

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 CHRISTOPHER P. SEEFER (201197)
DANIEL J. PFEFFERBAUM (248631)
3 Post Montgomery Center
One Montgomery Street, Suite 1800
4 San Francisco, CA 94104
Telephone: 415/288-4545
5 415/288-4534 (fax)
chriss@rgrdlaw.com
6 dpfefferbaum@rgrdlaw.com

7 LABATON SUCHAROW LLP
JONATHAN GARDNER
8 MICHAEL P. CANTY
ROGER W. YAMADA
9 140 Broadway
New York, New York 10005
10 Telephone: 212/907-0700
212/818-0477 (fax)
11 jgardner@labaton.com
mcanty@labaton.com
12 ryamada@labaton.com

13 *Lead Counsel for Plaintiffs*

14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA

16 In re UBIQUITI NETWORKS, INC.) Master File No. 12-cv-04677-YGR
SECURITIES LITIGATION)
17) CLASS ACTION
18)
This Document Relates To:) [~~PROPOSED REVISED~~] ORDER
19) GRANTING PRELIMINARY APPROVAL
ALL ACTIONS.) OF CLASS ACTION SETTLEMENT,
20) APPROVING FORM AND MANNER OF
21) NOTICE, AND SETTING DATE FOR
22) HEARING ON FINAL APPROVAL OF
SETTLEMENT

23 As of August 4, 2017, Lead Plaintiffs Inter-Local Pension Fund GCC/IBT (“Inter-Local”)
24 and Bristol County Retirement System (“Bristol County” and, together with Inter-Local, “Lead
25 Plaintiffs”), on behalf of themselves, and the proposed Settlement Class (defined below), on the
26 one hand, and Ubiquiti Networks, Inc. (“Ubiquiti” or the “Company”), and Robert J. Pera, John
27 Ritchie, Peter Y. Chung, Christopher J. Crespi, Charles J. Fitzgerald, John L. Ocampo and
28

1 Robert M. Van Buskirk (the “Individual Defendants”), and UBS Securities LLC, Deutsche Bank
2 Securities Inc., Raymond James & Associates, Inc. and KeyBanc Capital Markets Inc. (formerly
3 known as Pacific Crest Securities LLC) (collectively, the “Underwriter Defendants” and with
4 Ubiquiti and the Individual Defendants, the “Defendants”), on the other hand, entered into a
5 Stipulation and Agreement of Settlement (the “Stipulation”) in the Action, which is subject to
6 review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the
7 exhibits thereto, sets forth the terms and conditions of the Settlement of this Action; and

8 WHEREAS, the Court has reviewed and considered the Stipulation and the
9 accompanying exhibits; and

10 WHEREAS, the Parties to the Stipulation have consented to the entry of this order; and

11 WHEREAS, all capitalized terms used in this order that are not otherwise defined herein
12 have the meanings defined in the Stipulation;

13 NOW, THEREFORE, IT IS HEREBY ORDERED, this 13th day of September, 2017
14 that:

15 1. The Court has reviewed the Stipulation and preliminarily finds the Settlement set
16 forth therein to be fair, reasonable and adequate, subject to further consideration at the
17 Settlement Hearing described below.

18 2. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, the
19 Court hereby certifies, for the purposes of the Settlement only, the Settlement Class of: all
20 Persons that purchased or acquired the publicly traded common stock of Ubiquiti Networks, Inc.
21 pursuant and/or traceable to Ubiquiti Networks, Inc.’s initial public offering on or about October
22 14, 2011. Excluded from the Settlement Class are: (i) the Defendants; (ii) members of the
23 immediate families of the Individual Defendants; (iii) Ubiquiti’s and the Underwriter
24 Defendants’ subsidiaries and affiliates; (iv) the officers and directors of Ubiquiti; (v) any entity
25 in which any Defendant has a controlling interest (but in the case of the Underwriter Defendants,
26 only such entities that they have a majority ownership interest in); (vi) the legal representatives,
27 heirs, successors and assigns of any such excluded person or entity. Also excluded from the

1 Settlement Class are any Settlement Class Members who properly exclude themselves by
2 submitting a valid and timely request for exclusion in accordance with the requirements set forth
3 below and in the Notice.

4 3. The Court finds and concludes that the prerequisites of class action certification
5 under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedures have been satisfied for
6 the Settlement Class defined herein and for the purposes of the Settlement only, in that:

7 (a) the members of the Settlement Class are so numerous that joinder of all
8 Settlement Class Members is impracticable;

9 (b) there are questions of law and fact common to the Settlement Class
10 Members;

11 (c) the claims of Lead Plaintiffs are typical of the Settlement Class's claims;

12 (d) Lead Plaintiffs and Lead Counsel have fairly and adequately represented
13 and protected the interests of the Settlement Class;

14 (e) the questions of law and fact common to Settlement Class Members
15 predominate over any individual questions; and

16 (f) a class action is superior to other available methods for the fair and
17 efficient adjudication of the controversy, considering that the claims of Settlement Class
18 Members in the Action are substantially similar and would, if tried, involve substantially
19 identical proofs and may therefore be efficiently litigated and resolved on an aggregate basis as
20 a class action; the amounts of the claims of many of the Settlement Class Members are too
21 small to justify the expense of individual actions; and it does not appear that there is significant
22 interest among Settlement Class Members in individually controlling the litigation of their
23 claims.

24 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes
25 of the Settlement only, Lead Plaintiffs Inter-Local Pension Fund GCC/IBT and Bristol County
26 Retirement System are certified as Class Representatives for the Settlement Class. The law firms
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1 of Labaton Sucharow LLP and Robbins Geller Rudman & Dowd are appointed Class Counsel
2 for the Settlement Class.

3 5. A hearing (the “Settlement Hearing”) pursuant to Rule 23(e) of the Federal Rules
4 of Civil Procedure is hereby scheduled to be held before the Court on **December 19, 2017**, at
5 **2:00 p.m.** for the following purposes:

6 (a) to determine whether the Settlement is fair, reasonable and adequate, and
7 should be approved by the Court;

8 (b) to determine whether the Final Order and Judgment (“Judgment”) as
9 provided under the Stipulation should be entered;

10 (c) to determine, for purposes of the Settlement only, whether the Settlement
11 Class should be certified; whether Lead Plaintiffs should be certified as Class Representatives
12 for the Settlement Class; whether the law firms of Labaton Sucharow LLP and Robbins Geller
13 Rudman & Dowd LLP should be appointed as Class Counsel for the Settlement Class;

14 (d) to determine whether the Plan of Allocation is fair, reasonable and
15 adequate, and should be approved by the Court;

16 (e) to consider Lead Counsel’s motion for an award of attorneys’ fees and
17 expenses; and

18 (f) to rule upon such other matters as the Court may deem appropriate.

19 6. The Court reserves the right to approve the Settlement with or without
20 modification and with or without further notice to the Settlement Class of any kind. The Court
21 further reserves the right to enter the Judgment approving the Settlement regardless of whether it
22 has approved the Plan of Allocation or awarded attorneys’ fees and/or expenses. The Court may
23 also adjourn the Settlement Hearing or modify any of the dates herein without further notice to
24 members of the Settlement Class.

25 7. The Court approves the form, substance and requirements of the Notice of
26 Pendency of Class Action, Proposed Settlement, and Motion for Attorneys’ Fees and Expenses
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1 (the “Notice”) and the Proof of Claim and Release form (“Proof of Claim”), substantially in the
2 forms annexed hereto as Exhibits 1 and 2, respectively.

3 8. The Court approves the retention of Garden City Group LLC as the Claims
4 Administrator. The Claims Administrator shall cause the Notice and the Proof of Claim,
5 substantially in the forms annexed hereto, to be mailed, by first-class mail, postage prepaid, on or
6 before ten (10) business days after entry of this Preliminary Approval Order (“Notice Date”), to
7 all Settlement Class Members who can be identified with reasonable effort. Ubiquiti, to the
8 extent it has not already done so, shall use its best efforts to obtain and provide to Lead Counsel,
9 or the Claims Administrator, transfer records obtained from Computershare in electronic
10 searchable form containing the names and addresses of purchasers of the publicly traded
11 common stock of Ubiquiti during the Class Period, to the extent that information is available to
12 Computershare, no later than five (5) business days after entry of this Preliminary Approval
13 Order.

14 9. The Claims Administrator shall use reasonable efforts to give notice to nominee
15 purchasers such as brokerage firms and other persons or entities who purchased or otherwise
16 acquired the publicly traded common stock of Ubiquiti during the Class Period as record owners
17 but not as beneficial owners. Such nominees SHALL EITHER: (a) WITHIN SEVEN (7)
18 CALENDAR DAYS of receipt of the Notice, request from the Claims Administrator sufficient
19 copies of the Notice to forward to all such beneficial owners and WITHIN SEVEN (7)
20 CALENDAR DAYS of receipt of those Notices from the Claims Administrator forward them to
21 all such beneficial owners; or (b) WITHIN SEVEN (7) CALENDAR DAYS of receipt of the
22 Notice, provide a list of the names and addresses of all such beneficial owners to the Claims
23 Administrator and the Claims Administrator is ordered to send the Notice promptly to such
24 identified beneficial owners. Nominees who elect to send the Notice to their beneficial owners
25 SHALL ALSO send a statement to the Claims Administrator confirming that the mailing was
26 made and shall retain their mailing records for use in connection with any further notices that
27 may be provided in the Action. Upon full and timely compliance with these directions, such
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1 nominees may seek reimbursement of their reasonable expenses actually incurred by providing
2 the Claims Administrator with proper documentation supporting the expenses for which
3 reimbursement is sought.

4 10. Lead Counsel shall, at least fourteen (14) calendar days before the Settlement
5 Hearing, file with the Court proof of mailing of the Notice and Proof of Claim.

6 11. The Court approves the form of the Summary Notice of Pendency of Class
7 Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses ("Summary Notice")
8 substantially in the form annexed hereto as Exhibit 3, and directs that Lead Counsel shall cause
9 the Summary Notice to be published in *The Wall Street Journal* and be transmitted over the
10 *Business Wire* within fourteen (14) calendar days of the Notice Date. Lead Counsel shall, at
11 least fourteen (14) calendar days before the Settlement Hearing, file with the Court proof of
12 publication of the Summary Notice.

13 12. Lead Counsel may make non-material edits to the Notice, Proof of Claim, and
14 Summary Notice without Court approval.

15 13. The form and content of the notice program described herein, and the methods set
16 forth herein of notifying the Settlement Class of the Settlement and its terms and conditions
17 (attached as Exhibit 4), meet the requirements of Rule 23 of the Federal Rules of Civil
18 Procedure, Section 27 of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7) as amended by the
19 PSLRA, and due process, constitute the best notice practicable under the circumstances, and
20 shall constitute due and sufficient notice to all persons and entities entitled thereto.

21 14. In order to be eligible to receive a distribution from the Net Settlement Fund, in
22 the event the Settlement is effected in accordance with the terms and conditions set forth in the
23 Stipulation, each claimant shall take the following actions and be subject to the following
24 conditions:

25 (a) A properly executed Proof of Claim, substantially in the form annexed
26 hereto as Exhibit 2, must be submitted to the Claims Administrator, at the address indicated in
27 the Notice, postmarked or electronically submitted no later than fourteen (14) calendar days
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1 before the Settlement Hearing. Such deadline may be further extended by Court order or by
2 Lead Counsel in their discretion. Each Proof of Claim shall be deemed to have been submitted
3 when postmarked (if properly addressed and mailed by first-class or overnight mail, postage
4 prepaid). Any Proof of Claim submitted in any other manner shall be deemed to have been
5 submitted when it was actually received at the address designated in the Notice. Any
6 Settlement Class Member who does not timely submit a Proof of Claim within the time
7 provided for shall be barred from sharing in the distribution of the Net Settlement Fund, unless
8 otherwise ordered by the Court or allowed by Lead Counsel, but shall remain bound by all
9 determinations and judgments in this Action concerning the Settlement, as provided by
10 paragraph 16 of this order. Notwithstanding the foregoing, Lead Counsel shall have the
11 discretion (but not the obligation) to accept for processing late-submitted claims so long as the
12 distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed.
13 Lead Counsel shall have no liability for their discretion in accepting late claims.

14 (b) The Proof of Claim submitted by each claimant must satisfy the
15 following conditions, unless otherwise allowed pursuant to the Stipulation: (i) it must be
16 properly completed, signed and submitted in a timely manner in accordance with the provisions
17 of the preceding subparagraph; (ii) it must be accompanied by adequate supporting
18 documentation for the transactions reported therein, in the form of broker confirmation slips,
19 broker account statements, an authorized statement from the broker containing the transactional
20 information found in a broker confirmation slip, or such other documentation as is deemed
21 adequate by the Claims Administrator with such supervision by Lead Counsel as necessary; (iii)
22 if the person executing the Proof of Claim is acting in a representative capacity, a certification
23 of her current authority to act on behalf of the Settlement Class Member must be included in the
24 Proof of Claim; and (iv) the Proof of Claim must be complete and contain no material deletions
25 or modifications of any of the printed matter contained therein and must be signed under
26 penalty of perjury.

1 (c) As part of the Proof of Claim, each claimant shall submit to the
2 jurisdiction of the Court with respect to the claim submitted.

3 15. Any Settlement Class Member may enter an appearance in this Action, at his, her
4 or its own expense, individually or through counsel of his, her, or its own choice. If any
5 Settlement Class Member does not enter an appearance, he, she, or it will be represented by Lead
6 Counsel.

7 16. Settlement Class Members shall be bound by all orders, determinations and
8 judgments in this Action concerning the Settlement, whether favorable or unfavorable, unless
9 such Persons request exclusion from the Settlement Class in a timely and proper manner, as
10 hereinafter provided. A Settlement Class Member wishing to make such an exclusion request
11 shall mail the request in written form by first-class mail to the address designated in the Notice
12 for such exclusions, such that it is postmarked no later than sixty (60) calendar days after the
13 Notice Date. Such request for exclusion must state the name, address and telephone number of
14 the Person seeking exclusion, must state that the sender requests to be “excluded from the
15 Settlement Class in *In re Ubiquiti Networks, Inc., Securities Litigation*, No. 12-4677 (N.D. Cal.)”
16 and must be signed by such Person. Such Persons requesting exclusion are also directed to state
17 the information requested in the Notice, including, but not limited to: the date(s), price(s), and
18 number(s) of shares of all purchases and acquisitions and/or sales of Ubiquiti publicly traded
19 common stock during the period from October 14, 2011 through May 3, 2012, inclusive. The
20 request for exclusion shall not be effective unless it provides the required information and is
21 made within the time stated above, or the exclusion is otherwise accepted by the Court or the
22 Parties.

23 17. Settlement Class Members requesting exclusion from the Settlement Class shall
24 not be eligible to receive any payment out of the Net Settlement Fund as described in the
25 Stipulation and Notice.

26 18. The Court will consider any Settlement Class Member’s objection to the
27 Settlement, the Plan of Allocation, and/or the application for an award of attorneys’ fees or
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1 expenses only if such Settlement Class Member has (A) served by hand or by mail his, her, or its
2 written objection and supporting papers, such that they are postmarked on or before sixty (60)
3 calendar days after the Notice Date, and mailed to Lead Counsel: Jonathan Gardner, Labaton
4 Sucharow LLP, 140 Broadway, New York, NY 10005 and Daniel J. Pfefferbaum, Robbins
5 Geller Rudman & Dowd LLP, Post Montgomery Center, One Montgomery Street, Suite 1800,
6 San Francisco, CA 94104; and Defendants' Counsel: Peter Wald, Latham & Watkins LLP, 505
7 Montgomery Street, Suite 2000, San Francisco, CA 94111, and Ethan Dettmer, Gibson Dunn &
8 Crutcher LLP, 555 Mission Street, Suite 3000, San Francisco, CA 94105, and (B) filed said
9 objections and supporting papers with the Clerk of the Court, United States District Court for the
10 Northern District of California, Oakland Courthouse, 1301 Clay Street, Oakland, CA 94612.

