 mailing and distribution of the Settlement Notice and publishing of the Publication
15 Notice meet the requirements of Rule 23 and due process, and are the best notice
16 practicable under the circumstances and shall constitute due and sufficient notice to all
17 Persons entitled to notice.

18 8. The Claims Administrator shall cause the Settlement Notice and the Proof
19 of Claim form, substantially in the forms annexed hereto as Exhibits A-1 and A-2,
20 respectively, to be mailed, by first-class mail, postage prepaid, on or before
21 _____, 2017 (*i.e.*, within twenty (20) calendar days of the date of entry of
22 this Order) (“Notice Date”), to all Class Members who can be identified through
23 reasonable effort. Lead Counsel shall cause the Claims Administrator to publish the
24 Settlement Notice and Proof of Claim on a website designated for the Action on the
25 Notice Date. Lead Counsel shall serve on counsel for each of the Defendants and file
26 with the Court, no later than thirty-five (35) calendar days before the Final Fairness
27 Hearing, proof of mailing of the Settlement Notice and Proof of Claim.

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1 9. The Claims Administrator shall cause the Publication Notice,
2 substantially in the form annexed hereto as Exhibit A-3, to be published once in the
3 national edition of the *Investor's Business Daily* and once over *PR Newswire*, within
4 ten (10) calendar days of the Notice Date. Lead Counsel shall, no later than thirty-five
5 (35) calendar days before the Final Fairness Hearing, file with the Court proof of
6 publication of the Publication Notice.

7 10. The Claims Administrator shall be responsible for the receipt of all Proofs
8 of Claim and requests for exclusion and, until further order of the Court, shall preserve
9 all Proofs of Claim and requests for exclusion from any Person in response to the
10 notice. The Claims Administrator shall scan and send electronically copies of all
11 requests for exclusion from the Settlement in .pdf format (or such other format as shall
12 be agreed) to counsel for each of the Defendants and to Lead Counsel expeditiously as
13 possible, but no later than three (3) business days, after the Claims Administrator
14 receives such requests for exclusion.

15 11. As part of their reply papers in support of their motion for final approval
16 of the Settlement, Lead Counsel will provide a list of all Persons who have requested
17 exclusion from the Class as defined in the consolidated complaint and all of the
18 information provided to the Claims Administrator for those Persons requesting
19 exclusion, and shall certify that all requests for exclusion received have been copied
20 and provided to counsel for each of the Defendants and Lead Counsel.

21 12. The Claims Administrator shall use reasonable efforts to give notice to
22 nominee owners such as brokerage firms and other persons or entities who purchased
23 or otherwise acquired ACADIA common stock and/or call options during the
24 Settlement Class Period as record owners but not as beneficial owners. Such nominees
25 who hold or held ACADIA common stock and/or call options for beneficial owners
26 who are members of the Class are directed (a) to provide the Claims Administrator
27 with lists of the names and last known addresses of the beneficial owners for whom
28 they purchased or otherwise acquired ACADIA common stock and/or call options

1 during the Settlement Class Period within seven (7) calendar days of receipt of the
2 Settlement Notice, or (b) to send the Settlement Notice and Proof of Claim to the
3 beneficial owners. If the nominee owner elects to send the Settlement Notice and Proof
4 of Claim to the beneficial owners, the nominee owner is directed (i) to request
5 additional copies of the Settlement Notice and Proof of Claim within seven (7) calendar
6 days of receipt of the Settlement Notice, and (ii) to mail the Settlement Notice and
7 Proof of Claim within seven (7) calendar days of receipt of the copies of the Settlement
8 Notice from the Claims Administrator, and upon such mailing the nominee owner shall
9 send a statement to the Claims Administrator confirming that the mailing was made as
10 directed. Such nominee owners shall be reimbursed from the Settlement Fund, after
11 receipt by the Claims Administrator of proper documentation, for the reasonable
12 expenses of sending the Settlement Notice and Proof of Claim to the beneficial owners.

13 13. All notice and administrative expenses shall be paid as set forth in the
14 Stipulation.

15 14. The Claims Administrator is authorized and directed to undertake the
16 actions contemplated by the Stipulation, including the payment or reimbursement of
17 any Taxes or Tax Expenses out of the Settlement Fund and the preparation of tax
18 returns, without further order of the Court.

19 15. Any Class Member who wishes to participate in the distribution(s) from
20 the Net Settlement Fund must complete and submit a Proof of Claim in accordance
21 with the instructions contained therein. Unless otherwise permitted by Lead Counsel
22 in the interest of substantial justice or ordered by the Court, all Proofs of Claim must
23 be completed and post-marked no later than seventy-five (75) calendar days from the
24 Notice Date. Unless otherwise permitted by Lead Counsel in the interest of substantial
25 justice or ordered by the Court, any Class Member who does not complete and submit
26 a valid Proof of Claim within the time provided shall be barred from sharing in the
27 distribution of the Net Settlement Fund.

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1 16. All eligible Persons who do not request exclusion from the Class
2 postmarked at least thirty-five (35) calendar days prior to the Final Fairness Hearing,
3 and in the form and manner set forth in the Stipulation and the Settlement Notice, will
4 be bound by the Stipulation, including, but not limited to, the releases provided therein,
5 and by any judgment or determination of the Court affecting the Class.

6 17. All eligible Persons requesting exclusion from the Class shall not be
7 entitled to receive any payment out of the Net Settlement Fund as described in the
8 Stipulation and Settlement Notice.

9 18. Any eligible member of the Class who has not requested exclusion from
10 the Class may appear at the Final Fairness Hearing to show cause why the proposed
11 Settlement should not be approved as fair, reasonable, and adequate and why a
12 judgment should not be entered thereon; provided, however, that no eligible member
13 of the Class shall be heard or entitled to contest the approval of the terms and conditions
14 of the Settlement and the Order and Final Judgment to be entered approving the same
15 unless no later than twenty-five (25) calendar days prior to the date set for the Final
16 Fairness Hearing, such eligible Class Member has filed said objections, briefs, and
17 supporting papers (which must contain proof of all purchases and sales of ACADIA
18 securities during the Settlement Class Period and price(s) paid and received) with the
19 Clerk of the United States District Court for the Southern District of California, 333
20 West Broadway, San Diego, CA 92101. Persons who intend to object to the Settlement
21 and desire to present evidence at the Final Fairness Hearing must include in their
22 written objections the identity of any witnesses they may seek to call to testify and
23 exhibits they may seek to introduce into evidence at the Final Fairness Hearing. Any
24 party has the right to object to any testimony or other evidence which a Person
25 objecting to the Settlement seeks to introduce.

26 19. Unless the Court otherwise directs, no Class Member or other Person shall
27 be entitled to object to the Settlement, or the Order and Final Judgment to be entered
28 herein, or otherwise be heard, except by serving and filing written objections as

1 described above. Any person who does not object in the manner prescribed above shall
2 be deemed to have waived such objection in this or any other action or proceeding and
3 shall be bound by all the terms and provisions of the Settlement and by all proceedings,
4 orders and judgment in the Action.

5 20. Lead Counsel shall submit papers in support of final approval of the
6 Settlement and its application for an award of attorneys' fees, reimbursement of
7 Litigation Expenses, and an award for Lead Plaintiffs by no later than thirty-five (35)
8 calendar days prior to the date set for the Final Fairness Hearing. Reply papers
9 addressing requests for exclusion or objections to the Settlement, Plan of Allocation,
10 or application for attorneys' fees and Litigation Expenses, shall be due seven (7)
11 calendar days prior to the Final Fairness Hearing.

12 21. Neither Defendants nor Defendants' Counsel shall have any
13 responsibility for any Plan of Allocation of the Net Settlement Fund or any application
14 for an award of attorneys' fees, reimbursement of Litigation Expenses, and an award
15 for Lead Plaintiffs submitted by Lead Counsel, and such matters will be considered
16 separately from the fairness, reasonableness, and adequacy of the Settlement.

17 22. The administration of the Settlement and the determination of all disputed
18 questions of law and fact with respect to the validity of any claim or right of any person
19 to participate in the distribution of the Net Settlement Fund shall be under the authority
20 of this Court.

21 23. The Court retains exclusive jurisdiction over the Action to consider all
22 further matters arising out of or connected with the Settlement.

23 24. Neither the Settlement, nor any of its terms or provisions, nor any of the
24 negotiations or proceedings in connection therewith, shall be construed as an
25 admission or concession by the Defendants or any other Released Parties of the truth
26 of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any
27 kind, or as an admission by Lead Plaintiffs or any Class Members of any lack of merit
28 of the allegations in the Action in any respect.

1 IT IS SO ORDERED.

2 Dated: San Diego, California

3 _____, 2017

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Honorable Barry Ted Moskowitz
United States District Court Judge
Southern District of California

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EXHIBIT A-1

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

JEFF RIHN, Individually and on Behalf of All Others
Similarly Situated,

Plaintiff,

v.

ACADIA PHARMACEUTICALS INC., ULI
HACKSELL, STEPHEN R. DAVIS, and ROGER G.
MILLS,

Defendants.

Case No. 15-cv-00575 BTM DHB

STEVE A. WRIGHT AND VICKI G. WRIGHT,
Individually and on Behalf of All Others Similarly
Situated,

Plaintiffs,

v.

ACADIA PHARMACEUTICALS INC., ULI
HACKSELL, STEPHEN R. DAVIS, and ROGER G.
MILLS,

Defendants.

