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12 *and the Proposed Plaintiff Class*

13 [Additional Counsel on Signature Page]

14 **UNITED STATES DISTRICT COURT**  
15 **NORTHERN DISTRICT OF CALIFORNIA**

16 STEVEN LAZAN,

17 Plaintiff,

18 v.

19 QUANTUM CORPORATION, *et al.*,

20 Defendants.

Case No. 3:18-cv-00923-RS

Hon. Richard Seeborg

**JUDGMENT AND ORDER**  
**GRANTING FINAL APPROVAL**  
**OF CLASS ACTION**  
**SETTLEMENT**

21 ALEXANDER E. NABHAN,

22 Plaintiff,

23 v.

24 QUANTUM CORP., *et al.*,

25 Defendants.

1 WHEREAS, a consolidated class action is pending in this Court entitled *Lazan, et al. v.*  
2 *Quantum Corp., et al.*, Case No. 3:18-cv-00923-RS (the “Action”);

3 WHEREAS, (a) Lead Plaintiff Globis Capital Advisors L.L.C., on behalf of itself and the  
4 putative Settlement Class (defined below), and (b) Defendants Quantum Corporation  
5 (“Quantum”), Jon W. Gacek (“Gacek”), and Fuad Ahmad (“Ahmad”) (collectively, “Settling  
6 Defendants”; and, together with Lead Plaintiff, the “Parties”), have entered into a Stipulation of  
7 Settlement dated June 28, 2019 (the “Stipulation”) that provides for the complete dismissal with  
8 prejudice of the claims, both known and unknown, that have been or could have been asserted  
9 against Defendants in the Action on the terms and conditions set forth in the Stipulation, subject  
10 to the approval of this Court (the “Settlement”);

11 WHEREAS, unless otherwise defined in this Judgment, the capitalized terms herein shall  
12 have the same meaning as they have in the Stipulation;

13 WHEREAS, by Order dated July 26, 2019 (the “Preliminary Approval Order”), this  
14 Court: (a) preliminarily approved the Settlement; (b) certified the Settlement Class solely for  
15 purposes of effectuating the Settlement; (c) ordered that notice of the proposed Settlement be  
16 provided to potential Settlement Class Members; (d) provided Settlement Class Members with  
17 the opportunity either to exclude themselves from the Settlement Class or to object to the  
18 proposed Settlement; and (e) scheduled a hearing regarding final approval of the Settlement;

19 WHEREAS, due and adequate notice has been given to the Settlement Class;

20 WHEREAS, the Court conducted a hearing on November 14, 2019 (the “Settlement  
21 Hearing”) to consider, among other things, (a) whether the terms and conditions of the  
22 Settlement are fair, reasonable, and adequate to the Settlement Class, and should therefore be  
23 approved; and (b) whether a judgment should be entered dismissing the Action with prejudice as  
24 against the Defendants; and

25 WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed  
26 and proceedings held herein in connection with the Settlement, all oral and written comments  
27

1 received regarding the Settlement, and the record in the Action, and good cause appearing  
2 therefor;

3 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

4 1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action,  
5 and all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties  
6 and each of the Settlement Class Members.

7 2. **Incorporation of Settlement Documents** – This Judgment incorporates and  
8 makes a part hereof: (a) the Stipulation filed with the Court on July 2, 2019; and (b) the Notice,  
9 the Summary Notice, and the Postcard Notice, all of which were filed with the Court on July 2,  
10 2019.

11 3. **Class Certification for Settlement Purposes** – The Court hereby affirms its  
12 determinations in the Preliminary Approval Order certifying, for the purposes of the Settlement  
13 only, the Action as a class action pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil  
14 Procedure of behalf of the Settlement Class consisting of all Persons<sup>1</sup> who purchased Quantum  
15 common stock during the period from April 18, 2016 through February 8, 2018, inclusive (the  
16 “Settlement Class Period”), and who were damaged thereby. Excluded from the Settlement  
17 Class are: Defendants; the Officers and directors of Quantum at all relevant times, as well as  
18 members of their Immediate Families and their legal representatives, heirs, successors, or  
19 assigns; and any entity in which Defendants have or had a controlling interest.