11 Any Settlement Class Member who does not make his, her, or its objection in the manner
12 provided for in the Notice shall be deemed to have waived such objection and shall forever be
13 foreclosed from making any objection to any aspect of the Settlement, to the Plan of Allocation,
14 or to the request for attorneys' fees and expenses, unless otherwise ordered by the Court, but
15 shall otherwise be bound by the Judgment to be entered and the releases to be given. The Court
16 will consider all proper objections even if a Settlement Class Member does not attend the
17 Settlement Hearing. However, Persons wishing to be heard orally in opposition to the approval
18 of the Settlement, the Plan of Allocation, and/or the application for an award of attorneys' fees
19 and other expenses are required to indicate in their written objection their intention to appear at
20 the Settlement Hearing. Persons who intend to object to the Settlement, the Plan of Allocation,
21 and/or the application for an award of attorneys' fees and expenses and desire to present
22 evidence at the Settlement Hearing must include in their written objections the identity of any
23 witnesses they may call to testify and exhibits they intend to introduce into evidence at the
24 Settlement Hearing. Settlement Class Members do not need to appear at the hearing or take any
25 other action to indicate their approval.

26 19. Pending final determination of whether the Settlement should be approved, Lead
27 Plaintiffs, all Settlement Class Members, and each of them, and anyone who acts or purports to

1 act on their behalf, shall not institute, commence or prosecute any action which asserts Released
2 Claims against the Released Defendant Parties.

3 20. As provided in the Stipulation, prior to the Effective Date, Lead Counsel may pay
4 the Claims Administrator fees and costs associated with giving notice to the Settlement Class and
5 the review of claims and administration of the Settlement out of the Settlement Fund without
6 further approval from Defendants and without further order of the Court.

7 21. All papers in support of the Settlement, Plan of Allocation, and Lead Counsel's
8 request for an award of attorneys' fees and expenses shall be filed with the Court and served on
9 or before fourteen (14) calendar days prior to the date set for objections in ¶ 18. Any reply
10 papers are to be filed with the Court and served no later than fourteen (14) calendar days prior to
11 the Settlement Hearing.

12 22. No later than seven (7) calendar days before the Settlement Hearing, Lead
13 Counsel shall file a submission with the Court concerning the claims received to date.

14 23. The passage of title and ownership of the Settlement Fund to the Escrow Agent in
15 accordance with the terms and obligations of the Stipulation is approved. No person who is not a
16 Settlement Class Member or Lead Counsel shall have any right to any portion of, or to any
17 distribution of, the Settlement Fund unless otherwise ordered by the Court or otherwise provided
18 in the Stipulation.


19 24. All funds held in escrow shall be deemed and considered to be in *custodia legis* of
20 the Court, and shall remain subject to the jurisdiction of the Court until such time as such funds
21 shall be disbursed pursuant to the Stipulation and/or further order of the Court.

22 25. Neither Defendants nor their counsel shall have any responsibility for the Plan of
23 Allocation or any application for attorney's fees or expenses submitted by Lead Counsel or Lead
24 Plaintiffs, and such matters shall be considered separately from the fairness, reasonableness and
25 adequacy of the Settlement.
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1 26. If the Settlement fails to become effective as defined in the Stipulation or is
2 terminated, then, in any such event, the Stipulation, including any amendment(s) thereof, except
3 as expressly provided in the Stipulation, and this Preliminary Approval Order shall be null and
4 void, of no further force or effect, and without prejudice to any Party, and may not be introduced
5 as evidence or used in any actions or proceedings by any person or entity against the Parties, and
6 the Parties shall be deemed to have reverted to their respective litigation positions in the Action
7 as of June 22, 2017.

9 27. The Court retains exclusive jurisdiction over the Action to consider all further
10 matters arising out of or connected with the Settlement.

13 Dated: September 13, 2017



Honorable Yvonne Gonzalez Rogers
UNITED STATES DISTRICT JUDGE

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Lead Counsel for Plaintiffs

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re UBIQUITI NETWORKS, INC.	)	Master File No. 12-cv-04677-YGR
SECURITIES LITIGATION)	
_____	)	<u>CLASS ACTION</u>
This Document Relates To:	)	REVISED NOTICE OF PENDENCY OF
	)	CLASS ACTION, PROPOSED
ALL ACTIONS.	)	SETTLEMENT, AND MOTION FOR
_____	)	ATTORNEYS' FEES AND EXPENSES
	)	EXHIBIT A-1

1 **If you purchased or acquired the publicly traded common stock of Ubiquiti Networks, Inc.**
2 **pursuant and/or traceable to Ubiquiti Networks, Inc.’s initial public offering on or about**
3 **October 14, 2011, you may be entitled to receive money from a class action settlement.**

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

5 This Notice describes important rights you may have and what steps you must take if you
6 wish to participate in the Settlement or wish to be excluded from the Settlement Class.

- 7
- 8 • The Settlement, if approved by the Court, will provide a total recovery of
9 **\$6,800,000** (on average approximately \$1.00 per share¹ before the deduction
10 of Court-approved expenses) in cash for the benefit of the Settlement Class
11 (described below).²
 - 12 • The Settlement resolves claims by Lead Plaintiffs Inter-Local Pension Fund
13 GCC/IBT and Bristol County Retirement System in a class action against
14 Ubiquiti Networks, Inc. (“Ubiquiti” or the “Company”), and Robert J. Pera,
15 John Ritchie, Peter Y. Chung, Christopher J. Crespi, Charles J. Fitzgerald, John
16 L. Ocampo, and Robert M. Van Buskirk (the “Individual Defendants”), and
17 UBS Securities LLC, Deutsche Bank Securities Inc., Raymond James &
18 Associates, Inc., and KeyBanc Capital Markets Inc. (formerly known as
19 Pacific Crest Securities LLC) (collectively, the “Underwriter Defendants” and
20 with Ubiquiti and the Individual Defendants, the “Defendants”).
 - 21 • The lawsuit alleged that statements made in the Registration Statement and
22 Prospectus (“Registration Statement”) issued in connection with the
23 Company’s October 14, 2011 initial public offering (“IPO”) were materially
24 false or misleading. The two sides disagreed about whether investors could
25 have prevailed at trial and, if so, how much money they could have won.
 - 26 • Court-appointed lawyers for the investors will ask the Court for no more than
27 \$1,700,000 in attorneys’ fees (25% of the Settlement Fund) and up to
28 \$200,000 in litigation expenses for their work litigating the case and
negotiating the Settlement. If approved by the Court, these amounts (totaling
on average approximately \$0.28 per share) will be deducted from the
\$6,800,000 Settlement.

1 ¹ A share might have been traded more than once, and the recovery indicated above represents
the estimated average for each purchase of a share pursuant to the IPO, including those shares
that were traded more than once that allegedly incurred damages.

2 ² All capitalized terms not defined in this Notice have the meanings provided in the Stipulation
and Agreement of Settlement, dated as of [REDACTED], 2017 (the “Stipulation”), which can be
viewed at [www.\[REDACTED\].com](http://www.[REDACTED].com).

- 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 after any appeals are resolved. Please be patient.
- **If you are a Settlement Class Member, your legal rights will be affected by this Settlement whether you act or do not act. Please read this Notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A PROOF OF CLAIM FORM BY [REDACTED], 2017	The <u>only</u> way to get a payment.
EXCLUDE YOURSELF BY [REDACTED], 2017	You will get no payment. This is the only option that, assuming your claim is timely brought, might allow you ever to bring or be part of any other lawsuit against the Defendants and/or the other Released Defendant Parties concerning the Released Claims.
OBJECT BY [REDACTED], 2017	Write to the Court about why you do not like the Settlement, the Fee and Expense Application, or the proposed Plan of Allocation.
GO TO A HEARING ON DECEMBER 19, 2017	Ask to speak in Court about the Settlement.
DO NOTHING	Get no payment AND give up your rights to bring your own individual action.

Identification of Attorneys’ Representatives

Lead Plaintiffs and the Settlement Class are being represented by Labaton Sucharow LLP and Robbins Geller Rudman & Dowd LLP, Court-appointed Lead Counsel. Any questions regarding the Settlement should be directed to Jonathan Gardner, Labaton Sucharow LLP, 140 Broadway, New York, NY 10005, (888) 219-6877, www.labaton.com, settlementquestions@labaton.com, and Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101-8498, (800) 449-4900, www.rgrdlaw.com.

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BASIC INFORMATION

1. Why did I get this Notice?

The Court authorized that this Notice be sent to you because you or someone in your family may have purchased or acquired Ubiquiti’s publicly traded common stock pursuant and/or traceable to Ubiquiti’s IPO on or about October 14, 2011.

If this description applies to you or someone in your family, you have a right to know about the proposed Settlement of this class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

This Notice explains the lawsuit, the Settlement, Settlement Class Members’ legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this Action is the United States District Court for the Northern District of California (the “Court”), and the case is known as *In re Ubiquiti Networks, Inc. Securities Litigation*, Master File No. 12-cv-4677-YGR (N.D. Cal.) (the “Action”). The Action is assigned to the Honorable Yvonne Gonzalez Rogers, United States District Judge.

The Court did not decide in favor of the Plaintiffs or the Defendants. Instead, they have agreed to a settlement. For Lead Plaintiffs, the principal reason for the Settlement is the certain benefit of a substantial cash recovery for the class, in contrast to the costs and delay of fact and expert discovery; the uncertainty of having a class of Ubiquiti investors certified; the risk that the Court may grant, in whole or in part, some or all of the anticipated motions for summary judgment to be filed by Defendants; the uncertainty of being able to prove the allegations at a jury trial; and the difficulties and delays inherent in such litigation (including any appeals).

For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny that any Settlement Class Members were damaged, the principal reasons for entering into the

1 Settlement are to bring to an end the substantial burden, expense, uncertainty, and risk of further
2 litigation.

3 **2. What is this lawsuit about? What has happened so far?**

4 Ubiquiti is a designer and manufacturer of wireless networking products. At the time of
5 the Consolidated Amended Complaint for Violation of the Federal Securities Laws (“CAC”), its
6 products were made in China and sold worldwide, primarily in emerging markets. As detailed in
7 the CAC, Lead Plaintiffs allege that the Company’s Registration Statement contained materially
8 false and misleading statements that counterfeiting of Ubiquiti’s wireless networking products
9 was merely a risk faced by the Company. Plaintiffs allege that, instead, at the time of the IPO,
10 an international counterfeiting ring was already operational and causing substantial harm to
11 Ubiquiti’s financial results and damaging its goodwill and reputation. Plaintiffs allege that when
12 disclosures were allegedly made about the impact of the counterfeiting, Ubiquiti’s stock price
13 fell, allegedly damaging class members.

14 Beginning in September 2012, two class actions were filed in the U.S. District Court for
15 the Northern District of California on behalf of investors in Ubiquiti. By order dated November
16 30, 2012, the Court consolidated the related securities actions, appointed Inter-Local Pension
17 Fund GCC/IBT and Bristol County Retirement System as Lead Plaintiffs, and appointed Labaton
18 Sucharow and Robbins Geller as co-lead counsel to represent the class.

19 Lead Plaintiffs filed the CAC on January 29, 2013 alleging violations of §§ 11, 12(a)(2)
20 and 15 of the Securities Act of 1933 (the “1933 Act”), and §§ 10(b) and 20(a) of the Securities
21 and Exchange Act of 1934 (the “1934 Act”), arising from allegedly false statements in the
22 Company’s Registration Statement and after the IPO, through August 9, 2012, the latest date by
23 which facts that Plaintiffs allege to have been “concealed” from investors were fully disclosed.
24 On March 26, 2013, each of the Defendants moved to dismiss the CAC. On March 26, 2014, the
25 Court granted Defendants’ motions in their entirety with leave to amend. On April 15, 2014,
26 Lead Plaintiffs filed a notice of intent not to file an amended complaint, and on April 16, 2014,
27 the Court issued an order dismissing the case with prejudice.
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1 On September 24, 2014, Lead Plaintiffs appealed the dismissal of their claims under
2 §§ 11 and 15 of the 1933 Act, and §§ 10(b) and 20(a) of the 1934 Act to the United States Court
3 of Appeals for the Ninth Circuit (the “Ninth Circuit”). Lead Plaintiffs did not appeal the
4 dismissal of their claim under § 12(a)(2) of the 1933 Act. On October 24, 2016, the Ninth
5 Circuit issued an order affirming in part and reversing in part the Court’s March 26, 2014 order.
6 The Ninth Circuit affirmed the Court’s dismissal of the §§ 10(b) and 20(a) claims and reversed
7 the dismissal of the §§ 11 and 15 claims, remanding the claims to the Court for further
8 proceedings.

9 At the direction of the Court, on January 30, 2017, Lead Plaintiffs filed the operative
10 Consolidated Second Amended Complaint for Violations of the Federal Securities Laws (the
11 “SAC”) asserting only those 1933 Act claims alleging material misstatements and omissions in
12 the Company’s Registration Statement for the IPO that remained after the Ninth Circuit’s
13 October 24, 2016 order. Defendants answered the SAC on February 13, 2017, denying Lead
14 Plaintiffs’ allegations and asserting affirmative defenses.

15 Lead Plaintiffs, through Lead Counsel, conducted a thorough investigation relating to the
16 claims, defenses, and underlying events and transactions that are the subjects of the Action. This
17 process included reviewing and analyzing, among other things, documents related to Ubiquiti’s
18 lawsuit against Kozumi USA Corp. and its owner, Shao Wei Hsu (the “Kozumi Litigation”), and
19 approximately 60,000 pages of documents produced by Defendants during pre-mediation
20 informal discovery referenced below, including drafts of registration statements for the
21 Company’s October 14, 2011 IPO, road show presentations, underwriter memoranda, due
22 diligence materials, board minutes, financial documents, emails, and documents related to
23 counterfeiting Ubiquiti’s products.

24 Defendants and Lead Plaintiffs engaged Robert A. Meyer, a well-respected and highly
25 experienced mediator, to assist them in exploring a potential negotiated resolution of the claims
26 in the Action. On May 15, 2017, counsel for Lead Plaintiffs and Defendants met with Mr.
27 Meyer in an attempt to reach a settlement. The mediation involved an extended effort to settle
28

1 the claims and, prior to the mediation, the Parties exchanged detailed mediation statements, as
2 well as informal discovery through which Ubiquiti and the Underwriter Defendants produced
3 approximately 60,000 pages of documents to Lead Plaintiffs, including drafts of registration
4 statements for the IPO, road show presentations, underwriter memoranda, due diligence
5 materials, board minutes, financial documents, emails, and documents related to counterfeiting
6 of Ubiquiti's products. However, the parties were unable to reach an agreement on May 15,
7 2017. Following the mediation, Mr. Meyer continued his efforts to facilitate discussions among
8 the parties. Ultimately, Mr. Meyer made a mediator's proposal to both sides to settle the Action
9 for \$6,800,000, which was separately agreed to by the Parties on June 22, 2017.