NOTICE OF PENDENCY AND SETTLEMENT OF CLASS ACTION

If you purchased or otherwise acquired publicly traded ACADIA Pharmaceuticals Inc. common stock and/or call options in the United States or on the NASDAQ Global Select Market between November 10, 2014 through and including March 11, 2015, you might be a member of the settlement class in this action entitling you to a payment in connection with a settlement of the action.

A federal court authorized this settlement notice. This is not a solicitation from a lawyer.

- This settlement notice (the “Notice”) relates to a securities class action brought by investors who claim that the prices of ACADIA Pharmaceuticals Inc. (“ACADIA”) common stock and call options were artificially inflated as a result of alleged false and/or misleading statements, and that certain Defendants engaged in insider trading, in violation of the federal securities laws.

- On _____, 2017, the Court preliminarily approved a settlement of this class action (the “Settlement”). This Settlement is with Defendants ACADIA, Uli Hacksell, Stephen R. Davis and Roger G. Mills (“Defendants”).
- The Settlement provides that Defendants will cause \$2,925,000 to be paid to the Class.¹ After payment of attorneys’ fees, costs, and expenses, what remains of the \$2,925,000 (the “Net Settlement Fund”) will be distributed to investors who are Class Members and who submit a timely and valid Proof of Claim Form. Your recovery will depend on the timing of your purchases and sales of ACADIA common stock and/or call options during the Class Period. Based on the information currently available to Lead Plaintiffs, it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution, the estimated average distribution per share of securities will be approximately \$0.40 before deduction of Court-approved fees and expenses, including the cost of notifying Class Members and administering claims. Historically, actual claims rates are less than 100%, which will result in higher average distributions per share.
- By submitting the enclosed Proof of Claim Form, you will be submitting a claim to share in the proceeds of the Settlement, unless you request to be excluded from the Settlement.
- Defendants have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiffs, as well as all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Defendants believe the Action has no merit. Defendants deny that they made any false or misleading statements during the Class Period, that they had the state of mind required to render any of the alleged misrepresentations and omissions actionable, that they engaged in any insider trading, and that any alleged loss was caused by any alleged misrepresentations. Lead Plaintiffs dispute all of the foregoing. As a result, the Settling Parties disagree on a number of issues, including, but not limited to: (i) whether Defendants violated the federal securities laws as alleged in the Complaint; and (ii) to what extent, if at all, Class Members have sustained damages, and the proper measure of damages.
- In accordance with the fee agreement between Lead Plaintiffs and the attorneys who have been appointed to represent the class, Lead Counsel will ask the Court to award them a fee equal to 25% of the Settlement Amount, plus reimbursement of expenses incurred in prosecuting this lawsuit to be paid from the Gross Settlement Fund, not to exceed \$125,000. Lead Counsel also intends to ask the Court to grant Lead Plaintiffs an award not to exceed \$5,000 in total. If those applications are granted, Lead Plaintiffs estimate that the amount of fees and costs will be approximately \$0.11 per share of securities.²

¹ All capitalized terms not immediately defined are defined below.

² The estimated notice and claims administration costs for this Settlement, which shall be paid from the Gross Settlement Fund, are \$260,000. The cost is only an estimate, however, as the administration has not fully commenced as of the date of this Notice. Based upon the estimate, the notice and administration costs per share would be approximately \$0.03.

- Lead Plaintiffs’ principal reason for entering into the settlement is that it provides significant benefits to Class Members and avoids the costs of continuing the lawsuit against Defendants and the risk of a smaller recovery, or no recovery at all. Defendants’ principal reason for entering into the Settlement is to eliminate the expense, risk, and uncertainty of further litigation. Defendants have expressly denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever.
- If you are a member of the Class and the Settlement is approved, your legal rights will be affected whether you act or not. Read this Notice carefully to see what your options are in connection with the Settlement.
- Lead Plaintiffs and the Class are represented by Richard W. Gonnello of Faruqi & Faruqi, LLP, 685 Third Avenue, 26th Floor, New York, NY 10017 (212) 983-9330, www.faruqilaw.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
Submit a Proof of Claim Form (by _____, 2017)	<p>You must submit a timely and valid Proof of Claim Form to share in the proceeds of the Settlement.</p> <p>If this Settlement is approved and you are a member of the Class, you may also be entitled to receive a payment from the Settlement. The form enclosed with this Notice is a “Proof of Claim Form.” You must submit a Proof of Claim Form to share in the Settlement’s proceeds. A copy of the Proof of Claim Form is available at www.AcadiaSecuritiesSettlement.com. Note that no claims less than \$10.00 will be paid.</p> <p>If you remain in the Class, you will be bound by the Settlement and will give up any “Settled Claims” (as defined below) you may have against the Defendants and other “Defendant Releasees” (as defined below), so it is in your interest to submit a Proof of Claim Form.</p>
Exclude Yourself (by _____, 2017)	<p>If you exclude yourself, you will not get a payment from the Settlement and will not be bound by the Settlement.</p> <p>If you do not timely and validly request exclusion from the Class, you will be bound by any judgment entered in the Action pursuant to the Stipulation and Agreement of Settlement (the “Stipulation”).</p>

Object (by _____, 2017)	If you do not exclude yourself, but you wish to object to any part of the Settlement, you may write to the Court about your objections.
Attend the Final Fairness Hearing (on _____, 2017)	If you have submitted a written objection to the Settlement to the Court, you may (but do not have to) attend the Final Fairness Hearing about the Settlement and speak to the Court about your objections.

- These rights and options – and the deadlines to exercise them – are explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and that approval is upheld in any appeals. Please be patient.

[END OF COVER PAGE]

WHAT THIS NOTICE CONTAINS

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3. What is this lawsuit about?
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- 21. How do I tell the Court if I don't like the Settlement?
- 22. What's the difference between objecting and requesting exclusion?
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- 27. Are there more details about the Settlement?
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SPECIAL NOTICE TO BANKS, BROKERS, AND NOMINEES..... Page _

BASIC INFORMATION

1. Why am I receiving this Notice?

The Court caused this Notice to be sent to people who may have purchased or otherwise acquired ACADIA common stock and/or call options in the United States or on the NASDAQ Global Select Market between November 10, 2014 and March 11, 2015, both dates inclusive (the "Class Period"). The Court caused this Notice to be sent out because, if you purchased or acquired those securities during that period, you have a right to know about the proposed Settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement.

The purpose of this Notice is to provide you with a Proof of Claim Form and information regarding the deadline to submit that form if you wish to receive a payment from the Settlement.

This Notice describes the lawsuit, the Settlement, your legal rights, what benefits are

available, who is eligible for them, and how to get them.

The court in charge of this case is the United States District Court for the Southern District of California (the “Court”). The case is known as *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.*

2. What is a class action?

In a class action, one or more plaintiffs, called Lead Plaintiffs or class representatives, sue on behalf of people who have similar claims. All of the individuals and entities on whose behalf the class representatives are suing are known as class members. One court resolves the issues in the case for all class members, except for those who choose to exclude themselves from the class if exclusion is permitted by applicable rules of procedure.

3. What is this lawsuit about?

This lawsuit (the “Action”) is a class action alleging violations of the federal securities laws by Defendants. The Court has appointed Paul and Sharyn Levine (“Lead Plaintiffs”) to serve as class representatives in the Action and has appointed the law firm Faruqi & Faruqi, LLP (“Lead Counsel”) to serve as attorneys on behalf of the class.

The Consolidated Class Action Complaint (“Complaint”), which was filed in the Action on November 16, 2015, alleges that Defendants violated the Securities Exchange Act of 1934 by knowingly misrepresenting to the public during the Class Period that the Company’s new drug application for Nuplazid (the “NDA”) was on track for submission to the U.S. Food and Drug Administration by March 31, 2015, when in fact it was not. The Complaint alleges that Defendants’ purported misrepresentations were revealed to investors on March 11, 2015, when Defendants announced that the NDA submission would be delayed until the second half of 2015.

The Complaint alleges that investors who purchased or otherwise acquired publicly traded ACADIA common stock and/or call options in the United States or on the NASDAQ Global Select Market during the Class Period suffered damages, as alleged therein.

Following the filing of the Complaint, Defendants moved to dismiss the claims asserted against them. By order dated September 20, 2016, the Court denied the motion to dismiss. While the Court allowed Lead Plaintiffs’ claims to move forward, the Court has made no substantive determinations on the merits of the claims against Defendants.

4. What should I do if my address changes, or if this Notice was sent to the wrong address?

If this Notice was sent to you at the wrong address, or if your address changes in the future, please send prompt written notification of your correct address to KCC, LLC (the “Claims Administrator”) at the following address:

ACADIA Pharmaceuticals Inc. Securities Litigation
c/o KCC Class Action Services
PO Box 43461
Providence, RI 02940-3461

5. How do I know whether I am part of the Settlement?

The Court has preliminarily certified for purposes of the Settlement a class that consists of, subject to certain exceptions identified below, the following individuals and entities:

Lead Plaintiffs as well as all Persons who purchased or otherwise acquired the publicly-traded common stock and/or call options of ACADIA in the United States or on the NASDAQ Global Select Market during the period between November 10, 2014 and March 11, 2015, both dates inclusive, and who allege to have been damaged thereby (the "Class").

