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

KURT ZIEGLER and DANIEL
BRADY, Individually and on Behalf of
All Others Similarly Situated,

Plaintiff,

v.

GW PHARMACEUTICALS, PLC,
JUSTIN GOVER, GEOFFREY GUY,
CABOT BROWN, DAVID GRYSKA,
CATHERINE MACKEY, JAMES
NOBLE, ALICIA SECOR, and LORD
WILLIAM WALDEGRAVE,

Defendants.

CASE NO. 3:21-CV-01019-BAS-
MSB

ORDER PRELIMINARILY APPROVING SETTLEMENT

AND PROVIDING FOR NOTICE

EXHIBIT A

1 WHEREAS, an action pending before this Court is styled *Kurt Ziegler, et al.*
2 *v. GW Pharmaceuticals, PLC, et al.*, C.A. No. 3:21-cv-01019-BAS-MSB (the
3 “Litigation”);

4 WHEREAS, the Court-appointed Lead Plaintiffs Kurt Ziegler and Daniel
5 Brady (“Lead Plaintiffs”) have made a motion, pursuant to Federal Rule of Civil
6 Procedure 23(e), for an order preliminarily approving the Settlement of this
7 Litigation, in accordance with a Stipulation of Settlement dated March 16, 2023 (the
8 “Stipulation”), which, together with the Exhibits annexed thereto, sets forth the
9 terms and conditions for a proposed Settlement of the Litigation between the Parties
10 and for dismissal with prejudice of the Litigation against Defendants and of the
11 Released Claims against Defendants and Defendants’ Released Persons upon the
12 terms and conditions set forth therein;

13 WHEREAS, the Court having read and considered the Stipulation and the
14 Exhibits annexed thereto;

15 WHEREAS, the Parties to the Stipulation having consented to entry of this
16 Order; and

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

19 NOW, THEREFORE, IT IS HEREBY ORDERED:

20 1. The Court has reviewed the Stipulation, finds that the Stipulation
21 resulted from arm’s length negotiations, and does hereby preliminarily approve the
22 Stipulation and Settlement set forth therein as being fair, reasonable and adequate to
23 Settlement Class Members subject to further consideration at the hearing described
24 in ¶ 5 below.

25 2. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil
26 Procedure, and for purposes of this Settlement only, the Litigation is hereby
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1 preliminarily certified as a class action on behalf of all record holders and all
2 beneficial holders of GW Pharmaceuticals, PLC (“GW”) American Depositary
3 Shares (“ADSs”) who purchased, sold, or held such ADSs at any time during the
4 period from and including March 10, 2021, the record date for voting on the Merger,
5 through and including May 5, 2021, the date the Merger closed, including any and
6 all of their respective predecessors, successors, trustees, executors, administrators,
7 estates, legal representatives, heirs, assigns and transferees (the “Settlement Class”).
8 Excluded from the Settlement Class are (i) Defendants; (ii) members of the
9 immediate families of each Defendant; (iii) GW’s subsidiaries and affiliates; (iv) any
10 entity in which any defendant has a controlling interest; (v) the legal representatives,
11 heirs, successors, administrators, executors, and assigns of each defendant, in their
12 capacity as such; and (vi) any persons or entities who properly exclude themselves
13 by filing a valid and timely request for exclusion.

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

25 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the
26 purposes of the Settlement only, Lead Plaintiffs are preliminarily certified as the
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1 class representative and Monteverde & Associates PC and Kahn Swick & Foti, LLC
2 are preliminarily certified as Lead Counsel.