10 **3. Why is this a class action?**

11 In a class action, one or more persons or entities (in this case, the Lead Plaintiffs), sue on
12 behalf of people and entities who have similar claims. Together, these people and entities are a
13 class, and each is a class member. Bringing a case, such as this one, as a class action allows the
14 Court to resolve many similar claims of persons and entities that might be economically too
15 small to bring as individual actions. One court resolves the issues for all class members at the
16 same time, except for those who exclude themselves, or "opt-out," from the class.

17
18 **WHO IS IN THE SETTLEMENT**

19 **4. How do I know if I am part of the Settlement Class?**

20 The Court has decided, for the purposes of the proposed Settlement, that everyone who
21 fits the following description is a Settlement Class Member and subject to the Settlement, unless
22 they are an excluded person (*see* Question 5 below) or take steps to exclude themselves (*see*
23 Question 10 below):

24
25 All persons and entities that purchased or acquired the publicly
26 traded common stock of Ubiquiti pursuant and/or traceable to
27 Ubiquiti's initial public offering on or about October 14, 2011.
28

1 Check your investment records or contact your broker to see if you purchased or acquired
2 the publicly traded common stock of Ubiquiti during the period from October 14, 2011 through
3 May 3, 2012, inclusive. If so, you are presumed to have purchased or acquired your shares
4 pursuant and/or traceable to Ubiquiti's IPO on or about October 14, 2011. You are *not* part of
5 the Settlement Class if you only purchased or acquired the publicly traded common stock of
6 Ubiquiti *after* May 3, 2012, because your purchase or acquisition was not pursuant or traceable
7 to Ubiquiti's IPO.

8 **5. Are there exceptions to being included?**

9 Yes. Some people are excluded from the Settlement Class by definition. Excluded from
10 the Settlement Class are: (i) the Defendants; (ii) members of the immediate families of the
11 Individual Defendants; (iii) Ubiquiti's and the Underwriter Defendants' subsidiaries and
12 affiliates; (iv) the officers and directors of Ubiquiti; (v) any entity in which any Defendant has a
13 controlling interest (but in the case of the Underwriter Defendants, only such entities that they
14 have a majority interest in); and (vi) the legal representatives, heirs, successors and assigns of
15 any such excluded person or entity.

16 Also excluded from the Settlement Class is anyone who submits a valid and timely
17 request for exclusion from the Settlement Class, in accordance with the procedures set forth in
18 Question 10 below.

19 **6. What if I am still not sure if I am included?**

20 If you are still not sure whether you are included in the Settlement, you can ask for free
21 help. You can call the Claims Administrator toll-free at (____) ____-____, send an e-mail to the
22 Claims Administrator at _____, or write to the Claims Administrator at _____ c/o
23 XXX, P.O. Box _____, XXX. Or you can fill out and return the Proof of Claim form
24 described in Question 8 to see if you qualify.
25
26
27
28

THE SETTLEMENT BENEFITS — WHAT YOU GET

7. How much will my payment be?

In exchange for the Settlement and the release of the Released Claims against the Released Defendant Parties, Ubiquiti has agreed to create a \$6,800,000 cash fund, which will earn interest, to be distributed after the deduction of Court-approved fees and expenses among all Settlement Class Members who submit a valid Claim Form and are found to be entitled to a distribution from the Net Settlement Fund (“Authorized Claimants”). Authorized Claimants are those Settlement Class Members whose claim for recovery from the Settlement has been allowed pursuant to the terms of the Stipulation and the Court-approved Plan of Allocation.

If you are an Authorized Claimant entitled to a payment, your share of the Net Settlement Fund will depend on several things, including, how many Settlement Class Members timely send in valid Claim Forms; the total amount of Recognized Losses of other Settlement Class Members; how many shares of Ubiquiti publicly traded common stock you purchased; the prices and dates of those purchases; and the prices and dates of any sales.

The prices and dates of your purchases and sales of Ubiquiti publicly traded common stock are needed to calculate your claim under the Court-approved Plan of Allocation. See Plan of Allocation at pages , below. Settlement Class members must report on their Claim Forms all their purchases and sales of Ubiquiti publicly traded common stock from October 14, 2011 through April 25, 2013. (April 25, 2013 is when Ubiquiti’s stock price rebounded to \$15.00, the IPO offering price.) Transactional information about purchases and sales after the IPO is needed in order to apply properly the formulas in the Plan of Allocation, which generally follow how damages are calculated under the 1933 Act. However, you cannot recover for purchases after May 3, 2012, because they were not pursuant or traceable to the IPO, and you cannot recover for shares sold after April 25, 2013, because under the 1933 Act, a purchaser cannot recover based on a share sold for a price greater than or equal to the IPO offering price.

You can calculate your Recognized Loss in accordance with the formulas shown below in the Plan of Allocation. It is unlikely that you will receive a payment for all of your

1 Recognized Loss. See the Plan of Allocation of Net Settlement Fund on pages [redacted] for more
2 information on your Recognized Loss.

3
4 **HOW YOU RECEIVE A PAYMENT:
SUBMITTING A PROOF OF CLAIM FORM**

5 **8. How can I receive a payment?**

6 To qualify for a payment, you must submit a timely and valid Claim Form. A Claim
7 Form is included with this Notice. If you did not receive a Claim Form, you can obtain one on
8 the internet at the website for the Claims Administrator: www.[redacted]. You can also ask for a
9 Claim Form by calling the Claims Administrator toll-free at ([redacted]) [redacted]-[redacted].

10 Please read the instructions carefully, fill out the Claim Form, include all the documents
11 the form requests, sign it, and mail or submit it to the Claims Administrator so that it is
12 **postmarked or electronically submitted no later than [redacted], 2017.**

13 **9. What am I giving up to receive a payment or stay in the Settlement Class?**

14 Unless you exclude yourself, you are staying in the Settlement Class, and that means that,
15 upon the “Effective Date,” you will release all “Released Claims,” including “Unknown Claims,”
16 as defined below, against the “Released Defendant Parties.”

17
18 **“Class Period”** means the period from October 14, 2011 through August 9, 2012,
19 inclusive. This was the Class Period in the CAC (filed on January 29, 2013), when the case
20 included claims under §§ 10(b) and 20(a) of the 1934 Act. The claims under the 1934 Act were
21 dismissed by the Court, and the Court’s dismissal of those claims was upheld by the Ninth
22 Circuit. The SAC (filed on January 30, 2017) alleges wrongdoing by the Defendants throughout
23 the Class Period, and the Defendants deny any such wrongdoing.

24 **“Released Claims”** means any and all actions, suits, claims, demands, rights, liabilities,
25 damages, costs, restitution, rescission, interest, attorneys’ fees, expert or consulting fees,
26 expenses, matters and issues known or Unknown (as defined below), contingent or absolute,
27 suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or
28

1 unmatured, accrued or unaccrued, apparent or unapparent, whether concealed or hidden, and
2 causes of action of every nature and description, including both known claims and Unknown
3 Claims (as defined below), whether based on federal, state, local, foreign, statutory or common
4 law or any other law, rule or regulation, that have been or that might have been asserted by any
5 Releasing Plaintiff Party against any of the Released Defendant Parties, arising out of, relating
6 to, based upon, or in connection with both: (a) any purchase, acquisition, disposition, sale or
7 holding of Ubiquiti publicly traded common stock during the Class Period and (b) any facts,
8 claims, matters, allegations, transactions, events, disclosures, representations, statements, acts, or
9 omissions or failures to act that were alleged, set forth, referred to, or that could have been
10 alleged in the Action against the Released Defendant Parties. For the avoidance of doubt,
11 Released Claims include any claims under §§ 12(a)(2) and 15 of the 1933 Act, and §§ 10(b) and
12 20(a) of the 1934 Act, which were alleged or could have been alleged in this Action. Released
13 Claims do not include claims relating to the enforcement of the Settlement.

14 **“Released Defendant Parties”** means Defendants, Defendants’ Counsel, and each of
15 their respective past or present subsidiaries, parents, affiliates, principals, successors and
16 predecessors, joint venturers, assigns, officers, directors, shareholders, underwriters, trustees,
17 partners, members, agents, fiduciaries, contractors, employees, attorneys, insurers, co-insurers,
18 reinsurers, controlling shareholders, accountants or auditors, financial or investment advisors or
19 consultants, banks or investment bankers, personal or legal representatives, estates, heirs, related
20 or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an
21 Individual Defendant’s immediate family, or any trust of which any Individual Defendant is a
22 settlor or which is for the benefit of any Defendant and/or member(s) of his or her family, and
23 each of the heirs, executors, administrators, predecessors, successors, and assigns of the
24 foregoing.

25 **“Unknown Claims”** means any and all Released Claims that Lead Plaintiffs or any other
26 Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of
27 the release of the Released Defendant Parties, and any and all Released Defendants’ Claims that
28

1 any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release
2 of the Releasing Plaintiff Parties, which if known by him, her, or it might have affected his, her,
3 or its decision(s) with respect to the Settlement, including the decision to object to the terms of
4 the Settlement or to exclude himself, herself, or itself from the Settlement Class. With respect to
5 any and all Released Claims and Released Defendants' Claims, the Parties stipulate and agree
6 that, upon the Effective Date, Lead Plaintiffs and Defendants shall expressly, and each other
7 Settlement Class Member and Released Defendant Parties shall be deemed to have, and by
8 operation of the Judgment or Alternative Judgment shall have, to the fullest extent permitted by
9 law, expressly waived and relinquished any and all provisions, rights and benefits conferred by
10 any law of any state or territory of the United States, or principle of common law, which is
11 similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

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

15 Lead Plaintiffs, other Settlement Class Members, Defendants, or any Released Defendant Party
16 may hereafter discover facts, legal theories, or authorities in addition to or different from those
17 which any of them now knows or believes to be true with respect to the subject matter of the
18 Released Claims and the Released Defendants' Claims, but Lead Plaintiffs and Defendants shall
19 expressly, fully, finally, and forever waive, compromise, settle, discharge, extinguish, and
20 release, and each Settlement Class Member and Released Defendant Party shall be deemed to
21 have waived, compromised, settled, discharged, extinguished, and released, and upon the
22 Effective Date and by operation of the Judgment or Alternative Judgment shall have waived,
23 compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and
24 all Released Claims and Released Defendants' Claims as applicable, known or unknown,
25 suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent,
26 which now exist, or heretofore existed, or may hereafter exist, without regard to the subsequent
27 discovery or existence of such different or additional facts, legal theories, or authorities. Lead
28 Plaintiffs and Defendants acknowledge, and other Settlement Class Members and Released

1 Defendant Party by operation of law shall be deemed to have acknowledged, that the inclusion of
2 “Unknown Claims” in the definition of Released Claims and Released Defendants’ Claims was
3 separately bargained for and was a material element of the Settlement.

4 The “Effective Date” will occur when an Order entered by the Court approving the
5 Settlement becomes final and not subject to appeal. If you remain a member of the Settlement
6 Class, all of the Court’s orders will apply to you and legally bind you.

7 **EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS**

8 If you do not want a payment from this Settlement, but you want to keep any right you
9 may have to sue or continue to sue Defendants and the other Released Defendant Parties on your
10 own concerning the Released Claims, then you must take steps to remove yourself from the
11 Settlement Class. This is called excluding yourself or “opting out.” **Please note:** if you decide
12 to exclude yourself because you want to bring your own lawsuit to pursue claims alleged in the
13 Action, you may want to consult with an attorney and discuss whether your individual claim
14 would be time-barred by the applicable statutes of limitations or repose. Also, Defendants may
15 terminate the Settlement if Settlement Class Members who purchased in excess of a certain
16 amount of shares of Ubiquiti common stock seek exclusion from the Settlement Class.

17 **10. How do I exclude myself from the proposed Settlement?**

18 To exclude yourself from the Settlement Class, you must mail a signed letter stating that
19 you “wish to be excluded from the Settlement Class in ‘*In re Ubiquiti Networks, Inc. Securities*
20 *Litigation*, No. 12-4677 (N.D. Cal.).” You cannot exclude yourself by telephone or e-mail.
21 Your letter must state the date(s), price(s), and number(s) of shares of all purchases, acquisitions,
22 and/or sales of Ubiquiti publicly traded common stock during the period from October 14, 2011
23 through May 3, 2012. Your letter must include your name, mailing address, telephone number,
24 e-mail address, and signature. You must submit your exclusion request so that it is **postmarked**

25 **no later than** _____, **2017** to:

26 *Ubiquiti Networks Securities Litigation*
27 Claims Administrator
28 c/o [XXX]
[XXXXXXXXXXXXXXXXXX]

1 Your exclusion request must comply with these requirements in order to be valid. If you
2 ask to be excluded, you will not receive any payment from the Net Settlement Fund, and you
3 cannot object to the Settlement.
4

5 **11. If I do not exclude myself, can I sue Defendants and the other Released Defendant
6 Parties for the same thing later?**

6 No. Unless you properly exclude yourself, you remain in the Settlement Class and you
7 give up any rights to sue Defendants and the other Released Defendant Parties for any and all
8 Released Claims. If you have a pending lawsuit, **speak to your lawyer in that case**
9 **immediately**. You must exclude yourself from this Settlement Class to continue your own
10 lawsuit. Remember, the exclusion deadline is , 2017.

11 **THE LAWYERS REPRESENTING YOU**

12 **12. Do I have a lawyer in this case?**

13 The Court ordered the law firms of Labaton Sucharow LLP and Robbins Geller Rudman
14 & Dowd LLP to represent all Settlement Class Members. These lawyers are called Lead
15 Counsel. You will not be separately charged for these lawyers. The Court will determine the
16 amount of Lead Counsel's fees and expenses, which will be paid from the Settlement Fund. If
17 you want to be represented by your own lawyer, you may hire one at your own expense.
18

19 **13. How will the lawyers be paid?**

20 Lead Counsel have not been paid for any of their work. They will ask the Court to award
21 them, from the Settlement Fund, attorneys' fees of no more than 25% of the Settlement Fund,
22 which includes interest on such fees at the same rate as earned by the Settlement Fund. Lead
23 Counsel will also seek payment of their litigation expenses in connection with the prosecution of
24 this Action of no more than \$200,000, plus interest on such expenses at the same rate as earned
25 by the Settlement Fund.
26
27
28

The Court

Clerk of the Court
United States District Court for the Northern District of California
Oakland Courthouse
1301 Clay Street
Oakland, CA 94612

Lead Counsel

Defendants' Counsel

LABATON SUCHAROW LLP
Jonathan Gardner, Esq.
140 Broadway
New York, NY 10005

LATHAM & WATKINS LLP
Peter A. Wald, Esq.
505 Montgomery Street, Suite 2000,
San Francisco, CA 94111

ROBBINS GELLER RUDMAN &
DOWD LLP
Daniel J. Pfefferbaum, Esq.
Post Montgomery Center
One Montgomery Street, Suite 1800
San Francisco, CA 94104

GIBSON DUNN & CRUTCHER LLP
Ethan D. Dettmer, Esq.
555 Mission St. #3000
San Francisco, CA 94105

You do not need to attend the Settlement Hearing to have your written objection considered by the Court. However, any Settlement Class Member who has complied with the procedures set out in this Question 14 and below in Question 17 may appear at the Settlement Hearing and be heard, to the extent allowed by the Court, either in person or through an attorney, arranged at his, her, or its own expense.

15. What is the difference between objecting and excluding?

Objecting is telling the Court that you do not like something about the proposed Settlement, Plan of Allocation, or Fee and Expense Application. You can still recover from the Settlement, and you will still be bound by the Settlement and any Court order in this Action. You can object *only* if you stay in the Settlement Class.

Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

THE SETTLEMENT HEARING

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

The Court will hold the Settlement Hearing on **December 19, 2017 at 2:00 p.m.**, in Courtroom 1, 4th Floor of the Oakland Courthouse, 1301 Clay Street, Oakland, CA 94612.