6. Are there exceptions to being included?

Yes. Excluded from the Class are Defendants, members of their immediate families, any firm, trust, partnership, corporation, officer, director, or other individual or entity in which a Defendant has a controlling interest or which is related to or affiliated with any of the Defendants, and the legal representatives, heirs, successors-in-interest or assigns of such excluded persons.

Also excluded from the Class are any persons or entities who exclude themselves by submitting a timely request for exclusion in accordance with the requirements set forth in this Notice.

7. I'm still not sure whether I am included.

If you are still not sure whether you are included, you can ask for help, which will be provided to you at no cost. You can call the Claims Administrator toll free at 1-844-515-6321, send an email to info@AcadiaSecuritiesSettlement.com, or write to the Claims Administrator at the address stated in the answer to Question #4 above.

SUMMARY OF SETTLEMENT

8. How and when was the Settlement reached?

Lead Plaintiffs reached an agreement-in-principle with Defendants regarding the Settlement on December 6, 2016. Thereafter, Lead Plaintiffs and Defendants executed the Stipulation to formalize their agreement.

The Settlement was reached after arm's-length negotiation between Lead Counsel and counsel for Defendants, and only after Lead Counsel had (a) conducted a lengthy investigation into the facts alleged in the Action; (b) drafted a consolidated complaint; (b) briefed a motion to

dismiss and received a Court order denying the motion; (c) conducted a mediation with Defendants; (d) researched the applicable law with respect to the Class's claims against Defendants and the potential defenses thereto; and (e) reviewed certain documents produced by Defendants.

9. What does the Settlement provide?

In the Settlement, Defendants agree to cause \$2,925,000 to be paid to the Class (the "Settlement Amount"). The Settlement Amount is to be paid into escrow within fifteen (15) business days after the Court's preliminary approval of the Settlement. The Settlement Amount will fund the "Gross Settlement Fund."

The Settlement shall become effective when and if each of the following conditions is met: (a) the Court has entered a final judgment approving the Settlement, and (b) any appeals from that judgment have been finally resolved, or the time has expired in which to file such appeals (the "Effective Date").

If the Settlement is approved by the Court, then as of the Effective Date of the Settlement all Class Members will be deemed to have released all claims against the Defendant Releasees that arise out of or relate to the allegations in the Complaint. This means that, upon the Effective Date, all Class Members will be permanently barred from asserting any of the claims described above against Defendants. In addition, upon the Effective Date, Defendants will be precluded from suing Lead Plaintiffs, Class Members, or Lead Counsel in connection with the Action.

10. What are the reasons for the Settlement?

Lead Plaintiffs agreed to the Settlement because of the substantial monetary benefit it will provide to the Class, compared to the risk that recovery might not be achieved after a contested trial. Further discovery in this matter, including extensive document review and witness depositions, would be time consuming and costly. Additional litigation of this Action would take several years and the outcome of summary judgment or a trial is uncertain. As well, Defendants might appeal the verdict, resulting in further uncertainty and delay.

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiffs, as well as all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Defendants believe the Action has no merit. Defendants deny that they made any false or misleading statements during the Class Period, that they had the state of mind required to render any of the alleged misrepresentations and omissions actionable, that any alleged loss was caused by any alleged misrepresentations, and that any Defendant engaged in insider trading. Defendants agreed to the Settlement to settle and terminate all existing or potential claims against them, and to eliminate the expense, risk, and uncertainty of further litigation.

11. What is the potential outcome of the lawsuit absent the Settlement?

Defendants have denied and continue to deny each and all of the claims and contentions

alleged by Lead Plaintiffs, as well as all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Defendants believe the Action has no merit. Defendants deny that they made any false or misleading statements during the Class Period, that they had the state of mind required to render any of the alleged misrepresentations and omissions actionable, that any alleged loss was caused by any alleged misrepresentations, and that any Defendant engaged in insider trading. Lead Plaintiffs dispute all of the foregoing. As a result, the parties disagree on a number of issues, including, but not limited to: (a) whether Defendants engaged in conduct that would give rise to liability under the federal securities laws; (b) whether Defendants have valid defenses to the claims against them; and (c) the amount, if any, by which the price of ACADIA common stock and call options were artificially inflated as a result of Defendants' alleged violations of the federal securities laws.

Accordingly, one potential outcome of the lawsuit absent the Settlement is that Defendants could prevail in full on a motion for summary judgment and the case could be dismissed in its entirety without any recovery for the Class. Similarly, Defendants could prevail at trial and there could be no recovery for the Class. Alternatively, Lead Plaintiffs could prevail on some or all claims and the damages could be greater or lesser than the Settlement Amount.

THE SETTLEMENT BENEFITS – WHAT YOU GET

12. How much will payment be?

The Plan of Allocation set forth below explains how each Class member's "Recognized Loss" will be calculated. The amounts to be distributed to individual Class Members will depend on a variety of factors, including: the number of other Class Members who submit valid Proof of Claim Forms; the amount and type of securities you purchased; the prices and dates of those purchases; and the prices and dates of any sales of your securities. The manner of dividing the Net Settlement Fund has not yet been determined. Depending upon which securities you purchased and the timing of your transactions, you may be entitled to recover for all, none, or only some of the claims asserted in the Complaint.

The amount to be distributed to Class Members on a per share basis will depend on future Court proceedings and factual and legal analysis, and it is therefore only possible to make an approximate estimate of the amount of any such distribution at the present time. At the "Final Fairness Hearing" Lead Plaintiffs will seek final Court approval of the below Plan of Allocation that will govern calculation of Class Members' individual distributions.

Proposed Plan of Allocation of the Net Settlement Fund Among Class Members

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged fraud, as opposed to losses caused by market- or industry-wide factors, or Company-specific factors unrelated to the alleged fraud. ACADIA securities for which an Authorized Claimant may be entitled to receive a distribution from the Net Settlement Fund consist of the following:

- i. Publicly-traded ACADIA common stock (“ACADIA Stock”) purchased or otherwise acquired during the period November 10, 2014 through March 11, 2015, inclusive (the “Class Period”);³
- ii. Publicly-traded call options on ACADIA Stock (“Call Options”) purchased or otherwise acquired during the Class Period;

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 of ACADIA Stock and Call Option purchased during the Class Period. The calculation of Recognized Loss will depend upon several factors, including, for ACADIA Stock, when the stock was purchased during the Class Period, and at what price, and whether such shares were sold, and if sold, when they were sold, and at what price. For Call Options, the calculation of Recognized Loss will depend upon when the Call Option was purchased during the Class Period, and at what price, and whether such options were sold or exercised, and if sold or exercised, when they were sold/exercised, and at what price. The Recognized Loss is not intended to estimate the amount a Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Stipulation. Each Authorized Claimant’s Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimant. The Settlement Administrator will use its best efforts to administer and distribute the Net Settlement Fund to the extent that it is equitably and economically feasible.

The Plan of Allocation was created with the assistance of a consulting damages expert, and reflects the assumption that the price of ACADIA Stock was artificially inflated throughout the Class Period. The estimated alleged artificial inflation in the price of ACADIA Stock is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of ACADIA Stock during the Class Period is based on certain misrepresentations alleged by Lead Plaintiffs and the stock price reactions to public announcements that allegedly corrected the misrepresentations alleged by Lead Plaintiffs, net of market- and industry-wide factors, and Company-specific factors unrelated to the alleged fraud.

Federal securities laws allow investors to recover for losses caused by disclosures which corrected Defendants’ previous misleading statements or omissions. Thus, in order to have been damaged by the alleged violations of the federal securities laws, ACADIA Stock purchased during the Class Period must have been held during a 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 Counsel have determined that such a price decline occurred on March 12, 2015. Accordingly, if ACADIA Stock was sold before March 12, 2015, the Recognized Loss for such stock is zero (\$0.00), and any loss suffered is not compensable under the federal securities laws. Likewise, if a Call Option was sold or exercised prior to March 12, 2015, the Recognized Loss for that option is zero (\$0.00).

³ During the Class Period, ACADIA Stock was listed on the NASDAQ Global Select Market under the ticker symbol “ACAD.”

Table 1 Artificial Inflation in ACADIA Stock⁴		
From	To	Per-Share Price Inflation⁵
November 10, 2014	March 11, 2015	\$3.24
March 12, 2015	Thereafter	\$0.00

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 ACADIA Stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on ACADIA 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 ACADIA Stock during the 90-Day Lookback Period. The Recognized Loss on ACADIA 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 ACADIA Stock during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

In the calculations below, all purchase and sale prices shall exclude any fees, taxes and commissions. If a Recognized Loss amount is calculated to be a negative number, that Recognized Loss shall be set to zero (\$0.00).

Calculation of Recognized Loss Per Share of ACADIA Stock

For each share of ACADIA Stock purchased during the Class Period (*i.e.*, November 10, 2014 through March 11, 2015, inclusive), the Recognized Loss per share shall be calculated as follows:

- i. For each share of ACADIA Stock that was purchased during the Class Period that was subsequently sold prior to March 12, 2015, the Recognized Loss per share is \$0.

⁴ Any transactions in ACADIA 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.

⁵ One day prior to the end of the Class Period, on March 10, 2015, the price of ACADIA Stock increased 19.25% (or \$7.49), net of market and industry effects, in response to rumors that the Company would be acquired. (*See* Complaint, ¶13.) On March 12, 2015, the price of ACADIA Stock declined 23.98% (or -\$10.73), net of market and industry effects, in response to the alleged corrective disclosures as well as to the market’s realization that the takeover rumors were false. The estimated per-share price inflation in ACADIA Stock during the Class Period is based on the Company-specific decline on March 12, 2015, minus \$7.49, which is the amount attributed to the takeover rumors.