3 5. A hearing shall be held before this Court on _____, 2023, at
4 _____ .m. (**PARTIES PROPOSE JULY 31, 2023 OR a date that is at least 125**
5 **calendar days from the date of this Order, whichever is later**) (the “Final
6 Approval Hearing”), at the United States District Court for the Southern District of
7 California, James M. Carter and Judith N. Keep United States Courthouse, 333 West
8 Broadway, San Diego, CA 92101. At the Final Approval Hearing the Court will (a)
9 determine whether the proposed Settlement is fair, reasonable, and adequate to the
10 Settlement Class and should be approved by the Court; (b) determine whether an
11 Order and Final Judgment as defined in ¶ 1.21 of the Stipulation should be entered;
12 (c) determine whether the proposed Plan of Allocation should be approved; (d)
13 determine the amount of attorneys’ fees and expenses that should be awarded to
14 Lead Counsel; (e) determine any award to Lead Plaintiffs pursuant to 15 U.S.C. §
15 78u-4(a)(4); (f) hear any objections by Settlement Class Members to: (i) the
16 Settlement or Plan of Allocation; (ii) certification of the Settlement Class, Lead
17 Plaintiffs, and Lead Counsel; (iii) any award to Lead Plaintiffs; and/or (iv) the award
18 of attorneys’ fees and expenses to Lead Counsel; and (g) consider such other matters
19 the Court deems appropriate. The Court may adjourn the Final Approval Hearing
20 without further notice to the Settlement Class Members.

21 6. The Court approves the form, substance, and requirements of the Notice
22 of Pendency and Proposed Settlement of Class Action (“Notice”) and Proof of Claim
23 and Release, substantially in the forms annexed hereto as Exhibits A-1 and A-2,
24 respectively.

25 7. The Court approves the form of the Summary Notice, substantially in
26 the form annexed hereto as Exhibit A-3.

1 8. The firm of Rust Consulting, LLC (the “Claims Administrator”) is
2 hereby appointed to supervise and administer the notice procedure as well as the
3 processing of claims as more fully set forth below.

4 9. Not later than _____, 2023 (thirty five (35) calendar days after
5 the Court signs and enters this Order) (the “Notice Date”), the Claims Administrator
6 shall cause a copy of the Notice and Proof of Claim and Release, substantially in the
7 forms annexed hereto, to be mailed by First-Class Mail to all Settlement Class
8 Members who can be identified with reasonable effort and to be posted on its website
9 at www.gwsecuritieslitigation.com.

10 10. Not later than _____, 2023 (a date ten (10) calendar days after
11 the Notice Date), Lead Counsel shall cause the Summary Notice to be published in
12 *PRNewswire*.

13 11. Not later than _____, 2023 (a date seven (7) calendar days
14 prior to the Final Approval Hearing), Lead Counsel shall serve on Defendants’
15 Counsel and file with the Court proof, by affidavit or declaration, of such mailing
16 and publishing.

17 12. Nominees who held, purchased or acquired GW ADSs for the benefit
18 of another Person during the Settlement Class Period shall be requested to send the
19 Notice and Proof of Claim and Release to such beneficial owners of GW ADSs
20 within fifteen (15) calendar days after receipt thereof, or, send a list of the names
21 and addresses of such beneficial owners to the Claims Administrator within fifteen
22 (15) calendar days of receipt thereof, in which event the Claims Administrator shall
23 promptly mail the Notice and Proof of Claim and Release to such beneficial owners.

24 13. The form and content of the notice program described herein and the
25 methods set forth herein for notifying the Settlement Class of the Settlement and its
26 terms and conditions, the Fee and Expense Application, and the Plan of Allocation:

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1 (a) meet the requirements of Federal Rule of Civil Procedure 23, the United States
2 Constitution (including the Due Process Clause), the Private Securities Litigation
3 Reform Act of 1995, 15 U.S.C. § 78u-4(a)(7), 15 U.S.C. § 77z-1(a)(7) (the
4 “PSLRA”), and any other applicable law, and is the best notice practicable under the
5 circumstances; (b) constitutes notice that is reasonably calculated, under the
6 circumstances, to apprise the Settlement Class Members of the pendency of the
7 Litigation, the effect of the proposed Settlement (including the releases contained
8 therein), and of their right to object to the proposed Settlement, exclude themselves
9 from the Settlement Class, and/or appear at the Final Approval Hearing; and (c)
10 constitutes due, adequate, and sufficient notice to all Persons entitled thereto. The
11 date and time of the Final Approval Hearing shall be included in the Notice and
12 Summary Notice before they are mailed and published, respectively. All fees, costs,
13 and expenses incurred in notifying Settlement Class Members shall be paid from the
14 Settlement Fund and in no event shall any of the Defendants or Defendants’ Released
15 Persons bear any responsibility for such fees, costs or expenses. All Settlement
16 Class Members (except Persons who request exclusion pursuant to ¶ 19 below) shall
17 be bound by all determinations and judgments in the Litigation concerning the
18 Settlement, including, but not limited to, the releases provided for therein, whether
19 favorable or unfavorable to the Settlement Class, regardless of whether such Persons
20 seek or obtain by any means, including, without limitation, by submitting a Proof of
21 Claim and Release or any similar document, any distribution from the Settlement
22 Fund or the Net Settlement Fund.