At this hearing, the Court will consider (i) whether the Settlement is fair, reasonable, and adequate and should be finally approved; (ii) whether the proposed Plan of Allocation is fair, reasonable, and adequate; and (iii) the application of Lead Counsel for an award of attorneys’ fees and payment of litigation expenses. The Court will take into consideration any written objections filed in accordance with the instructions in Question 14. We do not know how long it will take the Court to make these decisions.

You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Settlement Class Members. If you want to attend the hearing, you should check with Lead Counsel beforehand to be sure that the date and/or time has not changed or periodically check the Court’s website at www.cand.uscourts.gov/ygr or the case-specific website at www.____.com to see if the Settlement Hearing stays as calendared or is changed.

17. May I speak at the Settlement Hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must submit a statement that it is your intention to appear in “*In re Ubiquiti Networks, Inc. Securities Litigation*, No. 12-4677 (N.D. Cal.)” Persons who intend to object to the Settlement, the Plan of Allocation, or Lead Counsel’s Fee and Expense Application, and desire to present evidence at the Settlement Hearing must also include in their objections (prepared and submitted in accordance with the answer to Question 14 above) the identity of any witness they may wish to call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. You may not speak at the Settlement Hearing if you excluded yourself from the Settlement Class or if you have not provided written notice of your objection and/or intention to

1 speak at the Settlement Hearing in accordance with the procedures described in Questions 10 and
2 14.

3 **IF YOU DO NOTHING**

4 **18. What happens if I do nothing at all?**

5 If you do nothing and you are a member of the Settlement Class, you will receive no
6 money from this Settlement and you will be precluded from starting a lawsuit, continuing with a
7 lawsuit, or being part of any other lawsuit against Defendants and the other Released Defendant
8 Parties concerning the Released Claims. To share in the Net Settlement Fund, you must submit a
9 Claim Form (*see* Question 8). To start, continue, or be a part of any other lawsuit against
10 Defendants and the other Released Defendant Parties concerning the Released Claims in this
11 case, you must exclude yourself from the Settlement Class (*see* Question 10).

12 **GETTING MORE INFORMATION**

13 **19. Are there more details about the proposed Settlement?**

14 This Notice summarizes the proposed Settlement. More details are in the Stipulation.
15 Lead Counsel's motions in support of final approval of the Settlement, the request for attorneys'
16 fees and litigation expenses, and approval of the proposed Plan of Allocation will be filed with
17 the Court no later than [REDACTED], 2017 and available from Lead Counsel, the Claims
18 Administrator, or the Court, pursuant to the instructions below.

19 You may review the Stipulation or documents filed in the case at the Office of the Clerk
20 of the United States District Court for the Northern District of California, 1301 Clay Street,
21 Oakland, CA 94612, on weekdays (other than court holidays) between 9:00 a.m. and 4:00 p.m.
22 Subscribers to PACER, a fee-based service, can also view the papers filed publicly in the Action
23 through the Court's on-line Case Management/Electronic Case Files System at
24 <https://www.pacer.gov>.

25 You can also get a copy of the Stipulation and other case documents by calling the
26 Claims Administrator toll free at ([REDACTED]) [REDACTED] - [REDACTED]; writing to the Claims Administrator at
27 *Ubiquiti Networks, Inc. Securities Litigation*, c/o [REDACTED], P.O. Box [REDACTED], [REDACTED]; or visiting the
28

1 websites of the Claims Administrator or Lead Counsel at www. [\[REDACTED\]](#), www.labaton.com, or
2 www.rgrdlaw.com where you will find answers to common questions about the Settlement,
3 download copies of the Stipulation or Claim Form, and locate other information.

4
5 **Please do not Call the Court with Questions about the
Settlement.**

6 **PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND**

7 **A. Preliminary Matters**

8 The Settlement Amount and the interest it earns is the “Settlement Fund.” The
9 Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Notice and
10 Administration Expenses, Taxes, and any other fees or expenses approved by the Court is the
11 “Net Settlement Fund.” The Net Settlement Fund will be distributed to members of the
12 Settlement Class who timely submit valid Claim Forms that show a Recognized Loss according
13 to the Plan of Allocation approved by the Court. The Court may approve this Plan of Allocation
14 or modify it without additional notice to the Settlement Class. Any order modifying the Plan of
15 Allocation will be posted on the settlement website at: [\[REDACTED\]](#), and at
16 www.labaton.com or www.rgrdlaw.com.

17 The purpose of this Plan of Allocation of the Net Settlement Fund (“Plan of Allocation”
18 or “Plan”) is to establish a reasonable and equitable method of distributing the Net Settlement
19 Fund among Authorized Claimants who allegedly suffered economic losses as a result of the
20 alleged violations of the federal securities laws. For purposes of determining the amount an
21 Authorized Claimant may recover under this Plan, Lead Counsel have conferred with a
22 consulting damages expert. This Plan is intended to be consistent generally with an assessment
23 of, among other things, the damages that Lead Counsel and Lead Plaintiffs believe were
24 recoverable in the Action. The Plan, however, is not a formal damages analysis and the
25 calculations made pursuant to the Plan are not intended to be estimates of, nor indicative of, the
26 amounts that Settlement Class Members might have been able to recover after a trial. An
27 individual Settlement Class Member’s recovery will depend on, for example: (a) the total
28

1 number of claims submitted; (b) when the Settlement Class Member purchased or acquired
2 Ubiquiti publicly traded common stock; and (c) whether and when the Settlement Class Member
3 sold his, her, or its shares of Ubiquiti common stock.

4 The prices and dates of your purchases and sales of Ubiquiti publicly traded common
5 stock are needed to calculate your claim under this Plan of Allocation. Settlement Class
6 members must report on their Claim Forms all their purchases and sales of Ubiquiti publicly
7 traded common stock from October 14, 2011 through April 25, 2013. (April 25, 2013 is when
8 Ubiquiti's stock price rebounded to \$15.00, the IPO offering price.) Transactional information
9 about purchases and sales after the IPO is needed in order to apply properly the formulas in the
10 Plan, which generally follow how damages are calculated under the 1933 Act. However, you
11 cannot recover for purchases after May 3, 2012, because they were not pursuant or traceable to
12 the IPO, and you cannot recover for shares sold after April 25, 2013, because under the 1933
13 Act, a purchaser cannot recover based on a share sold for a price greater than or equal to the IPO
14 offering price.

15 Because the Net Settlement Fund is less than the total losses alleged to be suffered by
16 Settlement Class Members, the formulas described below for calculating Recognized Losses are
17 not intended to estimate the amount that will actually be paid to Authorized Claimants. Rather,
18 these formulas provide the basis on which the Net Settlement Fund will be distributed among
19 Authorized Claimants on a *pro rata* basis. An Authorized Claimant's Recognized Loss shall be
20 the amount used to calculate the Authorized Claimant's *pro rata* share of the Net Settlement
21 Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Loss divided by the
22 total of the Recognized Losses of all Authorized Claimants, multiplied by the total amount in the
23 Net Settlement Fund.

24 Defendants, their respective counsel, and all other Released Defendant Parties will have
25 no responsibility or liability for the investment of the Settlement Fund, the distribution of the Net
26 Settlement Fund, the Plan of Allocation or the payment of any claim. Lead Plaintiffs, Lead
27
28

1 Counsel, and anyone acting on their behalf, likewise will have no liability for their reasonable
2 efforts to execute, administer, and distribute the Settlement.

3
4 **B. Calculation of Recognized Loss Amounts**

5 For Ubiquiti publicly traded common stock purchased or acquired pursuant and/or
6 traceable to the Company's IPO on or about October 14, 2011 (namely, during the period from
7 October 14, 2011 through May 3, 2012), and:

8 (1) sold prior to the close of trading on September 7, 2012,³ the Recognized Loss per
9 share is:

10 a. the purchase price per share, not to exceed the \$15.00 per share IPO price,

11 *minus*

12 b. the sales price per share;

13 (2) sold after the close of trading on September 7, 2012 and before the close of trading on
14 April 25, 2013, the Recognized Loss per share is:

15 a. the purchase price per share, not to exceed the \$15.00 per share IPO price,

16 *minus*

17 b. the greater of the sales price per share or \$12.03 per share (September 7, 2012
18 closing price).

19 (3) held as of the close of trading on April 25, 2013, the Recognized Loss per share is
20 zero.

21 **C. Additional Provisions**

22 If a Settlement Class Member made multiple purchases, acquisitions, or sales of Ubiquiti
23 common stock during or after the Class Period, the starting point for calculating a claimant's
24 Recognized Loss is to match the claimant's purchases and acquisitions to their sales using the
25 first-in-first out (the "FIFO") method. Under the FIFO method, sales will be matched against
26

27 ³ September 7, 2012 is the date this Action was started, which is one of the elements for
28 calculating damages under the 1933 Act.

1 purchases or acquisitions in chronological order, beginning with the earliest purchase or
2 acquisition made during the Class Period.

3 Purchases or acquisitions and sales of Ubiquiti shares shall be deemed to have occurred
4 on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt
5 or grant by gift, inheritance or operation of law of shares during the Class Period shall not be
6 deemed a purchase, acquisition or sale of shares for the calculation of Recognized Loss, unless
7 (i) the donor or decedent purchased or otherwise acquired such shares during the Class Period;
8 (ii) no Proof of Claim was submitted by or on behalf of the donor, on behalf of the decedent, or
9 by anyone else with respect to such shares; and (iii) it is specifically so provided in the
10 instrument of gift or assignment. The conversion of Ubiquiti’s Series A preferred stock to
11 common stock does not constitute a purchase or acquisition of Ubiquiti common stock pursuant
12 and/or traceable to the Company’s IPO. Any claimant that sold Ubiquiti common stock “short”
13 will have no Recognized Loss with respect to such purchase during the Class Period to cover
14 said short sale.

15 The Net Settlement Fund will be allocated among all Authorized Claimants whose
16 prorated payment is \$10.00 or greater. If the prorated payment to any Authorized Claimant
17 calculates to less than \$10.00, no distribution will be made to that Authorized Claimant.

18 Payment according to this Plan of Allocation will be deemed conclusive against all
19 Authorized Claimants. Recognized Losses will be calculated as defined herein by the Claims
20 Administrator and cannot be less than zero.

21 Distributions to eligible Authorized Claimants will be made after claims have been
22 processed. After an initial distribution of the Net Settlement Fund, if there is any balance
23 remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or
24 otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement
25 Fund, Lead Counsel shall, if feasible and economical, re-distribute such balance among
26 Authorized Claimants who have cashed their checks in an equitable and economic fashion.
27 These re-distributions shall be repeated until the balance in the Net Settlement Fund is no longer
28

1 feasible to distribute to Authorized Claimants. Any balance that still remains in the Net
2 Settlement Fund after re-distribution(s), which is not feasible or economical to reallocate, after
3 payment of Notice and Administration Expenses, Taxes, and attorneys' fees and expenses, shall
4 be donated in equal amounts to Bay Area Legal Aid and Consumer Federation of America.

5 Each claimant is deemed to have submitted to the jurisdiction of the United States
6 District Court for the Northern District of California with respect to his, her, or its claim.

7 **SPECIAL NOTICE TO SECURITIES BROKERS AND NOMINEES**

8 If you purchased the publicly traded common stock of Ubiquiti during the Class Period
9 for the beneficial interest of a person or organization other than yourself, the Court has directed
10 that, **WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE**, you
11 either: (a) provide to the Claims Administrator the name and last known address of each person
12 or organization for whom or which you purchased such shares during such time period; or (b)
13 request additional copies of this Notice and the Proof of Claim form, which will be provided to
14 you free of charge, and **WITHIN SEVEN (7) CALENDAR DAYS** mail the Notice and Proof of
15 Claim form directly to the beneficial owners of that security. If you choose to follow
16 alternative procedure (b), the Court has directed that, upon such mailing, you must send a
17 statement to the Claims Administrator confirming that the mailing was made as directed. Upon
18 timely compliance with the above requirements, you are entitled to reimbursement from the
19 Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing,
20 including reimbursement of postage expense and the cost of ascertaining the names and
21 addresses of beneficial owners. Those expenses will be paid upon request and submission of
22 appropriate supporting documentation. All communications concerning the foregoing should be
23 addressed to the Claims Administrator:

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Ubiquiti Networks Securities Litigation
Claims Administrator
c/o [XXX]
[XXXXXXXXXXXXXXXXXX]
Phone: [XXX-XXX-XXXX] Fax: [XXX-XXX-XXXX]
[e-mail]
www. [XXXXXX]

Dated: _____, 2017

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

ROBBINS GELLER RUDMAN
& DOWD LLP
CHRISTOPHER P. SEEFER (201197)
DANIEL J. PFEFFERBAUM (248631)
Post Montgomery Center
One Montgomery Street, Suite 1800
San Francisco, CA 94104
Telephone: 415/288-4545
415/288-4534 (fax)
chriss@rgrdlaw.com
dpfefferbaum@rgrdlaw.com

LABATON SUCHAROW LLP
JONATHAN GARDNER
MICHAEL P. CANTY
ROGER W. YAMADA
140 Broadway
New York, New York 10005
Telephone: 212/907-0700
212/818-0477 (fax)
jgardner@labaton.com
mcanty@labaton.com
ryamada@labaton.com

Lead Counsel for Plaintiffs

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re UBIQUITI NETWORKS, INC.	)	Master File No. 12-cv-04677-YGR
SECURITIES LITIGATION)	
_____	)	<u>CLASS ACTION</u>
This Document Relates To:	)	REVISED PROOF OF CLAIM AND
	)	RELEASE
ALL ACTIONS.	)	EXHIBIT A-2
_____)	

I. GENERAL INSTRUCTIONS

1. To recover as a Settlement Class Member based on your claims in the action entitled *In re Ubiquiti Networks, Inc. Securities Litigation*, Master File No. 12-cv-04677-YGR (the “Action”), YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED PROOF OF CLAIM

1 FORM (“CLAIM FORM”), ACCOMPANIED BY COPIES OF THE DOCUMENTS
2 REQUESTED HEREIN, ON OR BEFORE [REDACTED], 2017, ADDRESSED AS FOLLOWS:

3
4 *Ubiquiti Networks Securities Litigation*
5 Claims Administrator
6 c/o The Garden City Group Inc.
7 XXX
8 XXXX
9 www.XXXXXX.com

10 2. Submission of this Claim Form, however, does not assure that you will share in the
11 proceeds of the settlement of the Action.

12 3. If you are a Settlement Class Member and you did not timely request exclusion in
13 connection with the proposed settlement, you are bound by the terms of any judgment entered in the
14 Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A CLAIM
15 FORM.

16 **II. CLAIMANT IDENTIFICATION**

17 If you purchased or acquired the publicly traded common stock of Ubiquiti Networks, Inc.
18 (“Ubiquiti” or the “Company”) pursuant and/or traceable to Ubiquiti’s Initial Public Offering
19 (“IPO”) on or about October 14, 2011, use Part I of this form entitled “Claimant Identification” to
20 list the claimant name, mailing address, and account information if relevant (such as for a claim
21 submitted on behalf of an IRA, Trust, or estate account). If you purchased or acquired your shares
22 during the period from October 14, 2011 through May 3, 2012, inclusive, you are presumed to have
23 purchased or acquired your shares pursuant and/or traceable to Ubiquiti’s IPO on or about October
24 14, 2011. *See* Notice, Question 4. You are **not** part of the Settlement Class if you only purchased
25 or acquired the publicly traded common stock of Ubiquiti **after** May 3, 2012, because your purchase
26 or acquisition was not pursuant or traceable to Ubiquiti’s IPO.