- ii. For each share of ACADIA Stock that was purchased during the Class Period that was subsequently sold during the period March 12, 2015 through June 9, 2015, inclusive (*i.e.*, sold during the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*:
- the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - the per-share purchase price *minus* the “90-Day Lookback Value” on the date of sale provided in Table 2 below.
- iii. For each share of ACADIA Stock that was purchased during the Class Period and still held as of the close of the U.S. financial markets on June 9, 2015, the Recognized Loss per share is *the lesser of*:
- the amount of per-share price inflation on the date of purchase as appears in Table 1 above; or
 - the per-share purchase price *minus* the average closing price for ACADIA Stock during the 90-Day Lookback Period, which is \$36.98.

Table 2					
Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
3/12/2015	\$34.82	4/13/2015	\$33.74	5/12/2015	\$35.46
3/13/2015	\$34.64	4/14/2015	\$33.88	5/13/2015	\$35.53
3/16/2015	\$34.82	4/15/2015	\$34.03	5/14/2015	\$35.61
3/17/2015	\$34.69	4/16/2015	\$34.21	5/15/2015	\$35.69
3/18/2015	\$34.64	4/17/2015	\$34.36	5/18/2015	\$35.79
3/19/2015	\$34.70	4/20/2015	\$34.50	5/19/2015	\$35.88
3/20/2015	\$34.67	4/21/2015	\$34.65	5/20/2015	\$35.96
3/23/2015	\$34.58	4/22/2015	\$34.79	5/21/2015	\$36.05
3/24/2015	\$34.48	4/23/2015	\$34.92	5/22/2015	\$36.13
3/25/2015	\$34.15	4/24/2015	\$35.03	5/26/2015	\$36.21
3/26/2015	\$33.81	4/27/2015	\$35.07	5/27/2015	\$36.30
3/27/2015	\$33.65	4/28/2015	\$35.09	5/28/2015	\$36.37
3/30/2015	\$33.63	4/29/2015	\$35.12	5/29/2015	\$36.46
3/31/2015	\$33.56	4/30/2015	\$35.09	6/1/2015	\$36.54
4/1/2015	\$33.45	5/1/2015	\$35.11	6/2/2015	\$36.63
4/2/2015	\$33.33	5/4/2015	\$35.15	6/3/2015	\$36.72
4/6/2015	\$33.25	5/5/2015	\$35.16	6/4/2015	\$36.79
4/7/2015	\$33.23	5/6/2015	\$35.20	6/5/2015	\$36.88
4/8/2015	\$33.28	5/7/2015	\$35.24	6/8/2015	\$36.95
4/9/2015	\$33.37	5/8/2015	\$35.30	6/9/2015	\$36.98

4/10/2015	\$33.57	5/11/2015	\$35.37
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Calculation of Recognized Loss Per ACADIA Call Option

For each Call Option purchased during the Class Period, the Recognized Loss per option⁶ shall be calculated as follows:

- i. For each Call Option purchased during the Class Period that was not still held as of the close of the U.S. financial markets on March 11, 2015, the Recognized Loss per option is \$0.00.
- ii. For each Call Option purchased during the Class Period that was still held as of the close of the U.S. financial markets on March 11, 2015,
 - a. that was subsequently sold, the Recognized Loss per option is equal to the purchase price per option *minus* the sale price per option.
 - b. that was subsequently exercised, the Recognized Loss per option is equal to the purchase price per option *minus* the price per option on the date of exercise. The price of the option on the date of exercise shall be calculated as the closing price of ACADIA Stock on the date of exercise minus the strike price of the option (*i.e.*, the exercise price).
 - c. that expired unexercised while still owned, the Recognized Loss per option is equal to the purchase price per option.

No loss shall be recognized based on a sale or writing of any call option that was subsequently repurchased, exercised or expired.

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.

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

Acquisition by Gift, Inheritance, or Operation of Law: If a Class Member acquired ACADIA Stock or Call Options 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 ACADIA Stock or Call Options were

⁶ Publicly traded call options are traded in units called contracts. Each call option contract entitles the owner of the call option contract to purchase 100 shares of the underlying stock upon exercise.

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 ACADIA Stock or Call Options during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of ACADIA Stock or Call Options.

The first-in-first-out (“FIFO”) basis will be applied to purchases and sales. Sales will be matched in chronological order, by trade date, first against shares/options held immediately prior to the start of the Class Period and then against the purchases of shares/options 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 (\$0.00). In the event that a claimant has an opening short position in ACADIA 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 ACADIA 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 exercise price of the option. Any Recognized Loss arising from purchases of ACADIA Stock acquired during the Class Period through the exercise of an option on ACADIA Stock⁷ shall be computed as provided for other purchases of ACADIA Stock in the Plan of Allocation.

Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero (\$0.00). The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Loss as compared to the total Recognized Losses of all Authorized Claimants (*see* the Plan of Allocation for additional details).

However, cumulative payments of all claims associated with ACADIA Call Options will be limited to 2% of the Net Settlement Fund.⁸ Thus, 2% of the Net Settlement Fund will be set aside for losses resulting from ACADIA call options, as described above. The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the respective Net Settlement Funds based upon each Claimant’s respective Common Stock Recognized Loss and Option Recognized Loss (if applicable). If the combined Option Recognized Losses total less

⁷ Including (1) purchases of ACADIA Stock as the result of the exercise of a call option, and (2) purchases of ACADIA Stock by the seller of a put option as a result of the buyer of such put option exercising that put option.

⁸ Call Options account for less than 2% of the combined dollar trading volume of ACADIA Stock and Call Options during the Class Period.

than 2% of the Net Settlement Fund, the remaining funds shall be allocated to the losses resulting from ACADIA Stock.

No distribution will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Class Members who do not submit acceptable Proof of Claim Forms will not share in the Settlement proceeds. The Settlement and the Final Order and Judgment of Dismissal with Prejudice dismissing this Action will nevertheless bind Class Members who do not submit a request for exclusion and/or submit an acceptable Proof of Claim Form.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim Form. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class Members and the claims-administration process, to decide the issue by submitting a written request.

Defendants, their respective counsel, and all other Released Parties will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any claim. Lead Plaintiffs and Lead Counsel, likewise, will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of uncashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund after at least six (6) months after the initial distribution of such funds will be used in the following fashion: (a) first, to pay any amounts mistakenly omitted from the initial disbursement; (b) second, to pay any additional settlement administration fees, costs, and expenses, including those of Lead Counsel as may be approved by the Court; and (c) finally, to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining balance will then be distributed to Investor Protection Trust, a nation-wide not-for-profit organization dedicated to investor education and advocacy.

HOW TO GET A PAYMENT

13. What do I have to do to receive a share of the Settlement?

To qualify for a settlement payment from the proceeds of the Settlement, you **must** send in a Proof of Claim Form. A Proof of Claim Form is enclosed with this Notice. You also may

get a Proof of Claim Form on the internet at www.AcadiaSecuritiesSettlement.com, or by calling the Claims Administrator toll-free at 1-844-515-6321. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign the form, and mail it postmarked no later than _____, 2017.

14. When will I receive my payment?

Lead Plaintiffs do not anticipate being able to distribute the settlement proceeds to Class Members until at least a year from now. Distribution may be delayed in the interest of the Class in order to minimize the number and cost of distributions during the course of the Action.

Any settlement payments from the Net Settlement Fund are also contingent upon the Court approving the Settlement and on such approval becoming final and no longer subject to any appeals.

The Net Settlement Fund will be kept in an interest-bearing account until it is ready for distribution, and the accrued interest will be added to the principal that will be distributed to the Settlement Class.

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

Unless you exclude yourself, you will remain a Settlement Class Member, and that means that, if the Settlement is approved, you will give up all “Settled Claims” (as defined below), including all “Unknown Claims” (as defined below), against the “Defendant Releasees” (as defined below):

- “Defendant Releasees” means (1) Defendants, (2) Defendants’ Counsel, (3) with regard to ACADIA, all past or present agents, officers, directors, attorneys, accountants, auditors, investment bankers, commercial bankers, underwriters, financial or investment advisors, or other advisors, insurers, co-insurers, reinsurers, partners, limited partners, controlling shareholders, joint venturers, co-developers, co-promoters; related or affiliated entities, advisors, employees, affiliates, predecessors, successors, parents, subsidiaries, and assigns for ACADIA and all such Persons of any entity in which ACADIA has a controlling interest; and (4) with regard to Uli Hacksell, Stephen R. Davis and Roger G. Mills, each individual’s spouses, marital communities, immediate family members, heirs, executors, personal representatives, estates, administrators, trusts, predecessors, successors, and assigns or other individual or entity in which either Mr. Hacksell, Mr. Davis or Mr. Mills has a controlling interest, and each and all of their respective past or present officers, directors, employees, agents, affiliates, parents, subsidiaries, divisions, attorneys, accountants, auditors, advisors, insurers, co-insurers, re-insurers, heirs, executors, personal representatives, estates, administrators, trusts, predecessors, successors, and assigns; and each of Mr. Hacksell, Mr. Davis or Mr. Mills’s present and former attorneys, legal representatives, insurers, and assigns in connection with the Action.
- “Settled Claims” means any and all claims, rights, demands, obligations, controversies, debts, damages, losses, causes of action and liabilities of any kind or nature whatsoever

(including, but not limited to, any claims for damages, restitution, rescission, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liability whatsoever), whether based on federal, state, local, statutory, or common law or any other law, rule, or regulation, whether fixed or contingent, accrued, or un-accrued, liquidated or unliquidated, at law or in equity, matured or unmatured, or class or individual in nature (including both known and Unknown Claims) against Defendants, based on, arising out of, relating in any way to, or in connection with both (i) the facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions which were or could have been alleged in the Action, and (ii) the purchase or acquisition of ACADIA securities during the Class Period.