20 4. **Adequacy of Representation** – Pursuant to Rule 23 of the Federal Rules of Civil  
21 Procedure, and for the purposes of the Settlement only, the Court hereby affirms its  
22 determinations in the Preliminary Approval Order certifying Lead Plaintiff as the Class  
23 Representative for the Settlement Class and appointing Lead Counsel as Class Counsel for the

24 \_\_\_\_\_  
25 <sup>1</sup> “Person” or “Persons” means an individual, corporation, partnership, limited partnership,  
26 association, joint stock company, estate, legal representative, trust, unincorporated association,  
27 government or any political subdivision or agency thereof, and any business or legal entity and  
their spouses, heirs, predecessors, successors, representatives, or assigns.

1 Settlement Class. Lead Plaintiff and Lead Counsel have fairly and adequately represented the  
2 Settlement Class both in terms of litigating the Action and for purposes of entering into and  
3 implementing the Settlement and have satisfied the requirements of Federal Rules of Civil  
4 Procedure 23(a)(4) and 23(g), respectively.

5         5.         Notice – The Court finds that the dissemination of the Postcard Notice, the online  
6 posting of the Notice, and the publication of the Summary Notice complied with the  
7 requirements of the Federal Rules of Civil Procedure, satisfied the requirements of due process,  
8 as well as the Private Securities Litigation Reform Act of 1995 (“PSLRA”), 15 U.S.C. § 78-  
9 u4(a)(7), and constituted due and sufficient notice of the matters set forth herein. The Court finds  
10 that a full opportunity has been afforded to Class Members to object to the Settlement and/or to  
11 participate in the Settlement Hearing. Furthermore, the Court hereby affirms that due and  
12 sufficient notice has been given to the appropriate State and Federal officials pursuant to the  
13 Class Action Fairness Act, 28 U.S.C § 1715.

14             a.         Pursuant to, and in full compliance with, the Federal Rules of Civil  
15 Procedure, this Court hereby finds and concludes that due and adequate notice was directed to all  
16 Persons who are Settlement Class Members advising them of the Plan of Allocation and of their  
17 right to object thereto, and a full and fair opportunity was accorded to all Persons and entities  
18 who are Class Members to be heard with respect to the Plan of Allocation.

19             b.         The Court hereby finds and concludes that the formula for the calculation  
20 of the claims of Authorized Claimants, as set forth in the Notice, provides a fair and reasonable  
21 basis upon which to allocate the net proceeds of the Settlement among Class Members, with due  
22 consideration having been given to administrative convenience and necessity.

23         6.         Final Settlement Approval and Dismissal of Claims – Pursuant to, and in  
24 accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and  
25 finally approves the Settlement set forth in the Stipulation in all respects (including, without  
26 limitation: the amount of the Settlement; the Releases provided for therein; and the dismissal  
27 with prejudice of the claims asserted against Defendants in the Action), and finds that the

1 Settlement is, in all respects, fair, reasonable, and adequate to the Settlement Class. The Parties  
2 are directed to implement, perform, and consummate the Settlement in accordance with the terms  
3 and provisions contained in the Stipulation.

4 7. The Action and all of the claims asserted against Defendants in the Action by  
5 Lead Plaintiff and the other Settlement Class Members are hereby dismissed with prejudice. The  
6 Parties shall bear their own costs and expenses, except as otherwise expressly provided in the  
7 Stipulation.

8 8. **Binding Effect** – The terms of the Stipulation and of this Judgment shall be  
9 forever binding on Defendants, Lead Plaintiff, and all other Settlement Class Members  
10 (regardless of whether or not any individual Settlement Class Member submits a Claim Form or  
11 seeks or obtains a distribution from the Net Settlement Fund), as well as their respective  
12 successors and assigns.