27 Please list the most current claimant or account name as you would like the information to
28 appear on the check, if eligible for payment. Please also provide a telephone number and/or e-mail

1 address, as the Claims Administrator may need to contact you with questions about the claim
2 submitted. If your Claimant Identification information changes, please notify the Claims
3 Administrator in writing at the address above.

4 All joint purchasers must sign this claim. If you are acting in a representative capacity on
5 behalf of a Settlement Class Member (for example, as an executor, administrator, trustee, or other
6 representative), you must submit evidence of your current authority to act on behalf of that
7 Settlement Class Member. Such evidence would include, for example, letters testamentary, letters
8 of administration, or a copy of the trust documents or other documents which provide you with the
9 authority to submit the claim. Please also indicate your representative capacity under your signature
10 on page of this Claim Form.

11 **III. CLAIM FORM**

12
13 Use Part II of this form entitled “Schedule of Transactions in Ubiquiti Publicly Traded
14 Common Stock” to supply all required details of your transaction(s). Neither the Claims
15 Administrator, the Defendants, nor the Lead Plaintiffs have access to your transactional
16 information. If you need more space or additional schedules, attach separate sheets giving all of the
17 required information in substantially the same form. Sign and print or type your name on each
18 additional sheet.

19 On the schedules, provide all of the requested information with respect to all of your
20 purchases or acquisitions of Ubiquiti publicly traded common stock which took place from October
21 14, 2011 through April 25, 2013, inclusive, and *all* of your sales of Ubiquiti common stock which
22 took place prior to or on April 25, 2013, whether such transactions resulted in a profit or a loss.
23 You must also provide the amount of Ubiquiti publicly traded common stock you held at the close
24 of trading on April 25, 2013. Failure to report all such transactions may result in the rejection of
25 your claim.

26 This information is needed in order to calculate your claim under the Plan of Allocation.
27 Transactional information about purchases and sales after the IPO is needed in order to properly

1 apply the formulas in the Plan, which generally follow how damages are calculated under the 1933
2 Act. Purchases/acquisitions after May 3, 2012, however, are not considered to have been pursuant
3 or traceable to Ubiquiti's IPO and therefore are not eligible for a recovery under the Plan of
4 Allocation. April 25, 2013 is when Ubiquiti's stock price rebounded to \$15.00, the IPO offering
5 price. Accordingly shares sold after April 25, 2013 are not eligible for a recovery because under the
6 1933 Act, a purchaser cannot recover based on a share sold for a price greater than or equal to the
7 IPO offering price. See Notice, page [REDACTED].

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

10 The date of covering a "short sale" is deemed to be the date of purchase of Ubiquiti common
11 stock. The date of a "short sale" is deemed to be the date of sale of Ubiquiti common stock.

12 **COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR**
13 **TRANSACTIONS SHOULD BE ATTACHED TO YOUR CLAIM. FAILURE TO PROVIDE**
14 **THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR**
15 **RESULT IN REJECTION OF YOUR CLAIM.**

16 UNITED STATES DISTRICT COURT
17 NORTHERN DISTRICT OF CALIFORNIA
18 *Ubiquiti Networks Securities Litigation*

19 Master File No. 12-cv-04677

20 **PROOF OF CLAIM**

21 **Must Be Postmarked or Submitted Online at [www.\[REDACTED\].com](http://www.[REDACTED].com) No Later than:**

22 **[REDACTED], 2017**

23 Please Type or Print

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PART I: CLAIMANT IDENTIFICATION

Last Name	M.I.	First Name
<input type="text"/>	<input type="text"/>	<input type="text"/>
Last Name (Co-Beneficial Owner)	M.I.	First Name (Co-Beneficial Owner)
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="radio"/> IRA <input type="radio"/> Joint Tenancy <input type="radio"/> Employee <input type="radio"/> Individual <input type="radio"/> Other _____ (specify)		
Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA		
<input type="text"/>		
Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)		
<input type="text"/>		
Account#/Fund# (Not Necessary for Individual Filers)		
<input type="text"/>		

Social Security Number	or	Taxpayer Identification Number
<input type="text"/> - <input type="text"/> - <input type="text"/>		<input type="text"/> - <input type="text"/>
Telephone Number (Primary Daytime)		Telephone Number (Alternate)
<input type="text"/> - <input type="text"/> - <input type="text"/>		<input type="text"/> - <input type="text"/> - <input type="text"/>
Email Address		
<input type="text"/>		

MAILING INFORMATION

Address		
<input type="text"/>		
Address		
<input type="text"/>		
City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>
Foreign Province	Foreign Postal Code	Foreign Country Name/Abbreviation
<input type="text"/>	<input type="text"/>	<input type="text"/>

1 PART II: SCHEDULE OF TRANSACTIONS IN UBIQUITI PUBLICLY TRADED
COMMON STOCK

2 A. Purchases of Ubiquiti Common Stock (October 14, 2011 through April 25, 2013):

3

Trade Date Month Day Year	Number of Shares Purchased	Price Per Share	Total Purchase Price
4 1. _____	1. _____	1. _____	1. _____
5 2. _____	2. _____	2. _____	2. _____
6 3. _____	3. _____	3. _____	3. _____

7

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

9 Yes

10 B. Sales of Ubiquiti Common Stock (October 14, 2011 through April 25, 2013):

11

Trade Date Month Day Year	Number of Shares Sold	Sales Price Per Share	Total Sales Price
12 1. _____	1. _____	1. _____	1. _____
13 2. _____	2. _____	2. _____	2. _____
14 3. _____	3. _____	3. _____	3. _____

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16 C. Number of shares of Ubiquiti common stock held at the close of trading on April 25,
2013: _____

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IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

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3 1. I (We) submit this Claim Form under the terms of the Stipulation and Agreement of
4 Settlement described in the Notice and available at www. [redacted]. I (We) also submit to the
5 jurisdiction of the United States District Court, Northern District of California, with respect to my
6 (our) claim as a Settlement Class Member. I (We) further acknowledge that I am (we are) bound by
7 and subject to the terms of any judgment that may be entered in the Action. I (We) agree to furnish
8 additional information to the Claims Administrator to support this claim if requested to do so. I
9 (We) have not submitted any other claim covering the same purchases or sales of Ubiquiti common
10 stock during the relevant periods and know of no other person having done so on my (our) behalf.

11 2. I (We) hereby warrant and represent that I (we) have included information about all
12 of my (our) purchases of Ubiquiti common stock which took place from October 14, 2011 through
13 April 25, 2013, and all of my (our) sales of Ubiquiti common stock during this period, as well as the
14 number of shares held by me (us) at the close of trading on April 25, 2013.

15 I (We) declare under penalty of perjury under the laws of the State of California that the
16 foregoing is true and correct.

17 Executed this _____ day of _____
18 (Month/Year)

19 _____
20 (Sign your name here)

21 _____
22 (Type or print your name here)

23 _____
24 (Capacity of person(s) signing, e.g., Beneficial
25 Purchaser, Executor, or Administrator)

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

Reminder Checklist:

1. Please sign above.
2. Remember to attach copies of supporting documentation.
3. **Do not send** originals of certificates or other documentation as they will not be returned.
4. Keep a copy of your Claim Form and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your Claim Form, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send your new address to the address below.
7. **Do not use red pen or highlighter** on the Claim Form or supporting documentation.

**THIS CLAIM FORM MUST BE SUBMITTED ONLINE OR, IF MAILED, POSTMARKED
NO LATER THAN [REDACTED], 2017, ADDRESSED AS FOLLOWS:**

Ubiquiti Networks Securities Litigation

Claims Administrator

c/o [REDACTED]

[REDACTED]

Phone: [REDACTED] Fax: [REDACTED]

[e-mail]

www.[REDACTED]

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re UBIQUITI NETWORKS, INC.)	SUMMARY NOTICE OF PENDENCY OF
SECURITIES LITIGATION	)	CLASS ACTION, PROPOSED
_____	)	SETTLEMENT, AND MOTION FOR
This Document Relates To:	)	ATTORNEYS' FEES AND EXPENSES
	)	EXHIBIT A-3
ALL ACTIONS.)	
_____)	

1 **TO: ALL PERSONS THAT PURCHASED OR ACQUIRED THE**
2 **PUBLICLY TRADED COMMON STOCK OF UBIQUITI NETWORKS, INC.**
3 **PURSUANT AND/OR TRACEABLE TO ITS OCTOBER 14, 2011 INITIAL PUBLIC**
4 **OFFERING, YOU MAY BE ENTITLED TO RECOVER IF YOU PURCHASED OR**
5 **ACQUIRED SHARES FROM OCTOBER 14, 2011 THROUGH MAY 3, 2012,**
6 **INCLUSIVE.**

7 YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District
8 Court for the Northern District of California, that Lead Plaintiffs Inter-Local Pension Fund
9 GCC/IBT and Bristol County Retirement System, on behalf of themselves and the Settlement
10 Class, and Ubiquiti Networks, Inc. and the other named defendants (collectively, the
11 “Defendants”), have reached a settlement in the above-captioned action (the “Action”) in the
12 amount of \$6,800,000 in cash (the “Settlement Amount”) that, if approved by the Court, will
13 resolve all claims in the Action.¹

14 A hearing will be held before the Honorable Yvonne Gonzalez Rogers of the United
15 States District Court for the Northern District of California in Courtroom 1, Oakland Courthouse,
16 4th Floor, 1301 Clay Street, Oakland, CA 94612 at **2:00 p.m. on December 19, 2017** to, among
17 other things, determine whether (1) the Settlement should be approved by the Court as fair,
18 reasonable, and adequate; (2) the Plan of Allocation for distribution of the Settlement Amount,
19 and any interest thereon, less Court-awarded attorneys’ fees, Notice and Administration
20 Expenses, Taxes, and any other costs, fees, or expenses approved by the Court (the “Net
21 Settlement Fund”) should be approved as fair, reasonable and adequate; and (3) the application
22 of Lead Counsel for an award of attorneys’ fees of no more than 25% of the Settlement Fund (up
23 to \$1,700,000) and payment of litigation expenses of no more than \$200,000 from the Settlement
24 Fund should be approved. The Court may change the date of the Settlement Hearing without
25 providing another notice. You do NOT need to attend the Settlement Hearing in order to receive
26 a distribution from the Net Settlement Fund.

27 **IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR RIGHTS WILL**
28 **BE AFFECTED BY THE SETTLEMENT AND YOU MAY BE ENTITLED TO SHARE IN**

¹ The complete terms of the Settlement are in the Stipulation and Agreement of Settlement, dated August 4, 2017, which can be viewed at www.███.com.

1 THE NET SETTLEMENT FUND. If you have not yet received the full Notice of Pendency of
2 Class Action, Proposed Settlement and Motion for Attorneys' Fees and Expenses (the "Notice")
3 and a Proof of Claim and Release form ("Claim Form"), you may obtain copies of these
4 documents by contacting the Claims Administrator or visiting its website:

5
6 *Ubiquiti Networks Securities Litigation*
7 Claims Administrator
8 c/o [XXX]
9 [XXXXXXXXXXXXXXXXXX]
10 Phone: [XXX-XXX-XXXX] Fax: [XXX-XXX-XXXX]
11 [e-mail]
12 www.[XXXXXX]

13 Inquiries may also be made to Lead Counsel:

14 LABATON SUCHAROW LLP
15 Jonathan Gardner, Esq.
16 140 Broadway
17 New York, NY 10005
18 Tel: (888) 219-6877
19 www.labaton.com
20 settlementquestions@labaton.com

21 ROBBINS GELLER RUDMAN & DOWD LLP
22 Rick Nelson, Shareholder Relations
23 655 West Broadway, Suite 1900
24 San Diego, CA 92101
25 Tel: (800) 449-4900
26 www.rgrdlaw.com

27 If you are a Settlement Class Member, to be eligible to share in the distribution of the Net
28 Settlement Fund, you must submit a Claim Form *postmarked or electronically submitted no*
later than [REDACTED], **2017**. If you are a Settlement Class Member and do not timely
submit a valid Claim Form, you will not be eligible to share in the distribution of the Net
Settlement Fund, but you will nevertheless be bound by any judgments or orders entered by the
Court in the Action.

To exclude yourself from the Settlement Class, you must submit a written request for
exclusion in accordance with the instructions set forth in the Notice such that it is **postmarked**
no later than [REDACTED], **2017**. If you are a Settlement Class Member and do not
exclude yourself from the Settlement Class, **you will be bound** by any judgments or orders
entered by the Court in the Action.

1 Any objections to the Settlement, Plan of Allocation, and/or application for attorneys'
2 fees and payment of expenses must be filed with the Court and mailed to counsel in accordance
3 with the instructions set forth in the Notice *no later than* _____, 2017.

4 PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS'
5 COUNSEL REGARDING THIS NOTICE. ALL QUESTIONS ABOUT THIS NOTICE, THE
6 SETTLEMENT, OR YOUR ELIGIBILITY TO PARTICIPATE IN THE SETTLEMENT
7 SHOULD BE DIRECTED TO LEAD COUNSEL AT THE ADDRESS LISTED ABOVE.

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Dated: _____, 2017

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

Exhibit 4

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 CHRISTOPHER P. SEEFER (201197)
DANIEL J. PFEFFERBAUM (248631)
3 Post Montgomery Center
One Montgomery Street, Suite 1800
4 San Francisco, CA 94104
Telephone: 415/288-4545
5 415/288-4534 (fax)
chriss@rgrdlaw.com
6 dpfefferbaum@rgrdlaw.com

7 LABATON SUCHAROW LLP
JONATHAN GARDNER
8 MICHAEL P. CANTY
ROGER W. YAMADA
9 140 Broadway
New York, New York 10005
10 Telephone: 212/907-0700
212/818-0477 (fax)
11 jgardner@labaton.com
mcanty@labaton.com
12 ryamada@labaton.com

13 *Lead Counsel for Plaintiffs*

14

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UNITED STATES DISTRICT COURT

16

NORTHERN DISTRICT OF CALIFORNIA

17

In re UBIQUITI NETWORKS, INC.) Master File No. 12-cv-04677-YGR
SECURITIES LITIGATION)

18

) CLASS ACTION

19

This Document Relates To:) STIPULATION AND AGREEMENT OF
) SETTLEMENT

20

ALL ACTIONS.)

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_____)

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This stipulation and agreement of settlement (the “Stipulation”) is made and entered into
23 by and between Lead Plaintiffs Inter-Local Pension Fund GCC/IBT (“Inter-Local”) and Bristol
24 County Retirement System (“Bristol County” and, together with Inter-Local, “Lead Plaintiffs”),
25 on behalf of themselves, and the proposed Settlement Class (defined below), on the one hand,
26 and Ubiquiti Networks, Inc. (“Ubiquiti” or the “Company”), and Robert J. Pera (“Pera”), John
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1 Ritchie (“Ritchie”), Peter Y. Chung, Christopher J. Crespi, Charles J. Fitzgerald, John L.
2 Ocampo and Robert M. Van Buskirk (the “Individual Defendants”), and UBS Securities LLC
3 (“UBS”), Deutsche Bank Securities Inc. (“Deutsche Bank”), Raymond James & Associates, Inc.
4 (“Raymond James”) and KeyBanc Capital Markets Inc. (formerly known as Pacific Crest
5 Securities LLC) (“Pacific Crest”) (collectively, the “Underwriter Defendants” and with Ubiquiti
6 and the Individual Defendants, the “Defendants”), on the other hand.