- “Unknown Claims” means any and all Settled Claims which Lead Plaintiffs in the Action or any Class Member does not know to exist in his, her, or its favor at the time they agreed to the Stipulation, and any Defendants' Claims which Defendants did not know to exist in their favor at the time they agreed to the Stipulation, which if known might have affected the decision to enter into the Settlement or the decision not to object to the Settlement. With respect to any and all Settled Claims and Defendants' Claims, the Settling Parties stipulate and agree that upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each Class Member shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights and benefits of Cal. Civ. Code § 1542, which provides:

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

Lead Plaintiffs and Defendants shall expressly 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 principle of common law, which is similar, comparable or equivalent 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 Settled Claims, but Lead Plaintiffs shall expressly, fully, finally and forever settle and release, and each Class member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Settled Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, 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 and Defendants acknowledge, and other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of Settled Claims and Defendants' Claims was separately bargained for and was a key element of this Settlement.

If you remain a member of the Class, all of the Court's orders will apply to you and legally bind you. You will be bound by the releases whether or not you submit a Proof of Claim Form and/or receive a payment under the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

16. What if I want to be excluded from the Settlement?

To exclude yourself from the Settlement, you must send a letter by mail to the Claims Administrator saying that you want to be excluded from *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.* Be sure to include your name, address, telephone number; the last four digits of your Social Security Number or Taxpayer Identification Number; a list stating the number and type of ACADIA common stock and/or call options purchased and sold between November 10, 2014 and March 11, 2015, and the dates and prices of each purchase and sale; as well as your signature. Mail your exclusion request postmarked no later than _____, 2017, to:

ACADIA Pharmaceuticals Inc. Securities Litigation
EXCLUSIONS
c/o KCC Class Action Services
3301 Kerner Blvd
San Rafael, CA 94901

If you request exclusion on behalf of any person or entity other than yourself (such as, for example, a trust, a minor, or a pension fund), you also must state the basis of your legal authority to make a request for exclusion on behalf of that person or entity.

You cannot exclude yourself on the phone or by e-mail. If you do not follow the above procedures – including meeting the postmark deadline – you will not be excluded from the Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement. You must exclude yourself even if you already have a pending case against Defendants based on the claims being released.

If you ask to be excluded, you will not get any payment from the Settlement, you cannot object to the Settlement, and you will not be legally bound by anything that happens in this lawsuit. You might be able to sue Defendants in the future.

17. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that the 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 your own lawsuit.

18. If I exclude myself, can I get money from the Stipulation?

No. Only Class Members who do not exclude themselves will be eligible to recover

money in the Settlement.

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer in this case?

The Court has appointed the law firm of Faruqi & Faruqi, LLP as Lead Counsel to represent Lead Plaintiffs and all other Settlement Class Members in the Action. If you have any questions about the proposed Settlement, you may contact Lead Counsel as follows: Richard W. Gonnello, Faruqi & Faruqi, LLP, 685 Third Avenue, 26th Floor, New York, NY 10017, (212) 983-9330.

If you want to be represented by your own lawyer, you may hire one at your own expense.

20. How will the lawyers be paid?

You will be not charged directly for the fees or expenses of the Lead Counsel appointed by the Court. Instead, those lawyers may apply to the Court for payment of fees and expenses out of the Gross Settlement Fund.

When this case began, Lead Plaintiffs negotiated a fee agreement with Lead Counsel which permits Lead Counsel to apply for fees of up to 33.33% of any recovery achieved by the Class plus out of pocket expenses. For the Settlement, Lead Counsel intends to request a fee of 25% of the net recovery to the Class, plus reimbursement of out-of-pocket expenses. The fees would pay the lawyers for investigating the facts, actively litigating the case, and negotiating the Settlement.

OBJECTING TO THE SETTLEMENT OR THE ATTORNEYS' FEES

21. How do I tell the Court that I don't like the Settlement?

If you are member of the Class and you do not exclude yourself, you can object to the Settlement or any part of it, including Lead Counsel's application for attorneys' fees and expenses, and give reasons why you think the Court should not approve it. Please note, the Court may not change or modify the terms of the Settlement, it may only approve or deny the Settlement in its entirety. To object, you must send a letter or other filing saying that you object to the proposed Settlement and/or the attorneys' fee application in *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.*, 15-cv-00575 BTM DHB. Be sure to include your name, address, telephone number, signature, and the reasons for your objection, as well as a list of your purchases and sales of ACADIA common stock and/or call options in the United States or on the NASDAQ Global Select Market made during the Class Period, including the dates, the number of securities purchased or sold, the price(s) paid or received per security for each such purchase or sale, and whether you continue to hold the securities at the time your objection is submitted. If you desire to present evidence at the Final Fairness Hearing, you must include in your written objection the identity of any witnesses you may seek to call to testify and exhibits you may seek

to introduce into evidence. Your written objection must be filed with the clerk of the United States District Court for the Southern District of California, postmarked no later than _____, 2017. The address is:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
333 West Broadway
San Diego, CA 92101

Any member of the Class who does not object in the manner provided above will be deemed to have waived all objections to the Settlement and to Lead Counsel's application for attorneys' fees.

22. What's the difference between objecting and requesting exclusion?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you are a Class Member.

Excluding yourself is telling the Court that you do not want to be part of the Class for purposes of the Settlement. If you exclude yourself, you have no basis to object, because the case no longer affects you. If you do not exclude yourself, you will be bound by the Settlement and all orders and judgments entered by the Court regarding the Settlement, regardless of whether the Court accepts or denies your objection.

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

The Court has scheduled the Final Fairness Hearing on the proposed Settlement for _____, 2017 at _____ a.m./p.m., before the Honorable Barry Ted Moskowitz in Courtroom 15B, in the U.S. District Court for the Southern District of California, United States Courthouse, 333 West Broadway, San Diego, CA 92101. At the Final Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and will consider Lead Counsel's application for attorneys' fees and expenses. If there are objections, the Court will consider them. At or after the Final Fairness Hearing, the Court will decide whether to approve the Settlement.

Please note that the date of the Final Fairness Hearing is subject to change without further notice. If you plan to attend the Final Fairness Hearing, you should check with Lead Counsel to be sure no change to the date and time of the hearing has been made.

24. Do I have to come to the Final Fairness Hearing?

No. Lead Counsel will answer any questions the Court might have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection so it was postmarked by the deadline, it will be before the Court when the Court considers whether to approve the Settlement.

You may also pay your own lawyer to attend the Final Fairness Hearing, but attendance is not necessary.

25. May I speak at the Final Fairness Hearing?

If you are a Class Member who has not asked to be excluded from the Class, you may ask the Court for permission to speak at the Final Fairness Hearing. To do so, you must send a letter or other paper called a “Notice of Intention to Appear at Fairness Hearing in *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.*” Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be filed with the Clerk of the Court and sent to the counsel listed above in the answer to Question #19, postmarked no later than _____, 2017. You cannot speak at the hearing if you have asked to be excluded from the Class.

IF YOU DO NOTHING

26. What happens if I do nothing at all?

If you do nothing in response to this Notice, you will remain a member of the Class and will be bound by the Settlement. You will not be able to start, continue, or be part of any other lawsuit or arbitration against Defendants based on the claims in the Action. If you do not submit a Proof of Claim Form, you will not receive a payment from the Settlement.

GETTING MORE INFORMATION

27. Are there more details about the Settlement?

This Notice contains only a summary of the proposed Settlement. The complete Settlement is set out in the Stipulation dated March 13, 2017. You may request a copy of the Stipulation in writing to ACADIA Pharmaceuticals Inc. Securities Litigation, c/o KCC Class Action Services, PO Box 43461, Providence, RI 02940-3461. There may be a charge for copying and mailing the Stipulation. Copies of the Stipulation may be obtained for free at www.AcadiaSecuritiesSettlement.com.

28. How do I get more information?

You can also call the Claims Administrator toll free at 1-844-515-6321, write to the Claims Administrator at the above address, e-mail the Claims Administrator at info@AcadiaSecuritiesSettlement.com or visit the website at www.AcadiaSecuritiesSettlement.com, where you will find a copy of the Stipulation, the Complaint, and certain other documents relating to the Action and the Settlement. Anyone interested in more detail regarding the Action is invited to visit the Office of the Clerk of the United States District Court for the Southern District of California, United States Courthouse, 333 West Broadway, San Diego, CA 92101, during regular business hours, or by accessing the court docket in this Action through the Court’s Public Access to Court Electronic Records system (“PACER”) at <https://ecf.cand.uscourts.gov> to review the Stipulation, the pleadings, and

the other papers maintained there in Case No. 15-cv-00575 BTM DHB.