13 9. **Releases** – The Releases set forth in paragraphs 5 and 6 of the Stipulation,  
14 together with the definitions contained in paragraph 1 of the Stipulation relating thereto, are  
15 expressly incorporated herein in all respects. The Releases are effective as of the Effective Date.  
16 Accordingly, this Court orders that:

17 a. Without further action by anyone, and subject to paragraph 10 below,  
18 upon the Effective Date of the Settlement, Lead Plaintiff and each of the other Settlement Class  
19 Members, on behalf of themselves and all other Plaintiffs' Released Parties, shall be deemed to  
20 have, and by operation of law and of this Judgment shall have, fully, finally and forever  
21 compromised, settled, released, resolved, relinquished, waived, discharged, and dismissed each  
22 and every Released Plaintiffs' Claim against the Defendants and the other Defendants' Released  
23 Parties, and shall forever be barred and enjoined from prosecuting any or all of the Released  
24 Plaintiffs' Claims against any of the Defendants' Released Parties. This release shall not apply  
25 to any Excluded Claims (as that term is defined in paragraph 1(p) of the Stipulation).

26 b. Without further action by anyone, and subject to paragraph 10 below,  
27 upon the Effective Date of the Settlement, Defendants, on behalf of themselves and all other

1 Defendants' Released Parties, shall be deemed to have, and by operation of law and of this  
2 Judgment shall have, fully, finally and forever compromised, settled, released, resolved,  
3 relinquished, waived and discharged each and every Released Defendants' Claims against Lead  
4 Plaintiff and the other Plaintiffs' Released Parties, and shall forever be barred and enjoined from  
5 prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Released  
6 Parties.

7 10. Notwithstanding paragraphs 9(a)–(b) above, nothing in this Judgment shall bar  
8 any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this  
9 Judgment.

10 11. **Rule 11 Findings** – The Court finds and concludes that the Parties and their  
11 respective counsel have complied in all respects with the requirements of Rule 11 of the Federal  
12 Rules of Civil Procedure in connection with the institution, prosecution, defense, and settlement  
13 of the Action.

14 12. **No Admissions** – Neither this Judgment, the Stipulation (whether or not  
15 consummated), including the exhibits thereto and the Plan of Allocation contained therein (or  
16 any other plan of allocation that may be approved by the Court), nor the negotiations leading to  
17 the execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the  
18 Stipulation and/or approval of the Settlement (including any arguments proffered in connection  
19 therewith):

20 a. shall be offered against any of the Defendants' Released Parties as  
21 evidence of, or construed as or deemed to be evidence of, any presumption, concession, or  
22 admission by any of the Defendants' Released Parties with respect to the truth of any fact alleged  
23 by Lead Plaintiff or any other of Plaintiffs' Released Parties, or the validity of any claim that was  
24 or could have been asserted against any of the Defendants' Released Parties, or the deficiency of  
25 any defense that has been or could have been asserted in this Action or in any other litigation, or  
26 of any liability, negligence, fault, or other wrongdoing of any kind with respect to any of the  
27 Defendants' Released Parties, or in any way referred to for any other reason as against any of the

1 Defendants' Released Parties, in any civil, criminal, or administrative action or proceeding, other  
2 than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

3 b. shall be offered against any of the Plaintiffs' Released Parties, as evidence  
4 of, or construed as, or deemed to be evidence of any presumption, concession, or admission by  
5 any of the Plaintiffs' Released Parties that any of their claims are without merit, that any of the  
6 Defendants' Released Parties had meritorious defenses, or that damages recoverable under the  
7 Complaint would not have exceeded the Settlement Amount or with respect to any liability,  
8 negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason as  
9 against any of the Plaintiffs' Released Parties, in any civil, criminal, or administrative action or  
10 proceeding, other than such proceedings as may be necessary to effectuate the provisions of this  
11 Stipulation; or

12 c. shall be construed against any of the Released Parties as an admission,  
13 concession, or presumption that the consideration to be given hereunder represents the amount  
14 which could be or would have been recovered after trial; provided, however, that the Parties and  
15 the Released Parties and their respective counsel may refer to this Judgment and the Stipulation  
16 to effectuate the protections from liability granted hereunder and thereunder or otherwise to  
17 enforce the terms of the Settlement.