23 14. Pending final determination by the Court as to whether the Settlement,
24 as set forth in the Stipulation, is fair, reasonable and adequate and should be finally
25 approved and whether the Order and Final Judgment dismissing the action with
26 prejudice should be approved, neither Lead Plaintiffs nor any Settlement Class
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1 Member, either directly, representatively or in any other capacity, shall assert,
2 commence, aid or prosecute against any of the Released Claims against any of the
3 Defendants or Defendants' Released Persons in this Litigation or in any other action,
4 proceeding, arbitration, or forum. This injunction is necessary to protect and
5 effectuate the Settlement, this Order, and the Court's flexibility and authority to
6 effectuate the Settlement and to enter judgment when appropriate, and is ordered in
7 aid of the Court's jurisdiction and to protect its judgments.

8 15. Settlement Class Members who wish to participate in the Settlement
9 shall complete and submit the Proof of Claim and Release in accordance with the
10 instructions contained therein. Unless the Court orders otherwise, all Proofs of
11 Claim and Releases must be postmarked or submitted electronically no later than
12 _____, 2023 (a date one hundred and twenty (120) calendar days from the
13 Notice Date). Any Settlement Class Member who fails to submit a Proof of Claim
14 and Release within the time provided, or whose Proof of Claim and Release is
15 otherwise not approved, shall in all other respects be bound by all of the terms of the
16 Stipulation and the Settlement, including the terms of the Order and Final Judgment
17 and the releases provided for therein, and will be barred from asserting any Released
18 Claims against any of the Defendants or Defendants' Released Persons.
19 Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the
20 obligation) to accept late-submitted claims for processing by the Claims
21 Administrator so long as distribution of the Net Settlement Fund is not materially
22 delayed thereby. No person shall have any claim against Lead Plaintiffs, Lead
23 Counsel or the Claims Administrator by reason of the decision to exercise or not
24 exercise such discretion.

25 16. The Proof of Claim and Release submitted by each Settlement Class
26 Member must, unless otherwise ordered by the Court: (i) be properly completed,
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1 signed and submitted in a timely manner in accordance with the provisions of the
2 preceding paragraph; (ii) be accompanied by adequate supporting documentation for
3 the transactions reported therein, in the form of broker confirmation slips, broker
4 account statements, an authorized statement from the broker containing the
5 transactional information found in a broker confirmation slip, or such other
6 documentation deemed adequate by Lead Counsel or the Claims Administrator; (iii)
7 include in the Proof of Claim and Release a certification of current authority to act
8 on behalf of the Settlement Class Member if the person executing the Proof of Claim
9 and Release is acting in a representative capacity; (iv) be complete and contain no
10 material deletions or modifications of any of the printed matter contained therein;
11 and (v) be signed under penalty of perjury.

12 17. By submitting a Proof of Claim, a Settlement Class Member will be
13 deemed to have submitted to the jurisdiction of this Court with respect to the
14 Settlement Class Member's claim, including, but not limited to, all releases provided
15 for in the Stipulation and in the Order and Final Judgment.

16 18. Any Settlement Class Member may enter an appearance in the
17 Litigation, at his, her, or its own expense, individually or through counsel of their
18 own choice. If they do not enter an appearance, they will be represented by Lead
19 Counsel.