SPECIAL NOTICE TO BANKS, BROKERS, AND NOMINEES

You are a nominee owner, such as brokerage firms, if you purchased or otherwise acquired ACADIA securities during the Class Period as a record owner but not as beneficial owner. Such nominees who hold or held ACADIA securities for beneficial owners who are Class Members are directed (a) to provide the Claims Administrator with lists of the names and last known addresses of the beneficial owners for whom they purchased or otherwise acquired ACADIA securities during the Class Period within 7 calendar days of receipt of the Settlement Notice, or (b) to send the Settlement Notice and Proof of Claim Form to the beneficial owners. If the nominee owner elects to send the Settlement Notice and Proof of Claim Form to the beneficial owners, the nominee owner is directed (i) to request additional copies of the Settlement Notice and Proof of Claim Form within 7 calendar days of receipt of the Settlement Notice, and (ii) to mail the Settlement Notice and Proof of Claim Form within 7 calendar days of receipt of the copies of the Settlement Notice from the Claims Administrator, and upon such mailing the nominee owner shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Such nominee owners shall be reimbursed from the Settlement Fund, after receipt by the Claims Administrator of proper documentation, for the reasonable expenses of sending the Settlement Notice and Proof of Claim Form to the beneficial owners. Please send all requests to the Administrator either by email to Nominees@AcadiaSecuritiesSettlement.com or by mail to: ACADIA Pharmaceuticals Inc. Securities Litigation, c/o KCC Class Action Services, 3301 Kerner Blvd., San Rafael, CA 94901.

Dated: _____

BY ORDER OF THE COURT

Hon. Barry Ted Moskowitz
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

EXHIBIT A-2

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

JEFF RIHN, Individually and on Behalf of All Others
Similarly Situated,
Plaintiff,
v.
ACADIA PHARMACEUTICALS INC., ULI
HACKSELL, STEPHEN R. DAVIS, and ROGER G.
MILLS,
Defendants.

Case No. 15-cv-00575 BTM DHB

STEVE A. WRIGHT AND VICKI G. WRIGHT,
Individually and on Behalf of All Others Similarly
Situated,

Plaintiffs,

v.

ACADIA PHARMACEUTICALS INC., ULI
HACKSELL, STEPHEN R. DAVIS, and ROGER G.
MILLS,

Defendants.

PROOF OF CLAIM AND RELEASE FORM

GENERAL INSTRUCTIONS

To recover as a Class Member based on your claims in the action entitled *Rihn, et al. v. ACADIA Pharmaceuticals Inc., et al.*, No. 15-cv-00575 BTM DHB (the “Action”), you must complete and sign this Proof of Claim and Release Form.

If you fail to submit a timely and properly addressed Proof of Claim and Release Form, your claims may be rejected and you may not receive any recovery from the Settlement Fund created in connection with the proposed Settlement. Submission of this Proof of Claim and

Release Form, however, does not assure that you will share in proceeds of the Settlement of the Action.

YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE FORM POSTMARKED ON OR BEFORE _____, 2017, ADDRESSED AS FOLLOWS:

ACADIA Pharmaceuticals Inc. Securities Litigation
c/o KCC Class Action Services
PO Box 43461
Providence, RI 02940-3461

If you are NOT a Class Member (as defined in the Notice of Pendency and Settlement of Class Action (“Settlement Notice”)), DO NOT submit a Proof of Claim and Release Form. Also, NOTE THAT CLAIMS CALCULATING TO AN AWARD LESS THAN \$10.00 WILL **NOT** BE PAID.

If you are a Class Member and you do not timely request exclusion in connection with the proposed Settlement, you will be 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.**

CLAIMANT IDENTIFICATION

If you purchased or otherwise acquired the publicly traded common stock and/or call options of ACADIA Pharmaceuticals, Inc. (“ACADIA”) in the United States or on the NASDAQ Global Select Market, you are the beneficial purchaser as well as the record purchaser. If however, you purchased or otherwise acquired ACADIA common stock and/or call options that 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.

THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR ACQUIRER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OR ACQUIRER(S) OF THE ACADIA COMMON STOCK AND/OR CALL OPTIONS UPON WHICH THIS CLAIM IS BASED.

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

CLAIM FORM

Use Part II of the form entitled “Schedule of Transactions in ACADIA Common Stock” to supply all required details of your transaction(s) in ACADIA common stock. Use Part III of the form entitled “Schedule of Transactions in ACADIA Call Options” to supply all required details of your transaction(s) in ACADIA call options. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to (1) *all* of your purchases or acquisitions of ACADIA common stock which took place at any time from November 10, 2014 to June 9, 2015, both dates inclusive; (2) *all* of your sales of ACADIA common stock which took place at any time from November 10, 2014 to June 9, 2015, both dates inclusive; (3) your ACADIA common stock positions as of the close of trading on November 9,

2014 and the close of trading on June 9, 2015; (4) all of your purchases of ACADIA call options which took place at any time from November 10, 2014 to March 11, 2015; and (5) *all* exercises and sales of ACADIA call options that were purchased during the Class Period or expirations of unexercised ACADIA call options that were purchased during the Class Period.

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

Copies of broker confirmations or other documentation of your transactions in ACADIA common stock and/or call options should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested to, submit information regarding their transactions in electronic files. All claimants **MUST** submit a manually signed paper Proof of Claim and Release Form whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-844-515-6321 or visit their website at www.AcadiaSecuritiesSettlement.com to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgement of receipt and acceptance of electronically submitted data.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

RIHN, ET AL. V. ACADIA PHARMACEUTICALS INC., ET AL.
No. 15-CV-00575-BTM DHB

PROOF OF CLAIM AND RELEASE

Must be Postmarked No Later Than: _____, 2017

Please Type or Print

PART I: CLAIM IDENTIFICATION

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

Joint Beneficial Owner's Name (if applicable)

Entity Name and Representative (if applicable)

Account Number

Street Address

City

State or Province

Zip Code or Postal Code

Country

Last Four Digits of Social Security Number or Taxpayer Identification Number

Telephone Number

E-mail Address

Custodian Name (if different from beneficial owner listed above)

PART II: SCHEDULE OF TRANSACTIONS IN ACADIA COMMON STOCK

Beginning Holdings—State the total number of shares of ACADIA common stock held at the close of trading on November 9, 2014: _____

Purchases/Acquisitions During The Class Period—Separately list each and every purchase/acquisition of ACADIA common stock from the opening of trading on November 10, 2014 through the close of trading on March 11, 2015, inclusive. (Must be documented).

Trade date Month/Day/Year	Number of shares purchased or acquired	Purchase price per share
1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.
5.	5.	5.

Purchases/Acquisitions During The 90-Day Look Back Period—State the total number of shares of ACADIA common stock purchased/acquired from the opening of trading on March 12, 2015, through and including the close of trading on June 9, 2015. If none, write “zero” or “0.”

Sales During The Class Period And The 90-Day Look Back Period—Separately list each and every sale/disposition of ACADIA common stock from the opening of trading on November 10,

2014 through and including the close of trading on June 9, 2015. (Must be documented).

Trade date Month/Day/Year	Number of shares sold	Sale price per share
1.	1.	1.
2.	2.	2.
3.	3.	3.
4.	4.	4.
5.	5.	5.

Ending Holdings—State the total number of shares of ACADIA common stock held as of the close of trading on June 9, 2015. (Must be documented).

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page. NOTE THAT CLAIMS CALCULATING TO AN AWARD AMOUNT LESS THAN \$10.00 WILL NOT BE PAID.

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

PART III: SCHEDULE OF TRANSACTIONS IN ACADIA CALL OPTIONS

Purchases/Acquisitions During The Class Period—Separately list each and every purchase/acquisition of ACADIA call option contracts from the opening of trading on November 10, 2014 through the close of trading on March 11, 2015, inclusive. (Must be documented).

Purchase date Month/Day /Year	Number of options purchased or acquired	Expiration Date Month/Year	Strike price	Purchase Price Per Contract	Insert an “E” if Exercised or “X” of Expired	Exercise Date (if exercised)
1.	1.	1.	1.	1.	1.	1.
2.	2.	2.	2.	2.	2.	2.
3.	3.	3.	3.	3.	3.	3.
4.	4.	4.	4.	4.	4.	4.
5.	5.	5.	5.	5.	5.	5.

Sales Of Call Options Purchased During The Class Period—If any of the ACADIA call options listed above were ultimately sold (not exercised or expired), please separately list each sale below, regardless of when the sale occurred. (Must be documented).

Sale date Month/Day/Year	Number of options sold	Expiration Date Month/Year	Strike price	Sale Price Per Contract
1.	1.	1.	1.	1.
2.	2.	2.	2.	2.
3.	3.	3.	3.	3.
4.	4.	4.	4.	4.
5.	5.	5.	5.	5.

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

AWARD AMOUNT LESS THAN \$10.00 WILL NOT BE PAID.

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

PART IV: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS

I (We) submit this Proof of Claim and Release Form under the terms of the Stipulation described in the Settlement Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern District of California with respect to my (our) claim as a Class Member and for purposes of enforcing the releases 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 if requested to do so. I (We) have not submitted any other claim covering the same purchases, acquisitions, or sales of ACADIA common stock and/or call options during the Class Period and know of no other person having done so on my (our) behalf.