7 **WHEREAS:**

8 A. All words or terms used herein that are capitalized shall have the meaning
9 ascribed to those words or terms as set forth herein and in ¶ 1 hereof entitled “Definitions.”

10 B. On September 7, 2012, the initial complaint *Bell v. Ubiquiti Networks, Inc.*, No.
11 12-cv-4677-YGR, was filed in the United States District Court for the Northern District of
12 California (the “Court”). Dkt. No. 1. A related action, *Goecker v. Ubiquiti Networks, Inc.*, No.
13 12-cv-04801-SI, was filed September 13, 2012. On November 6, 2012, motions to consolidate
14 the related actions, to appoint a lead plaintiff and to approve lead plaintiff’s selection of counsel
15 were filed by four separate movants. Dkt. Nos. 8 - 24.

16 C. On November 30, 2012, the Court issued an order consolidating the actions (the
17 “Action”), appointing Inter-Local and Bristol County lead plaintiffs and approving their selection
18 of Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP as co-lead counsel
19 (collectively, “Lead Counsel”). Dkt. No. 30.

20 D. Lead Plaintiffs filed the Consolidated Amended Complaint for Violation of the
21 Federal Securities Laws (“CAC”) on January 29, 2013 alleging violations of §§11, 12(a)(2) and
22 15 of the Securities Act of 1933 (the “1933 Act”), and §§10(b) and 20(a) of the Securities and
23 Exchange Act of 1934 (“1934 Act”). Dkt. No. 54.

24 E. On March 26, 2013, each of the Defendants moved to dismiss the CAC. Dkt.
25 Nos. 56 – 60. On March 26, 2014, the Court granted Defendants’ motions with leave to amend.
26 Dkt. No. 75. On April 15, 2014, Lead Plaintiffs filed a notice of intent not to file an amended
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1 complaint, and on April 16, 2014, the Court issued an order dismissing the case with prejudice.
2 Dkt. Nos. 78-79.

3 F. On September 24, 2014, Lead Plaintiffs appealed the dismissal of their claims
4 under §§ 11 and 15 of the 1933 Act, and §§10(b) and 20(a) of the 1934 Act to the United States
5 Court of Appeals for the Ninth Circuit (the “Ninth Circuit”). Lead Plaintiffs did not appeal the
6 dismissal of their claim under §12(a)(2) of the 1933 Act. On October 24, 2016, the Ninth Circuit
7 issued an order affirming in part and reversing in part the Court’s March 26, 2014 order. Dkt.
8 No. 84. The Ninth Circuit affirmed the Court’s dismissal of the §§10(b) and 20(a) claims and
9 reversed the dismissal of the §§11 and 15 claims, remanding the claims to the Court for further
10 proceedings.

11 G. At the direction of the Court, on January 30, 2017, Lead Plaintiffs filed the
12 operative Consolidated Second Amended Complaint for Violations of the Federal Securities
13 Laws (“SAC”) asserting only those 1933 Act claims that remained upon remand. Dkt. No. 96.
14 Defendants answered the SAC on February 13, 2017. Dkt. No. 97.

15 H. Defendants and Lead Plaintiffs engaged Robert A. Meyer, a well-respected and
16 highly experienced mediator, to assist them in exploring a potential negotiated resolution of the
17 claims in the Action. On May 15, 2017, counsel for Lead Plaintiffs and Defendants met with
18 Mr. Meyer in an attempt to reach a settlement. The mediation involved an extended effort to
19 settle the claims and was preceded by the exchange of mediation statements, as well as the
20 exchange of informal discovery through which Ubiquiti and the Underwriter Defendants
21 produced approximately 60,000 pages of documents to Lead Plaintiffs, including drafts of
22 registration statements for the Company’s October 14, 2011 initial public offering (“IPO”), road
23 show presentations, underwriter memoranda, due diligence materials, board minutes, financial
24 documents, emails, and documents related to counterfeiting of Ubiquiti’s products. However,
25 the parties were unable to reach an agreement on May 15, 2017. Following the mediation, Mr.
26 Meyer continued his efforts to facilitate discussions among the parties. Ultimately, Mr. Meyer
27
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1 made a mediator’s proposal to both sides concerning a settlement, which was agreed to on June
2 22, 2017.

3 I. Lead Plaintiffs, through Lead Counsel, conducted a thorough investigation
4 relating to the claims, defenses, and underlying events and transactions that are the subject of the
5 Action. This process included reviewing and analyzing: (i) documents filed publicly by the
6 Company with the U.S. Securities and Exchange Commission (“SEC”); (ii) publicly available
7 information, including press releases, news articles, and other public statements issued by or
8 concerning the Company and the Defendants; (iii) research reports issued by financial analysts
9 concerning the Company; (iv) documents related to Ubiquiti’s lawsuit against Kozumi USA
10 Corp. and its owner, Shao Wei Hsu (the “Kozumi Litigation”); and other publicly available
11 information and data concerning the Company; (v) approximately 60,000 pages of documents
12 produced from Defendants during the pre-mediation informal discovery referenced above,
13 including drafts of registration statements for the IPO, road show presentations, underwriter
14 memoranda, due diligence materials, board minutes, financial documents, emails, and documents
15 related to counterfeiting Ubiquiti’s products; and (vi) the applicable law governing the claims
16 and potential defenses. Lead Counsel also consulted with experts on damages issues.

17 J. Defendants have denied and continue to deny any wrongdoing or that they have
18 committed any act or omission giving rise to any liability or violation of law, including the U.S.
19 securities laws. Defendants have denied and continue to deny each and every one of the claims
20 alleged by Lead Plaintiffs in the Action on behalf of the Settlement Class, including all claims in
21 the complaints filed in the Action. Defendants also have denied and continue to deny, inter alia,
22 the allegations that Plaintiffs or Class Members have suffered damage, or were otherwise harmed
23 by the conduct alleged in the Action. Defendants have asserted and continue to assert that the
24 Registration Statement contained no material misstatements or omissions. Defendants have
25 asserted and continue to assert that, at all times, they acted in good faith and in a manner they
26 reasonably believed to be in accordance with all applicable rules, regulations, and laws.
27 Nonetheless, Defendants have determined that it is desirable and beneficial to them that the
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1 Action be settled in the manner and upon the terms and conditions set forth in this Stipulation to
2 avoid the further expense, inconvenience, and burden of this Action, the distraction and diversion
3 of personnel and resources, and to obtain the conclusive and complete dismissal and/or release of
4 this Action and Released Claims.

5 K. The Stipulation, whether or not consummated, any proceedings relating to any
6 settlement, or any of the terms of any settlement, whether or not consummated, shall in no event
7 be construed as, or deemed to be evidence of, an admission or concession on the part of the
8 Defendants, or any of them, with respect to any fact or matter alleged in the Action, or any claim
9 of fault or liability or wrongdoing or damage whatsoever, or any infirmity in any claim or
10 defense that has been or could have been asserted.

11 L. Lead Plaintiffs believe that the claims asserted in the Action have merit and that
12 the evidence developed to date supports the claims asserted. However, Lead Plaintiffs and Lead
13 Counsel recognize and acknowledge the expense and length of continued proceedings necessary
14 to prosecute the Action through discovery, summary judgment and trial (and any possible
15 appeals). Lead Plaintiffs and Lead Counsel also have taken into account the uncertain outcome
16 and the risk of any litigation, especially in complex actions such as the Action, as well as the
17 difficulties and delays inherent in such litigation. Lead Counsel also are mindful of the inherent
18 problems of proof and the possible defenses to the claims alleged in the Action. Based on their
19 evaluation, Lead Plaintiffs and Lead Counsel believe that the Settlement set forth in this
20 Stipulation confers substantial monetary benefits upon the Settlement Class and is in the best
21 interests of the Settlement Class.

22 **NOW THEREFORE**, without any concession by Lead Plaintiffs that the Action lacks
23 merit, and without any concession by the Defendants of any liability or wrongdoing or lack of
24 merit in their defenses, it is hereby **STIPULATED AND AGREED**, by and among the parties
25 to this Stipulation (“Parties”), through their respective attorneys, subject to approval by the Court
26 pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the
27 benefits flowing to the Parties hereto, all Released Claims and all Released Defendants’ Claims,
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1 as against all Released Parties, shall be fully, finally, and forever compromised, settled, released,
2 discharged, and dismissed with prejudice, and without costs (except as provided in the
3 Stipulation), upon and subject to the following terms and conditions:

4 **DEFINITIONS**

5 1. As used in this Stipulation, the following terms shall have the meanings set forth
6 below. In the event of any inconsistency between any definition set forth below and any
7 definition in any other document related to the Settlement, the definition set forth below shall
8 control.

9 (a) “Action” means the civil action captioned *In re Ubiquiti Networks, Inc.*
10 *Securities Litigation*, Master File No. 12-cv-04677-YGR (N.D. Cal.), pending in the United
11 States District Court for the Northern District of California before the Honorable Yvonne
12 Gonzalez Rogers.

13 (b) “Alternative Judgment” means a form of final judgment that may be
14 entered by the Court but in a form other than the form of Judgment provided for in this
15 Stipulation and where none of the Parties hereto elects to terminate the Settlement by reason of
16 such variance.

17 (c) “Authorized Claimant” means a Settlement Class Member whose claim
18 for recovery from the Settlement has been allowed pursuant to the terms of the Stipulation and
19 the Court-approved Plan of Allocation.

20 (d) “Claims Administrator” means the firm to be retained by Lead Counsel,
21 subject to Court approval, to provide all notices approved by the Court to Settlement Class
22 Members, to process proofs of claim, and to administer the Settlement.

23 (e) “Class Period” means the period from October 14, 2011 through August 9,
24 2012, inclusive.

25 (f) “Defendants” means Ubiquiti Networks, Inc., Robert J. Pera, John Ritchie,
26 Peter Y. Chung, Christopher J. Crespi, Charles J. Fitzgerald, John L. Ocampo, Robert M. Van
27 Buskirk, UBS, Deutsche Bank, Raymond James, and Pacific Crest.

1 (g) “Defendants’ Counsel” means the law firms of Latham & Watkins LLP
2 and Gibson, Dunn & Crutcher LLP.

3 (h) “Effective Date” means the date upon which the Settlement shall have
4 become effective, as set forth in ¶ 38 below.

5 (i) “Escrow Account” means the separate escrow account designated and
6 controlled by Lead Counsel at one or more national banking institutions into which the
7 Settlement Amount will be deposited for the benefit of the Settlement Class.

8 (j) “Escrow Agent” means Lead Counsel.

9 (k) “Fee and Expense Application” means Lead Counsel’s application, on
10 behalf of plaintiffs’ counsel, for an award of attorneys’ fees and payment of litigation expenses
11 incurred in prosecuting the case, including any expenses to Lead Plaintiffs pursuant to 15 U.S.C.
12 § 78u-4(a)(4) of the Private Securities Litigation Reform Act of 1995 (“PSLRA”).

13 (l) “Final,” with respect to a court order, means the later of: (i) if there is an
14 appeal from a court order, the date of final affirmance on appeal and the expiration of the time
15 for any further judicial review whether by appeal, reconsideration or a petition for a *writ of*
16 *certiorari* and, if *certiorari* is granted, the date of final affirmance of the order following review
17 pursuant to the grant; or (ii) the date of final dismissal of any appeal from the order or the final
18 dismissal of any proceeding on *certiorari* to review the order; or (iii) the expiration of the time
19 for the filing or noticing of any appeal or petition for *certiorari* from the order (or, if the date for
20 taking an appeal or seeking review of the order shall be extended beyond this time by order of
21 the issuing court, by operation of law or otherwise, or if such extension is requested, the date of
22 expiration of any extension if any appeal or review is not sought), without any such filing or
23 noticing being made. However, any appeal or proceeding seeking subsequent judicial review
24 pertaining solely to the Plan of Allocation, or to the Court’s award of attorneys’ fees or expenses,
25 shall not in any way delay or affect the time set forth above for the Judgment or Alternative
26 Judgment to become Final or otherwise preclude the Judgment or Alternative Judgment from
27 becoming Final.

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1 (m) “Individual Defendants” means Robert J. Pera, John Ritchie, Peter Y.
2 Chung, Christopher J. Crespi, Charles J. Fitzgerald, John L. Ocampo and Robert M. Van
3 Buskirk.

4 (n) “Judgment” means the proposed judgment to be entered by the Court
5 approving the Settlement, substantially in the form attached hereto as Exhibit B.

6 (o) “Lead Counsel” means Labaton Sucharow LLP and Robbins Geller
7 Rudman & Dowd LLP.

8 (p) “Lead Plaintiffs” means Inter-Local Pension Fund GCC/IBT and Bristol
9 County Retirement System.

10 (q) “Mediator” means Robert A. Meyer.

11 (r) “Net Settlement Fund” means the Settlement Fund less: (i) Court-awarded
12 attorneys’ fees and expenses; (ii) Notice and Administration Expenses; (iii) Taxes; and (iv) any
13 other fees or expenses approved by the Court.

14 (s) “Notice” means the Notice of Pendency of Class Action, Proposed
15 Settlement, and Motion for Attorneys’ Fees and Expenses to be sent to Settlement Class
16 Members, which shall be substantially in the form attached hereto as Exhibit 1 to Exhibit A
17 hereto.

18 (t) “Notice and Administration Expenses” means all costs, fees, and expenses
19 incurred in connection with providing notice to the Settlement Class and the administration of
20 the Settlement, including but not limited to: (i) providing notice of the Settlement by mail,
21 publication, and other means to Settlement Class Members; (ii) receiving and reviewing claims;
22 (iii) applying the Plan of Allocation; (iv) communicating with Persons regarding the Settlement
23 and claims administration process; (v) distributing the proceeds of the Settlement; and (vi) fees
24 related to the Escrow Account and investment of the Settlement Fund.

25 (u) “Person(s)” means any individual, corporation (including all divisions and
26 subsidiaries), general or limited partnership, association, joint stock company, joint venture,
27 limited liability company, professional corporation, estate, legal representative, trust,
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1 unincorporated association, government or any political subdivision or agency thereof, and any
2 other business or legal entity.

3 (v) "Plaintiffs" means Inter-Local Pension Fund GCC/IBT, Bristol County
4 Retirement System, Steven N. Bell and Brian Goecker.

5 (w) "Plan of Allocation" means the Plan of Allocation which shall be
6 substantially in the form described in the Notice or any other plan of distributing the Net
7 Settlement Fund as shall be approved by the Court.

8 (x) "Preliminary Approval Order" means the proposed Order Granting
9 Preliminary Approval of Class Action Settlement, Approving Form and Manner of Notice, and
10 Setting Date for Hearing on Final Approval of Settlement, substantially in the form attached
11 hereto as Exhibit A.

12 (y) "Proof of Claim" or "Claim Form" means the Proof of Claim and Release
13 form for submitting a claim, which shall be substantially in the form attached as Exhibit 2 to
14 Exhibit A hereto.

15 (z) "Released Claims" means any and all actions, suits, claims, demands,
16 rights, liabilities, damages, costs, restitution, rescission, interest, attorneys' fees, expert or
17 consulting fees, expenses, matters and issues known or Unknown (as defined below), contingent
18 or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated,
19 matured or unmatured, accrued or unaccrued, apparent or unapparent, whether concealed or
20 hidden, and causes of action of every nature and description, including both known claims and
21 Unknown Claims (as defined below), whether based on federal, state, local, foreign, statutory or
22 common law or any other law, rule or regulation, that have been or that might have been asserted
23 by any Releasing Plaintiff Party against any of the Released Defendant Parties, arising out of,
24 relating to, based upon, or in connection with both: (a) any purchase, acquisition, disposition,
25 sale or holding of Ubiquiti publicly traded common stock during the Class Period and (b) any
26 facts, claims, matters, allegations, transactions, events, disclosures, representations, statements,
27 acts, or omissions or failures to act that were alleged, set forth, referred to, or that could have
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1 been alleged in the Action against the Released Defendant Parties. For the avoidance of doubt,
2 Released Claims include any claims under §§12(a)(2) and 15 of the 1933 Act, and §§10(b) and
3 20(a) of the 1934 Act, which were alleged or could have been alleged in this Action. Released
4 Claims do not include claims relating to the enforcement of the Settlement.