20 19. Any Person falling within the definition of the Settlement Class may,
21 upon request, be excluded or "opt out" from the Settlement Class. Any such Person
22 must submit to the Claims Administrator a request for exclusion ("Request for
23 Exclusion"), by First-Class Mail such that it is received no later than _____,
24 2023 (a date twenty-one (21) calendar days before the Final Approval Hearing). A
25 Request for Exclusion must be signed and state: (a) the name, address, and telephone
26 number of the Person requesting exclusion; (b) the number of GW ADSs held,

1 purchased, acquired or sold during the Settlement Class Period, and the dates held
2 during the Settlement Class Period; and (c) that the Person wishes to be excluded
3 from the Settlement Class. All Persons who submit valid and timely Requests for
4 Exclusion in the manner set forth in this paragraph shall have no rights under the
5 Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall
6 not be bound by the Stipulation or any final judgment.

7 20. Lead Counsel shall cause to be provided to Defendants' Counsel copies
8 of all Requests for Exclusion and a list of all Settlement Class Members who have
9 requested exclusion, and any written revocation of Requests for Exclusion, as
10 expeditiously as possible and in any event no later than _____, 2023 (a date
11 fourteen (14) calendar days prior to the Final Approval Hearing).

12 21. Any Settlement Class Member may appear and object if he, she, or it
13 has any reason why the proposed Settlement of the Litigation should not be approved
14 as fair, reasonable and adequate, or why a judgment should not be entered thereon,
15 why the Plan of Allocation should not be approved, why the requested attorneys'
16 fees and expenses should not be awarded to Lead Counsel, or why any award should
17 not be approved for Lead Plaintiffs; provided, however, that no Settlement Class
18 Member or any other Person shall be heard or entitled to contest the approval of the
19 terms and conditions of the proposed Settlement, or, if approved, the Order and Final
20 Judgment to be entered thereon approving the same, or the order approving the Plan
21 of Allocation, any attorneys' fees and expenses to be awarded to Lead Counsel, or
22 any award to Lead Plaintiffs, unless written objections and copies of any papers and
23 briefs are received via mail and in electronic format by Monteverde & Associates
24 PC, Juan E. Monteverde, The Empire State Building, 350 Fifth Avenue, Suite 4405,
25 New York, New York 10118, Email: jmonteverde@monteverdelaw.com; Kahn
26 Swick & Foti, LLC, Michael J. Palestina, 1100 Poydras St., Suite 960, New Orleans,

1 LA 70163, Email: michael.palestina@ksfcounsel.com; and Wachtell, Lipton, Rosen
2 & Katz, Rachelle Silverberg, 51 W. 52nd Street, New York, New York 10019,
3 Email: RSilverberg@WLRK.com, no later than _____, 2023 (a date
4 twenty-one (21) calendar days before the Final Approval Hearing) and said
5 objections, papers and briefs are filed with the Clerk of the United States District
6 Court for the Southern District of California, James M. Carter and Judith N. Keep
7 United States Courthouse, 333 West Broadway, San Diego, CA 92101, no later than
8 _____, 2023. Any such objection must: (a) indicate the objector's name,
9 address, and telephone number; (b) specify the reason(s) for the objection; (c)
10 identify the date(s), price(s), and number(s) of GW ADSs held, purchased, acquired
11 or sold during the Settlement Class Period by the objector; (d) provide documents
12 demonstrating such holding(s), purchase(s), acquisition(s) and/or sale(s); and (e) be
13 signed by the objector. Any Member of the Settlement Class who does not make
14 his, her, or its objection in the manner provided for herein shall be deemed to have
15 waived such objection and shall forever be foreclosed from making any objection to
16 the fairness, reasonableness, or adequacy of the proposed Settlement as incorporated
17 in the Stipulation, to the Plan of Allocation, to the award of attorneys' fees and
18 expenses to Lead Counsel, and to any award to Lead Plaintiffs, unless otherwise
19 ordered by the Court. Attendance at the Final Approval Hearing is not necessary.
20 However, Persons wishing to be heard orally in opposition to the approval of the
21 Settlement, the Plan of Allocation, and/or the application for an award of attorneys'
22 fees and expenses are required to indicate in their written objection their intention to
23 appear at the hearing. Settlement Class Members do not need to appear at the Final
24 Approval Hearing or take any other action to indicate their approval of the
25 Settlement.