RELEASE

I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Settled Claims each and all of the “Defendant Releasees,” defined as (1) Defendants, (2) Defendants’ Counsel, (3) with regard to ACADIA, all past or present agents, officers, directors, attorneys, accountants, auditors, investment bankers, commercial bankers, underwriters, financial or investment advisors, or other advisors, insurers, co-insurers, reinsurers, partners, limited partners, controlling shareholders, joint venturers, co-developers, co-promoters, related or affiliated entities, advisors, employees, affiliates,

predecessors, successors, parents, subsidiaries, and assigns for ACADIA and all such Persons of any entity in which ACADIA has a controlling interest; and (4) with regard to Uli Hacksell, Stephen R. Davis and Roger G. Mills, each individual's spouses, marital communities, immediate family members, heirs, executors, personal representatives, estates, administrators, trusts, predecessors, successors, and assigns or other individual or entity in which either Uli Hacksell, Stephen R. Davis and Roger G. Mills has a controlling interest, and each and all of their respective past or present officers, directors, employees, agents, affiliates, parents, subsidiaries, divisions, attorneys, accountants, auditors, advisors, insurers, co-insurers, re-insurers, heirs, executors, personal representatives, estates, administrators, trusts, predecessors, successors, and assigns; and each of Uli Hacksell, Stephen R. Davis and Roger G. Mills' present and former attorneys, legal representatives, insurers, and assigns in connection with the Action..

“Settled Claims” means any and all claims, rights, demands, obligations, controversies, debts, damages, losses, causes of action and liabilities of any kind or nature whatsoever (including, but not limited to, any claims for damages, restitution, rescission, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, or liability whatsoever), whether based on federal, state, local, statutory, or common law or any other law, rule, or regulation, whether fixed or contingent, accrued, or un-accrued, liquidated or unliquidated, at law or in equity, matured or unmatured, or class or individual in nature (including both known and Unknown Claims) against Defendant Releasees, based on, arising out of, relating in any way to, or in connection with both (i) the facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions which were or could have been alleged in the Action, and (ii) the purchase or acquisition of ACADIA common stock and/or call options during the Class Period.

“Unknown Claims” means any and all Settled Claims which Lead Plaintiffs in the Action or any Class Member does not know to exist in his, her, or its favor at the time of the release of Defendant Releasees, and any Defendants’ Claims which Defendants did not know to exist in their favor at the time of the release of the Released Plaintiff Parties, which if known might have affected the decision to enter into the Settlement or the decision not to object to the Settlement. With respect to any and all Settled Claims and Defendants’ Claims, the parties stipulate and agree that upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each Class Member shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights and benefits of Cal. Civ. Code § 1542, which provides:

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

Lead Plaintiffs and Defendants shall expressly 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 principle of common law, which is similar, comparable or equivalent 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 Settled Claims, but Lead Plaintiffs shall expressly, fully, finally and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Settled Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, 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 and Defendants acknowledge, and other Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Defendants' Claims was separately bargained for and was a key element of this Settlement.

This release shall be of no force or effect unless and until the Court approves the Settlement and the Stipulation becomes effective.

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

I (We) hereby warrant and represent that I (we) have included information about all of my (our) transactions in ACADIA common stock and/or call options which are the subject of this claim, and which occurred from November 10, 2014 to and including June 9, 2015.

I declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim and Release Form by the undersigned is true and correct.

Executed this _____ day of _____
(Month/Year)

in _____.

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing, e.g., beneficial purchaser, executor, or administrator)

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

REMINDER CHECKLIST

1. Please sign the above release and certification. If this Proof of Claim is being made on behalf of joint claimants, then both must sign.
2. Remember to attach only copies of acceptable supporting documentation.
3. Please do not highlight any portion of the Proof of Claim or any supporting documents.
4. Do not send original securities certificates or other original documentation. These items cannot be returned to you by the Claims Administrator.
5. Keep copies of the completed Proof of Claim and documentation for your own records.
6. The Claims Administrator will acknowledge receipt of your Proof of Claim by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at 1-844-515-6321.
7. If your address changes in the future, or if this Proof of Claim was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
8. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the above address or at 1-844-515-6321, or visit www.AcadiaSecuritiesSettlement.com.

EXHIBIT A-3

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE PUBLICLY-TRADED COMMON STOCK AND/OR CALL OPTIONS OF ACADIA PHARMACEUTICALS, INC. (“ACADIA”) IN THE UNITED STATES OR ON THE NASDAQ GLOBAL SELECT MARKET FROM NOVEMBER 10, 2014, THROUGH AND INCLUDING MARCH 11, 2015 (“CLASS”).

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Southern District of California, that a hearing will be held on _____, 2017 at _____ a.m./p.m., before the Honorable Barry Ted Moskowitz, at the United States Courthouse for the Southern District of California, 333 West Broadway, Courtroom 15B, San Diego, CA 92101, for the purpose of determining (1) whether the proposed settlement of the claims in the Action for the principal amount of \$2,925,000 for the Class should be approved by the Court as fair, just, reasonable, and adequate; (2) whether a Final Judgment and Order of Dismissal with prejudice should be entered by the Court dismissing the Action with prejudice; (3) whether the Plan of Allocation is fair, reasonable, and adequate and should be approved; and (4) whether the application of Lead Counsel for the payment of attorneys’ fees in the amount of 25% of the Settlement Fund, an award to the Class Representative not to exceed \$5,000, and Litigation Expenses not to exceed \$125,000 should be approved.

IF YOU PURCHASED OR ACQUIRED ACADIA COMMON STOCK AND/OR CALL OPTIONS DURING THE PERIOD FROM NOVEMBER 10, 2014 THROUGH AND INCLUDING MARCH 11, 2015, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION. You may obtain copies of a detailed Notice of Pendency and Settlement of Class Action (“Settlement Notice”) and a copy of the Proof of Claim and Release form by writing to Acadia Pharmaceuticals Inc. Securities Litigation, c/o KCC Class Action Services, PO Box 43461, Providence, RI 02940-3461, visiting the website www.AcadiaSecuritiesSettlement.com, e-mailing the Claims Administrator at

info@AcadiaSecuritiesSettlement.com, or calling the Claims Administrator toll free at 1-844-515-6321. Inquiries other than requests for the above-referenced documents may also be made to Plaintiff's Lead Counsel:

Richard W. Gonnello
FARUQI & FARUQI, LLP
685 Third Avenue
26th Floor
New York, NY 10017

If you are a Class Member, in order to share in the distribution of the Settlement Fund, you must submit a Proof of Claim and Release form postmarked no later than _____, 2017, establishing that you are entitled to recovery. NOTE THAT NO CLAIMS LESS THAN \$10.00 WILL BE PAID.

If you purchased or otherwise acquired ACADIA common stock and/or call options and you desire to be excluded from the Class, you must submit a request for exclusion postmarked no later than _____, 2017, in the manner and form explained in the detailed Settlement Notice referred to above. All Class Members who do not timely and validly request exclusions from the Class will be bound by any judgment entered in the Action pursuant to the Stipulation and Agreement of Settlement.

Any objection to the Settlement must be mailed to the Clerk of the United States District Court for the Northern District of California at the address below and postmarked no later than _____, 2017:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
333 West Broadway
San Diego, CA 92101

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE

REGARDING THIS NOTICE. If you have any questions about the Settlement, you may contact Lead Counsel at the address listed above.

DATED: _____, 2017

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EXHIBIT B

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

JEFF RIHN, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

v.

ACADIA PHARMACEUTICALS INC.,
ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

Defendants.

Case No. 15-cv-00575 BTM DHB

**[PROPOSED] FINAL ORDER AND
JUDGMENT OF DISMISSAL WITH
PREJUDICE**

CLASS ACTION

STEVE A. WRIGHT AND VICKI G.
WRIGHT, Individually and on Behalf of
All Others Similarly Situated,

Plaintiffs,

v.

ACADIA PHARMACEUTICALS INC.,
ULI HACKSELL, STEPHEN R. DAVIS,
and ROGER G. MILLS,

Defendants.

1 This matter came before the Court for hearing pursuant to the Order Preliminarily
2 Approving Settlement and Providing for Notice (the “Preliminary Order”), dated
3 _____, 2017, on the application of Lead Plaintiffs Paul and Sharyn Levine (“Lead
4 Plaintiffs”), on behalf of all Class Members, on the one hand, and Defendants ACADIA
5 Pharmaceuticals Inc. (the “Company” or “ACADIA”), Uli Hacksell, Stephen R. Davis
6 and Roger G. Mills (collectively, “Defendants,” and together with Lead Plaintiffs, the
7 “Settling Parties”) for approval of the class settlement set forth in the Stipulation and
8 Agreement of Settlement (“Stipulation”), dated as of March 13, 2017 between the
9 Settling Parties. Due and adequate notice has been given to the Class as required in the
10 Preliminary Order, and the Court, having considered all papers filed and proceedings
11 had herein, and otherwise being fully informed and good cause appearing therefore,
12 HEREBY ORDERS, ADJUDGES, AND DECREES THAT:

13 1. This Order and Final Judgment incorporates by reference the definitions
14 in the Stipulation, and all terms used herein shall have the same meanings as set forth
15 in the Stipulation, unless otherwise set forth herein.

16 2. This Court has jurisdiction to enter this Judgment. This Court has
17 jurisdiction over the subject matter of the Action and over the Settling Parties to the
18 Action, including all Class Members.