18 13. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any  
19 way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of  
20 the administration, interpretation, implementation, and enforcement of the Settlement; (b) the  
21 disposition of the Settlement Fund; (c) any motion for an award of attorneys' fees and/or  
22 Litigation Expenses by Lead Counsel in the Action that will be paid from the Settlement Fund;  
23 (d) any motion to approve the Plan of Allocation; (e) any motion to approve the Class  
24 Distribution Order; and (f) the Settlement Class Members for all matters relating to the Action.

25 14. **Plan of Allocation** – This Court hereby approves the Plan of Allocation as set  
26 forth in the Notice as fair and equitable, and overrules all objections to the Plan of Allocation, if  
27 any, in their entirety. The Court directs Lead Plaintiff's Counsel and the Claims Administrator to

1 proceed with the processing of Claim Forms and the administration of the settlement pursuant to  
2 the terms of the Plan of Allocation and, upon completion of the claims processing procedure, to  
3 present to this Court a proposed final distribution order for the distribution of the Net Settlement  
4 Fund to eligible Settlement Class Members, as provided in the Stipulation and Plan of  
5 Allocation.

6 15. **Lead Counsel's Attorneys' Fees and Reimbursement of Litigation Expenses**

7 – This Court hereby awards Lead Plaintiff's Counsel attorneys' fees equal to 25% of the  
8 Settlement Fund net of their out-of-pocket expenses in the amount of \$101,324.55, for a total of  
9 \$2,012,168.86, with interest to accrue on such amount at the same rate and for the same periods  
10 as accrued by the Settlement Fund from the date of this Judgment to the date of actual payment  
11 of said attorneys' fees and expenses to Lead Plaintiff's Counsel as provided in the Stipulation.  
12 The foregoing amount shall be paid to Lead Plaintiff's Counsel from the Settlement Fund  
13 pursuant to the terms, conditions and obligations of the Stipulation. Lead Plaintiff's Counsel  
14 may make payments of fees and expenses to counsel for other plaintiffs as Lead Plaintiff's  
15 Counsel deems appropriate based on their relative contribution to the prosecution and resolution  
16 of the Action. Neither the Plan of Allocation submitted by Lead Plaintiffs' Counsel nor the  
17 portion of this Judgment regarding the attorneys' fee and litigation expenses application  
18 including any modification or change in the award of attorneys' fees and litigation expenses that  
19 may hereafter be approved, shall in any way disturb or affect this Judgment or the Releases  
20 provided hereunder and shall be considered separate from this Judgment.

21 16. **Modification of the Agreement of Settlement** – Without further approval from  
22 the Court, Lead Plaintiff and Defendants are hereby authorized to agree to and adopt such  
23 amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the  
24 Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially  
25 limit the rights of Settlement Class Members in connection with the Settlement. Without further  
26 order of the Court, Lead Plaintiff and Defendants may agree to reasonable extensions of time to  
27 carry out any provisions of the Settlement.



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17. **Termination of Settlement** – If the Settlement is terminated as provided in the Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be vacated, rendered null and void, and be of no further force and effect, except as otherwise provided by the Stipulation, and this Judgment shall be without prejudice to the rights of Lead Plaintiff, the other Settlement Class Members and Defendants, and the Parties shall revert to their respective positions in the Action as of February 20, 2019, as provided in the Stipulation.

18. **Entry of Final Judgment** – There is no just reason to delay the entry of this Judgment as a final judgment in this Action. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment in this Action.

SO ORDERED this 27th day of November, 2019.



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The Honorable Richard Seeborg  
United States District Judge