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

5 23. All papers in support of the Settlement, Plan of Allocation, and any
6 application by Lead Counsel for attorneys' fees and expenses and payment of Lead
7 Plaintiffs' service awards under 15 U.S.C. § 78u-4(a)(4) shall be filed and served no
8 later than _____, 2023 (a date thirty-five (35) calendar days prior to the
9 Final Approval Hearing) and any reply papers shall be filed and served no later than
10 _____, 2023 (a date seven (7) calendar days prior to the Final Approval
11 Hearing).

12 24. Defendants' Released Persons shall have no responsibility for the Plan
13 of Allocation, any application for attorneys' fees and expenses submitted by Lead
14 Counsel, or any service award to Lead Plaintiffs, and such matters will be considered
15 separately from the fairness, reasonableness, and adequacy of the Settlement.

16 25. At or after the Final Approval Hearing, the Court shall determine
17 whether the Plan of Allocation proposed by Lead Counsel, and whether any
18 application for attorneys' fees and expenses, or any service award to Lead Plaintiffs,
19 should be approved.

20 26. All reasonable expenses incurred in identifying and notifying
21 Settlement Class Members as well as administering the Settlement Fund shall be
22 paid as set forth in the Stipulation. In the event the Court does not approve the
23 Settlement, or it otherwise fails to become effective, neither Lead Plaintiffs nor any
24 of their counsel, including Plaintiffs' Counsel, shall have any obligation to repay any
25 amounts actually and properly incurred or disbursed pursuant to ¶ 2.7 of the
26 Stipulation.

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1 27. Neither the Stipulation, nor any of its terms or provisions, nor any of
2 the negotiations, discussions, proceedings connected with it, nor any act performed
3 or document executed pursuant to or in furtherance of the Stipulation or the
4 Settlement may be (1) construed as an admission, concession, or presumption by or
5 against any of the Defendants or Defendants' Released Persons of the truth of any
6 of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any
7 kind; or as a waiver by any of the Parties of any arguments, defenses, or claims he,
8 she, or it may have in the event the Stipulation is terminated; or (2) offered or
9 received in evidence, or otherwise used by any person in the Litigation, or in any
10 other action or proceeding, whether civil, criminal, or administrative, in any court,
11 administrative agency, or other tribunal, except in connection with any proceeding
12 to enforce the terms of the Stipulation. The Defendants, Defendants' Released
13 Persons, Lead Plaintiffs, Settlement Class Members, and each of their counsel may
14 file the Stipulation and/or the Order and Final Judgment in any action that may be
15 brought against them in order to support a defense or counterclaim based on
16 principles of res judicata, collateral estoppel, release, good faith settlement,
17 judgment bar or reduction or any other theory of claim preclusion or issue preclusion
18 or similar defense or counterclaim.

19 28. All proceedings in the Litigation are stayed until further order of this
20 Court, except as may be necessary to implement the Settlement or comply with the
21 terms of the Stipulation.

22 29. The Court reserves the right to alter the time or the date of the Final
23 Approval Hearing without further notice to the Settlement Class Members, provided
24 that the time or the date of the Final Approval Hearing shall not be set at a time or
25 date earlier than the time and date set forth in ¶ 5 above, and retains jurisdiction to
26 consider all further applications arising out of or connected with the proposed
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1 Settlement. The Court may approve the Settlement, with such modifications as may
2 be agreed to by the Parties, if appropriate, without further notice to the Settlement
3 Class.

4 30. If the Settlement fails to become effective as defined in the Stipulation
5 or is terminated, then, in any such event, the Stipulation, including any
6 amendment(s) thereof, except as expressly provided in the Stipulation, and this
7 Order shall be null and void, of no further force or effect, and without prejudice to
8 any Party, and may not be introduced as evidence or used in any actions or
9 proceedings by any person or entity against the Parties, and they shall be deemed to
10 have reverted to their respective positions in the Litigation as of December 28, 2022.

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12 IT IS SO ORDERED.

13 DATED: _____
14 THE HONORABLE CYNTHIA A. BASHANT
15 UNITED STATES DISTRICT JUDGE
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