5 (aa) “Released Defendant Parties” means Defendants, Defendants’ Counsel,
6 and each of their respective past or present subsidiaries, parents, affiliates, principals, successors
7 and predecessors, joint venturers, assigns, officers, directors, shareholders, underwriters, trustees,
8 partners, members, agents, trustees, fiduciaries, contractors, employees, attorneys, auditors,
9 underwriters, insurers, co-insurers, reinsurers, controlling shareholders, attorneys, accountants or
10 auditors, financial or investment advisors or consultants, banks or investment bankers, personal
11 or legal representatives, estates, heirs, related or affiliated entities, any entity in which a
12 Defendant has a controlling interest, any member of an Individual Defendant’s immediate
13 family, or any trust of which any Individual Defendant is a settlor or which is for the benefit of
14 any Defendant and/or member(s) of his or her family, and each of the heirs, executors,
15 administrators, predecessors, successors, and assigns of the foregoing.

16 (bb) “Released Defendants’ Claims” means all claims and causes of action of
17 every nature and description, including both known claims and Unknown Claims (as defined
18 below), whether arising under federal, state, common or foreign law, or any other law, that
19 Defendants could have asserted against any of the Releasing Plaintiff Parties that arise out of or
20 relate in any way to the institution, prosecution, or settlement of the claims in the Action, except
21 for claims relating to the enforcement of the Settlement.

22 (cc) “Released Parties” means the Released Defendant Parties and the
23 Releasing Plaintiff Parties.

24 (dd) “Releasing Plaintiff Parties” means each and every Settlement Class
25 Member, Plaintiffs, Lead Counsel, and each of their respective past or present trustees, officers,
26 directors, partners, employees, contractors, auditors, principals, agents, attorneys, predecessors,
27 successors, assigns, insurers, parents, subsidiaries, general or limited partners or partnerships,
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1 and limited liability companies; and the spouses, members of the immediate families,
2 representatives, and heirs of any Releasing Plaintiff Party who is an individual, as well as any
3 trust of which any Releasing Plaintiff Party is the settlor or which is for the benefit of any of
4 their immediate family members. Releasing Plaintiff Parties does not include any Person who
5 timely and validly seeks exclusion from the Settlement Class.

6 (ee) “Settlement” means the resolution of the Action in accordance with the
7 terms and provisions of the Stipulation.

8 (ff) “Settlement Amount” means the total principal amount of six million,
9 eight hundred thousand U.S. dollars (\$6,800,000) in cash.

10 (gg) “Settlement Class” or “Settlement Class Member” means all Persons that
11 purchased or acquired the publicly traded common stock of Ubiquiti Networks, Inc. pursuant
12 and/or traceable to Ubiquiti Networks, Inc.’s initial public offering on or about October 14, 2011.
13 Excluded from the Settlement Class are: (i) the Defendants; (ii) members of the immediate
14 families of the Individual Defendants; (iii) Ubiquiti’s and the Underwriter Defendants’
15 subsidiaries and affiliates; (iv) the officers and directors of Ubiquiti; (v) any entity in which any
16 Defendant has a controlling interest (but in the case of the Underwriter Defendants, only such
17 entities that they have a majority ownership interest in); (vi) the legal representatives, heirs,
18 successors and assigns of any such excluded person or entity. Also excluded from the Settlement
19 Class will be any Person who timely and validly seeks exclusion from the Settlement Class.

20 (hh) “Settlement Fund” means the Settlement Amount and any interest earned
21 thereon.

22 (ii) “Settlement Hearing” means the hearing to be held by the Court to
23 determine whether (i) the Settlement is fair, reasonable, and adequate and should be approved,
24 (ii) the Plan of Allocation is fair, reasonable and adequate and should be approved, and (iii) Lead
25 Counsel’s request for an award of attorneys’ fees and expenses should be approved.

26 (jj) “Stipulation” means this Stipulation and Agreement of Settlement.
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1 (kk) “Summary Notice” means the Summary Notice of Pendency of Class
2 Action, Proposed Settlement, and Motion for Attorneys’ Fees and Expenses for publication,
3 which shall be substantially in the form attached as Exhibit 3 to Exhibit A hereto.

4 (ll) “Taxes” means all federal, state, or local taxes of any kind on any income
5 earned by the Settlement Fund and the expenses and costs incurred in connection with the
6 taxation of the Settlement Fund (including, without limitation, interest, penalties and the
7 reasonable expenses of tax attorneys and accountants).

8 (mm) “Underwriter Defendants” means UBS, Deutsche Bank, Raymond James
9 and Pacific Crest.

10 (nn) “Unknown Claims” means any and all Released Claims that Lead
11 Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or
12 its favor at the time of the release of the Released Defendant Parties, and any and all Released
13 Defendants’ Claims that any Defendant does not know or suspect to exist in his, her, or its favor
14 at the time of the release of the Releasing Plaintiff Parties, which if known by him, her, or it
15 might have affected his, her, or its decision(s) with respect to the Settlement, including the
16 decision to object to the terms of the Settlement or to exclude himself, herself, or itself from the
17 Settlement Class. With respect to any and all Released Claims and Released Defendants’
18 Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and
19 Defendants shall expressly, and each other Settlement Class Member and Released Defendant
20 Parties shall be deemed to have, and by operation of the Judgment or Alternative Judgment shall
21 have, to the fullest extent permitted by law, expressly waived and relinquished any and all
22 provisions, rights and benefits conferred by any law of any state or territory of the United States,
23 or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §
24 1542, which provides:

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

3 Lead Plaintiffs, other Settlement Class Members, Defendants or any Released Defendant Party
4 may hereafter discover facts, legal theories, or authorities in addition to or different from those
5 which any of them now knows or believes to be true with respect to the subject matter of the
6 Released Claims and the Released Defendants' Claims, but Lead Plaintiffs and Defendants shall
7 expressly, fully, finally, and forever waive, compromise, settle, discharge, extinguish, and
8 release, and each Settlement Class Member and Released Defendant Party shall be deemed to
9 have waived, compromised, settled, discharged, extinguished, and released, and upon the
10 Effective Date and by operation of the Judgment or Alternative Judgment shall have waived,
11 compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and
12 all Released Claims and Released Defendants' Claims as applicable, known or unknown,
13 suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent,
14 which now exist, or heretofore existed, or may hereafter exist, without regard to the subsequent
15 discovery or existence of such different or additional facts, legal theories, or authorities. Lead
16 Plaintiffs and Defendants acknowledge, and other Settlement Class Members and Released
17 Defendant Party by operation of law shall be deemed to have acknowledged, that the inclusion of
18 "Unknown Claims" in the definition of Released Claims and Released Defendants' Claims was
19 separately bargained for and was a material element of the Settlement.

20 **SCOPE AND EFFECT OF SETTLEMENT**

21 2. The obligations incurred pursuant to the Stipulation are (a) subject to approval by
22 the Court and the Judgment, or Alternative Judgment, reflecting such approval becoming Final;
23 and (b) in full and final disposition of the Action with respect to the Released Parties and any and
24 all Released Claims and Released Defendants' Claims.

25 3. For purposes of this Settlement only, the Parties agree to: (i) certification of the
26 Action as a class action, pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3), on behalf of the
27 Settlement Class as defined in ¶ 1(gg); (ii) the appointment of Lead Plaintiffs as Class
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1 Representatives for the Settlement Class; and (iii) the appointment of Lead Counsel as Class
2 Counsel for the Settlement Class pursuant to Federal Rule of Civil Procedure 23(g).

3 4. By operation of the Judgment or Alternative Judgment, as of the Effective Date,
4 Plaintiffs and each and every other Settlement Class Member, on behalf of themselves and each
5 of their respective heirs, executors, trustees, administrators, predecessors, successors, and
6 assigns, shall be deemed to have fully, finally, and forever waived, released, discharged, and
7 dismissed each and every one of the Released Claims against each and every one of the Released
8 Defendant Parties and shall forever be barred and enjoined from commencing, instituting,
9 prosecuting, or maintaining any and all of the Released Claims against any and all of the
10 Released Defendant Parties.

11 5. By operation of the Judgment or Alternative Judgment, as of the Effective Date,
12 Defendants, on behalf of themselves and each of their respective heirs, executors, trustees,
13 administrators, predecessors, successors, and assigns, shall be deemed to have fully, finally, and
14 forever waived, released, discharged, and dismissed each and every one of the Released
15 Defendants' Claims against each and every one of the Releasing Plaintiff Parties and shall
16 forever be barred and enjoined from commencing, instituting, prosecuting, or maintaining any
17 and all of the Released Defendants' Claims against any and all of the Releasing Plaintiff Parties.

18 **THE SETTLEMENT CONSIDERATION**

19 6. In full settlement of the claims asserted in the Action against Defendants and in
20 consideration of the releases specified in ¶¶ 4-5, above, all of which the Parties agree are good
21 and valuable consideration, Ubiquiti shall pay, or cause to be paid, the Settlement Amount into
22 the Escrow Account within twenty (20) calendar days after both (i) entry of the Preliminary
23 Approval Order and (ii) Lead Counsel provides to Latham & Watkins LLP information
24 necessary to effectuate a transfer of funds to the Escrow Account, including but not limited to,
25 wire transfer instructions, payment address, and a complete and executed Form W-9 for the
26 Settlement Fund that reflects a valid tax identification number. If the Settlement Amount is not
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1 timely paid, the unpaid balance shall earn interest at the rate of 8% per annum until paid. No
2 other Defendants shall be responsible for such payments.

3 7. With the sole exception of Ubiquiti's obligation to secure payment of the
4 Settlement Amount into the Escrow Account as provided for in ¶ 6 and Ubiquiti's obligation
5 pursuant to ¶ 6, Defendants and Defendants' Counsel shall have no responsibility for, interest in,
6 or liability whatsoever with respect to: (i) any act, omission, or determination by Lead Counsel
7 or the Claims Administrator, or any of their respective designees, in connection with the
8 administration of the Settlement or otherwise; (ii) the management, investment, or distribution of
9 the Settlement Fund; (iii) the Plan of Allocation; (iv) the determination, administration,
10 calculation, or payment of any claims asserted against the Settlement Fund; (v) any loss suffered
11 by, or fluctuation in value of, the Settlement Fund; or (vi) the payment or withholding of any
12 Taxes, expenses, and/or costs incurred in connection with the taxation of the Settlement Fund,
13 distributions or other payments from the Escrow Account, or the filing of any federal, state, or
14 local returns.

15 8. Other than the obligation of Ubiquiti to cause the payment of the Settlement
16 Amount pursuant to ¶ 6, Defendants shall have no obligation to make any other payments into
17 the Escrow Account or to any Settlement Class Member pursuant to this Stipulation.

18 **USE AND TAX TREATMENT OF SETTLEMENT FUND**

19 9. The Settlement Fund shall be used: (i) to pay any Taxes; (ii) to pay Notice and
20 Administration Expenses; (iii) to pay any attorneys' fees and expenses awarded by the Court;
21 (iv) to pay any costs and expenses allowed by the PSLRA and awarded to Lead Plaintiffs by the
22 Court; (v) to pay any other fees and expenses awarded by the Court; and (vi) to pay the claims of
23 Authorized Claimants.

24 10. The Net Settlement Fund shall be distributed to Authorized Claimants as provided
25 in ¶¶ 22 - 34 hereof. The Net Settlement Fund shall remain in the Escrow Account prior to the
26 Effective Date. All funds held in the Escrow Account, and all earnings thereon, shall be deemed
27 to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until
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1 such time as the funds shall have been disbursed or returned, pursuant to the terms of this
2 Stipulation, and/or further order of the Court. The Escrow Agent shall invest funds in the
3 Escrow Account in instruments backed by the full faith and credit of the United States
4 Government (or a mutual fund invested solely in such instruments), or deposit some or all of the
5 funds in non-interest-bearing transaction account(s) that are fully insured by the Federal Deposit
6 Insurance Corporation (“FDIC”) in amounts that are up to the limit of FDIC insurance.
7 Defendants and Defendants’ Counsel shall have no responsibility for, interest in, or liability
8 whatsoever with respect to investment decisions executed by the Escrow Agent. All risks related
9 to the investment of the Settlement Fund shall be borne solely by the Settlement Fund.

10 11. After the Settlement Amount has been paid into the Escrow Account, the Parties
11 agree to treat the Settlement Fund as a “qualified settlement fund” within the meaning of Treas.
12 Reg. § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made, such
13 elections as necessary or advisable to carry out the provisions of this paragraph 11, including the
14 “relation-back election” (as defined in Treas. Reg. § 1.468B-1) back to the earliest permitted
15 date. Such election shall be made in compliance with the procedures and requirements contained
16 in such regulations. It shall be the responsibility of Lead Counsel to timely and properly prepare
17 and deliver, or cause to be prepared and delivered, the necessary documentation for signature by
18 all necessary parties, and thereafter take all such actions as may be necessary or appropriate to
19 cause the appropriate filing(s) to occur. Consistent with the foregoing:

20 (a) For the purposes of Section 468B of the Internal Revenue Code of 1986,
21 as amended, and Treas. Reg. § 1.468B promulgated thereunder, the “administrator” shall be Lead
22 Counsel or their successors, who shall timely and properly file, or cause to be filed, all federal,
23 state, or local tax returns and information returns (together, “Tax Returns”) necessary or
24 advisable with respect to the earnings on the funds deposited in the Escrow Account (including
25 without limitation the returns described in Treas. Reg. § 1.468B-2(k)). Such Tax Returns (as
26 well as the election described above) shall be consistent with this subparagraph and in all events
27 shall reflect that all Taxes (including any estimated taxes, earnings, or penalties) on the income
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1 earned on the funds deposited in the Escrow Account shall be paid out of such funds as provided
2 in subparagraph (c) of this paragraph 11.

3 (b) All Taxes shall be paid out of the Settlement Fund. In all events,
4 Defendants and Defendants' Counsel shall have no liability or responsibility whatsoever for the
5 Taxes or the filing of any tax return or other document with the Internal Revenue Service or any
6 other state or local taxing authority. In the event any Taxes are owed by any of the Defendants
7 on any earnings on the funds on deposit in the Escrow Account, such amounts shall also be paid
8 out of the Settlement Fund. Any Taxes or Tax expenses owed on any earnings on the Settlement
9 Amount prior to its transfer to the Escrow Account shall be the sole responsibility of the entities
10 that make the deposit.

11 (c) Taxes shall be treated as, and considered to be, a cost of administration of
12 the Settlement and shall be timely paid, or caused to be paid, by Lead Counsel out of the
13 Settlement Fund without prior order from the Court or approval by Defendants, and Lead
14 Counsel shall be obligated (notwithstanding anything herein to the contrary) to withhold from
15 distribution to Authorized Claimants any funds necessary to pay such amounts (as well as any
16 amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2)). The Parties
17 agree to cooperate with Lead Counsel, each other, and their tax attorneys and accountants to the
18 extent reasonably necessary to carry out the provisions of this paragraph 11.