19 3. The Court finds, for purposes of Settlement only, that the prerequisites for
20 a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have
21 been satisfied in that: (a) the number of Class Members is so numerous that joinder of
22 all members of the Class is impracticable; (b) there are questions of law and fact
23 common to each of the Class Members; (c) the claims of Lead Plaintiffs are typical of
24 the claims of the Class they seek to represent; (d) Lead Plaintiffs will fairly and
25 adequately represent the interests of the Class; (e) the questions of law and fact common
26 to the members of the Class predominate over any questions affecting only individual
27 members of the Class; and (f) a class action is superior to other available methods for
28 the fair and efficient adjudication of the controversy.

1 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, for the
2 purposes of Settlement only, Lead Plaintiffs are certified as the Class Representatives
3 on behalf of the Class and the Lead Counsel previously selected by Lead Plaintiffs and
4 appointed by the Court, Faruqi & Faruqi, LLP, is hereby appointed as Class Counsel.

5 5. The Class is defined as Lead Plaintiffs as well as all Persons who
6 purchased or otherwise acquired the publicly traded common stock and/or call options
7 of ACADIA in the United States on the NASDAQ Global Select Market during the
8 Class Period and who allege to have been damaged thereby. Excluded from the Class
9 are Defendants; members of the immediate families; any firm, trust, partnership,
10 corporation, officer, director, or other individual or entity in which a Defendant has a
11 controlling interest or which is related to or affiliated with any of the Defendants, and
12 the legal representatives, heirs, successors-in-interest or assigns of such excluded
13 Persons. Also excluded from the Class is any Person who properly excluded himself,
14 herself, or itself by filing a valid and timely request for exclusion in accordance with
15 the requirements set forth in the Settlement Notice, as listed in Exhibit 1 hereto. The
16 Class Period is defined as the period from November 10, 2014, through and including
17 March 11, 2015, both dates inclusive.

18 6. This Order and Final Judgment is binding on all members of the Class,
19 other than those persons listed in Exhibit 1 hereto who have filed timely and valid
20 requests to be excluded from the Class.

21 7. The notification provided for and given to the Class was in compliance
22 with the Preliminary Order, and said notification constitutes the best notice practicable
23 under the circumstances and is in full compliance with the notice requirements of due
24 process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the
25 Private Securities Litigation Reform Act of 1995 (“PSLRA”), 15 U.S.C. § 78u-4(a)(7).

26 8. The Settlement is hereby approved as fair, reasonable, and adequate, and
27 shall be consummated in accordance with the terms and provisions of the Stipulation.
28

1 9. The complaints filed in this Action are hereby dismissed in their entirety
2 as to Defendants, with prejudice, and without costs to any Settling Party, except to the
3 extent provided in the Stipulation.

4 10. The Court further finds, pursuant to Section (c)(1) of the PSLRA, 15
5 U.S.C. § 78u-4(c)(1), that during the course of the Action, the Settling Parties and their
6 respective counsel at all times complied with the requirements of Federal Rule of Civil
7 Procedure 11.

8 11. Upon the Effective Date, Lead Plaintiffs, the Class, and each Class
9 Member (other than those listed on Exhibit 1 hereto), on behalf of themselves and each
10 of their predecessors, successors, assigns, parents, subsidiaries, affiliates, agents,
11 representatives, heirs, trustees, joint tenants, tenants in common, beneficiaries,
12 executors and administrators, attorneys, insurers, and anyone else who could make a
13 claim through or on behalf of a Class Member, directly or indirectly, individually,
14 derivatively, representatively, or in any other capacity, shall have and shall be deemed
15 by operation of law to have fully, finally and forever released, relinquished, acquitted
16 and discharged the Defendant Releasees from the Settled Claims (including, without
17 limitation, Unknown Claims), whether or not such Class Member executes and delivers
18 the Proof of Claim. Nothing contained herein shall release any claim Lead Plaintiffs
19 and Class Members may have against any entity or party other than the Defendant
20 Releasees.

21 12. Upon the Effective Date, Lead Plaintiffs, the Class, and each Class
22 Member (other than those listed on Exhibit 1 hereto), on behalf of themselves and their
23 respective predecessors, successors, assigns, parents, subsidiaries, affiliates, agents,
24 representatives, heirs, trustees, joint tenants, tenants in common, beneficiaries,
25 executors and administrators, attorneys, insurers, and anyone else who could make a
26 claim through or on behalf of a Class Member, directly or indirectly, individually,
27 derivatively, representatively, or in any other capacity, shall be permanently barred and
28 enjoined from the assertion, institution, maintenance, prosecution, or enforcement

1 against Defendant Releasees, in any state or federal court or arbitral forum, or in the
2 court of any foreign jurisdiction, of any and all Settled Claims (including, without
3 limitation, Unknown Claims), as well as any other claims arising out of, relating to, or
4 in connection with, the defense, settlement, or resolution of the Action or the Settled
5 Claims, except to enforce the Settlement.

6 13. Upon the Effective Date, Defendants, on behalf of themselves and each of
7 their predecessors, successors, assigns, parents, subsidiaries, affiliates, agents,
8 representatives, heirs, trustees, joint tenants, tenants in common, beneficiaries,
9 executors and administrators, attorneys, insurers, and anyone else who could make a
10 claim through or on behalf of a Defendant, directly or indirectly, individually,
11 derivatively, representatively, or in any other capacity, shall have fully, finally and
12 forever waived, released and forever discharged any and all claims against Lead
13 Plaintiffs relating to the institution and prosecution of the Action, and shall forever be
14 enjoined from instituting, maintaining or prosecuting any or all such claims. Nothing
15 contained herein shall release any claim Defendants may have against any entity or
16 party other than Lead Plaintiffs.

17 14. In accordance with the PSLRA as codified at 15 U.S.C. § 78u-4(f)(7)(A),
18 any and all claims for contribution arising out of any Settled Claims (i) by any person
19 or entity against any of the Released Parties, and (ii) by any of the Released Parties
20 against any person or entity, other than as set out in 15 U.S.C. § 78u-4(f)(7)(A)(ii), are
21 hereby permanently barred, extinguished, discharged, satisfied, and unenforceable.
22 Accordingly, without limitation to any of the above, (i) any person or entity is hereby
23 permanently enjoined from commencing, prosecuting, or asserting against any of the
24 Released Parties any such claim for contribution, and (ii) the Released Parties are
25 hereby permanently enjoined from commencing, prosecuting, or asserting against any
26 person or entity, any such claim for contribution. In accordance with 15 U.S.C. § 78u-
27 4(f)(7)(B), any final verdict or judgment that might be obtained by or on behalf of the
28 Class or a Class Member against any person or entity based upon or arising out of any

1 Settled Claim for which such person or entity and any Released Parties are found to be
2 jointly liable shall be reduced by the greater of (i) an amount that corresponds to the
3 percentage of responsibility of any such Released Party for common damages or (ii) the
4 amount paid to the Class by or on behalf of each such Released Party for common
5 damages.

6 15. Each Class Member, whether or not such Class Member executes and
7 delivers a Proof of Claim, other than those listed on Exhibit 1 hereto, is bound by this
8 Order and Final Judgment, including, without limitation, the release of claims as set
9 forth in the Stipulation.

10 16. This Order and Final Judgment and the Settlement Stipulation, and all acts
11 performed or papers related thereto are not, and shall not be construed to be, an
12 admission by Defendants of any liability or wrongdoing whatsoever, or that recovery
13 could be had in any amount should the action not be settled, and shall not be offered as
14 evidence or received into evidence in this or any proceeding or used in any manner as
15 an admission or implication of liability or fault on the part of Defendants or any other
16 person. The Order and Final Judgment and the Settlement Stipulation, and all papers
17 related thereto, also are not, and shall not be construed to be, any admission by Lead
18 Plaintiffs or any Class Member of any lack of merit of the Action in any respect.

19 17. In the event that the Settlement does not become consummated in
20 accordance with the terms of the Stipulation, then this Order and Final Judgment shall
21 be rendered null and void to the extent provided by and in accordance with the
22 Stipulation and shall be vacated, and in such event, all orders entered and releases
23 delivered in connection herewith shall be null and void to the extent provided by and in
24 accordance with the Stipulation.

25 18. Any court order regarding the Plan of Allocation or the attorneys' fees,
26 Litigation Expenses, and award for Lead Plaintiffs shall in no way disturb or affect this
27 Order and Final Judgment and shall be considered separate from this Order and Final
28 Judgment.

1 19. The administration of the Settlement, and the decision of all disputed
2 questions of law and fact with respect to the validity of any claim or right of any Person
3 to participate in the distribution of funds from the Net Settlement Fund, shall remain
4 under the authority of this Court.

5 20. Without affecting the finality of this Order and Final Judgment in any way,
6 this Court hereby retains continuing jurisdiction over (a) implementation of this
7 Settlement and any award or distribution of the Net Settlement Fund, including interest
8 earned thereon; (b) disposition of the Settlement Amount; (c) hearing and determining
9 applications for attorneys' fees, costs, interest and reimbursement of expenses in the
10 Action; and (d) all parties hereto for the purpose of construing, enforcing, and
11 administering the Settlement.

12 21. There being no just reason to delay entry of this Order and Final Judgment,
13 the Clerk of the Court is ordered, pursuant to Rule 54(b) of the Federal Rules of Civil
14 Procedure, to enter this Order and Final Judgment forthwith.

15 IT IS SO ORDERED.

16
17 Dated: San Diego, California

18 _____, 2017

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21 _____
22 Honorable Barry Ted Moskowitz
23 United States District Court Judge
24 Southern District of California
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