19 12. This is not a claims-made settlement. As of the Effective Date, Defendants,
20 and/or any other Person funding the Settlement on a Defendant's behalf, shall not have any right
21 to the return of the Settlement Fund or any portion thereof for any reason.

22 **ATTORNEYS' FEES AND EXPENSES**

23 13. Lead Counsel, on behalf of all Plaintiffs' counsel, will apply to the Court for an
24 award from the Settlement Fund of attorneys' fees and payment of litigation expenses incurred in
25 prosecuting the Action, including any earnings on such amounts at the same rate and for the
26 same periods as earned by the Settlement Fund. Lead Counsel reserves the right to make
27 additional applications for fees and expenses incurred.

1 14. The amount of attorneys' fees and expenses awarded by the Court is within the
2 sole discretion of the Court. Any attorneys' fees and expenses awarded by the Court shall be
3 paid from the Settlement Fund to Lead Counsel immediately after entry of the Order awarding
4 such attorneys' fees and expenses, notwithstanding the existence of any timely filed objections
5 thereto or to the Settlement, or potential for appeal therefrom, or collateral attack on the awarded
6 fees and expenses, the Settlement, or any part thereof. Lead Counsel shall allocate any Court-
7 awarded attorneys' fees and expenses among Plaintiffs' counsel.

8 15. Any payment of attorneys' fees and expenses pursuant to ¶¶ 13-14 above shall be
9 subject to Lead Counsel's obligation to make refunds or repayments to the Settlement Fund of
10 any paid amounts, plus accrued earnings at the same net rate as is earned by the Settlement Fund,
11 if the Settlement is terminated pursuant to the terms of this Stipulation or fails to become
12 effective for any reason, or if, as a result of any appeal or further proceedings on remand or
13 successful collateral attack, the award of attorneys' fees and/or expenses is reduced or reversed
14 by Final non-appealable court order. Lead Counsel shall make the appropriate refund or
15 repayment in full no later than fifteen (15) business days after receiving notice of the termination
16 of the Settlement pursuant to this Stipulation, notice from a court of appropriate jurisdiction of
17 the disapproval of the Settlement by Final non-appealable court order, or notice of any reduction
18 or reversal of the award of attorneys' fees and/or expenses by Final non-appealable court order.

19 16. With the sole exception of Ubiquiti's obligation to pay the Settlement Amount
20 into the Escrow Account as provided for in ¶ 6, Defendants shall have no responsibility for, and
21 no liability whatsoever with respect to, any payment whatsoever to Plaintiffs' counsel in the
22 Action that may occur at any time.

23 17. Defendants shall have no responsibility for, and no liability whatsoever with
24 respect to, any allocation of any attorneys' fees or expenses among Plaintiffs' counsel in the
25 Action, or to any other Person who may assert some claim thereto, or any fee or expense awards
26 the Court may make in the Action.

1 18. Defendants shall have no responsibility for, and no liability whatsoever with
2 respect to, any attorneys' fees, costs, or expenses incurred by or on behalf of Settlement Class
3 Members, whether or not paid from the Escrow Account. The Settlement Fund will be the sole
4 source of payment from Defendants for any award of attorneys' fees and expenses ordered by the
5 Court.

6 19. The procedure for and the allowance or disallowance by the Court of any Fee and
7 Expense Application are not part of the Settlement set forth in this Stipulation, and are separate
8 from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement
9 set forth in the Stipulation, and any order or proceeding relating to any Fee and Expense
10 Application, including an award of attorneys' fees or expenses in an amount less than the amount
11 requested by Lead Counsel, or any appeal from any order relating thereto or reversal or
12 modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay
13 the finality of the Judgment or Alternative Judgment approving the Stipulation and the
14 Settlement set forth herein. Lead Plaintiffs and Lead Counsel may not cancel or terminate the
15 Stipulation or the Settlement in accordance with ¶¶ 39 and 42 or otherwise based on the Court's
16 or any appellate court's ruling with respect to fees and expenses in the Action.

17 **ADMINISTRATION EXPENSES**

18 20. Except as otherwise provided herein, the Net Settlement Fund shall be held in the
19 Escrow Account until the Effective Date.

20 21. Prior to the Effective Date, without further approval from Defendants or further
21 order of the Court, Lead Counsel may expend up to \$500,000 from the Settlement Fund to pay
22 Notice and Administration Expenses actually incurred. Additional sums for this purpose prior to
23 the Effective Date may be paid from the Settlement Fund upon agreement of the Parties or order
24 of the Court. Taxes and fees related to the Escrow Account and investment of the Settlement
25 Fund may be paid as incurred, without further approval of Defendants or further order of the
26 Court. After the Effective Date, without approval of Defendants or further order of the Court,
27 Notice and Administration Expenses may be paid as incurred.

DISTRIBUTION TO AUTHORIZED CLAIMANTS

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2 22. The Claims Administrator, subject to such supervision and direction of Lead
3 Counsel and/or the Court as may be necessary or as circumstances may require, shall administer
4 and calculate the claims submitted by Class Members subject to the jurisdiction of the Court and
5 shall oversee distribution of the Net Settlement Fund to Authorized Claimants. Defendants and
6 Defendants' Counsel shall have no responsibility for (except as stated in ¶¶ 6 and 36 hereof),
7 interest in, or liability whatsoever with respect to the administration of the Settlement or the
8 actions or decisions of the Claims Administrator, and shall have no liability to the Settlement
9 Class in connection with such administration.

10 23. The Claims Administrator shall determine each Authorized Claimant's *pro rata*
11 share of the Net Settlement Fund based upon each Authorized Claimant's recognized loss, as
12 defined in the Plan of Allocation included in the Notice, or in such other plan of allocation as the
13 Court may approve.

14 24. Defendants have no role in the development of the Plan of Allocation. The Plan
15 of Allocation is a matter separate and apart from the Settlement, and any decision by the Court
16 concerning the Plan of Allocation shall not affect the validity or finality of the proposed
17 Settlement. The Plan of Allocation is not a necessary term of the Stipulation and it is not a
18 condition of the Stipulation that any particular plan of allocation be approved by the Court. Lead
19 Plaintiffs and Lead Counsel may not cancel or terminate the Stipulation or the Settlement in
20 accordance with ¶ 39 or otherwise based on the Court's or any appellate court's ruling with
21 respect to the Plan of Allocation or any plan of allocation in the Action. Defendants and
22 Defendants' Counsel shall have no responsibility or liability for reviewing or challenging claims,
23 the allocation of the Net Settlement Fund, or the distribution of the Net Settlement Fund.

24 25. Upon the Effective Date and thereafter, and in accordance with the terms of the
25 Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as
26 may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed
27 to Authorized Claimants.

1 (a) Each claimant shall be required to submit a Proof of Claim, substantially
2 in the form attached hereto as Exhibit 2 to Exhibit A, supported by such documents as are
3 designated therein, including proof of the claimant's loss, or such other documents or proof as
4 the Claims Administrator or Lead Counsel, in their discretion, may deem acceptable;

5 (b) All Proofs of Claim must be submitted by the date set by the Court in the
6 Preliminary Approval Order and specified in the Notice, unless such deadline is extended by
7 Lead Counsel in their discretion or by Order of the Court. Any Settlement Class Member who
8 fails to submit a Proof of Claim by such date shall be barred from receiving any distribution from
9 the Net Settlement Fund or payment pursuant to this Stipulation (unless, by Order of the Court or
10 the discretion of Lead Counsel, late-filed Proofs of Claim are accepted), but shall in all other
11 respects be bound by all of the terms of this Stipulation and the Settlement, including the terms
12 of the Judgment or Alternative Judgment and all releases provided for herein, and will be
13 permanently barred and enjoined from bringing any action, claim or other proceeding of any
14 kind against any Released Defendant Party. A Proof of Claim shall be deemed to be submitted
15 when mailed, if received with a postmark on the envelope and if mailed by first-class or
16 overnight U.S. Mail and addressed in accordance with the instructions thereon. In all other
17 cases, the Proof of Claim shall be deemed to have been submitted when actually received by the
18 Claims Administrator. Notwithstanding the foregoing, Lead Counsel shall have the discretion
19 (but not the obligation) to accept for processing late-submitted claims so long as the distribution
20 of the Net Settlement Fund to Authorized Claimants is not materially delayed. Lead Counsel
21 shall have no liability for their discretion in accepting late claims;

22 (c) Each Proof of Claim shall be submitted to and reviewed by the Claims
23 Administrator, under such supervision of Lead Counsel as necessary, who shall determine in
24 accordance with this Stipulation the extent, if any, to which each claim shall be allowed;

25 (d) Proofs of Claim that do not meet the submission requirements may be
26 rejected. Prior to rejecting a Proof of Claim in whole or in part, the Claims Administrator shall
27 communicate with the claimant in writing to give the claimant the chance to remedy any curable
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1 deficiencies in the Proof of Claim submitted. The Claims Administrator, under such supervision
2 of Lead Counsel, as necessary, shall notify, in a timely fashion and in writing, all claimants
3 whose claims the Claims Administrator proposes to reject in whole or in part for curable
4 deficiencies, setting forth the reasons therefor, and shall indicate in such notice that the claimant
5 whose claim is to be rejected has the right to a review by the Court if the claimant so desires and
6 complies with the requirements of subparagraph (e) below;

7 (e) If any claimant whose timely claim has been rejected in whole or in part
8 for curable deficiency desires to contest such rejection, the claimant must, within twenty (20)
9 calendar days after the date of mailing of the notice required in subparagraph (d) above, or a
10 lesser period of time if the claim was untimely, serve upon the Claims Administrator a notice and
11 statement of reasons indicating the claimant's grounds for contesting the rejection along with any
12 supporting documentation, and requesting a review thereof by the Court.

13 30. Each claimant who submits a Proof of Claim shall be deemed to have submitted
14 to the jurisdiction of the Court with respect to the claimant's claim, including but not limited to,
15 all releases provided for herein and in the Judgment or Alternative Judgment, and the claim will
16 be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided
17 that such investigation and discovery shall be limited to the claimant's status as a Settlement
18 Class Member and the validity and amount of the claimant's claim. In connection with
19 processing the Proofs of Claim, no discovery shall be allowed on the merits of the Action or the
20 Settlement.

21 31. Payment pursuant to the Stipulation and Plan of Allocation shall be deemed final
22 and conclusive against any and all Settlement Class Members. All Settlement Class Members
23 whose claims are not approved shall be barred from participating in distributions from the Net
24 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the
25 Settlement, including the terms of the Judgment or Alternative Judgment to be entered in the
26 Action and the releases provided for herein and therein, and will be barred from bringing any
27 action against the Released Defendant Parties concerning the Released Claims.

1 disclaims any other obligation or ability to identify Persons who purchased or acquired the
2 publicly traded common stock of Ubiquiti during the Class Period, as well as the accuracy of
3 information provided by Computershare.

4 **TERMS OF THE JUDGMENT**

5 37. If the Settlement contemplated by this Stipulation is approved by the Court, Lead
6 Counsel shall request that the Court enter a Judgment substantially in the form annexed hereto as
7 Exhibit B.

8 **EFFECTIVE DATE OF SETTLEMENT**

9 38. The Effective Date of this Settlement shall be the first business day on which all
10 of the following shall have occurred or been waived:

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

13 (b) payment of the Settlement Amount into the Escrow Account pursuant to ¶
14 6;

15 (c) approval by the Court of the Settlement, following notice to the Settlement
16 Class and the Settlement Hearing, as prescribed by Rule 23 of the Federal Rules of Civil
17 Procedure; and

18 (d) a Judgment, which shall be in all material respects substantially in the
19 form set forth in Exhibit B annexed hereto, will have been entered by the Court and will have
20 become Final; or in the event that an Alternative Judgment will have been entered, the
21 Alternative Judgment will have become Final.

22 **WAIVER OR TERMINATION**

23 39. Defendants and Lead Plaintiffs shall have the right to terminate the Settlement
24 and the Stipulation by providing written notice of their election to do so (“Termination Notice”),
25 through counsel, to all other Parties hereto within fourteen (14) calendar days of: (i) the Court’s
26 Final refusal to enter the Preliminary Approval Order in any material respect; (ii) the Court’s
27 Final refusal to approve this Stipulation or any material part of it; (iii) the Court’s Final refusal to
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1 enter the Judgment in any material respect or an Alternative Judgment; or (iv) the date upon
2 which the Judgment or Alternative Judgment is modified or reversed in any material respect by a
3 Final order of the Court, the United States Court of Appeals, or the Supreme Court of the United
4 States. For the avoidance of doubt, Lead Plaintiffs shall not have the right to terminate the
5 Settlement due to any decision, ruling, or order relating to the Fee and Expense Application or
6 any plan of allocation.

7 40. In addition to the foregoing, Defendants shall also have the right to withdraw
8 from the Settlement in the event the Termination Threshold (defined below) has been reached.

9 (a) Simultaneously herewith, Defendants' Counsel and Lead Counsel are
10 executing a confidential Supplemental Agreement Regarding Requests for Exclusion
11 ("Supplemental Agreement"). The Supplemental Agreement sets forth certain conditions under
12 which Ubiquiti shall have the option to terminate the Settlement and render the Stipulation null
13 and void in the event that requests for exclusion from the Settlement Class exceed certain
14 agreed-upon criteria (the "Termination Threshold"). The Parties agree to maintain the
15 confidentiality of the Supplemental Agreement, which shall not be filed with the Court unless a
16 dispute arises as to its terms, or as otherwise ordered by the Court, nor shall the Supplemental
17 Agreement otherwise be disclosed unless ordered by the Court. If submission of the
18 Supplemental Agreement is required for resolution of a dispute or is otherwise ordered by the
19 Court, the Parties will use their best reasonable efforts to have the Supplemental Agreement
20 submitted to the Court *in camera* or under seal. In the event of a termination of the Settlement
21 pursuant to the Supplemental Agreement, the Stipulation shall become null and void and of no
22 further force and effect, with the exception of the provisions of ¶¶ 46 – 48, which shall continue
23 to apply.

24 41. The Preliminary Approval Order, attached hereto as Exhibit A, shall provide that
25 requests for exclusion shall be received no later than sixty (60) calendar days after the date for
26 the initial mailing of the Notice to Settlement Class Members in the Preliminary Approval Order
27 ("Notice Date"). Upon receiving any request for exclusion pursuant to the Notice, the Claims
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1 Administrator shall promptly, and no later than fifteen (15) calendar days prior to the Settlement
2 Hearing, notify Lead Counsel and Defendants' Counsel of such request for exclusion and
3 provide copies of such request for exclusion and any documentation accompanying it by email.

4 42. In addition to all of the rights and remedies that Lead Plaintiffs have under the
5 terms of this Stipulation, Lead Plaintiffs shall also have the right to terminate the Settlement in
6 the event that the Settlement Amount has not been paid in the time period provided for in ¶ 6
7 above, by providing written notice of the election to terminate to all other Parties' counsel and,
8 thereafter, there is a failure to pay the Settlement Amount within fourteen (14) calendar days of
9 such written notice.

10 43. If, before the Settlement becomes Final, any Defendant files for protection under
11 the Bankruptcy Code or any similar law or a trustee, receiver, conservator, or other fiduciary is
12 appointed under Bankruptcy, or any similar law, and in the event of the entry of a final order of a
13 court of competent jurisdiction determining the transfer of money or any portion thereof to the
14 Settlement Fund by or on behalf of such Defendant to be a preference, voidable transfer,
15 fraudulent transfer or similar transaction and any portion thereof is required to be returned, and
16 such amount is not promptly deposited into the Settlement Fund by others, then, at the election of
17 Lead Plaintiffs, the Parties shall jointly move the Court to vacate and set aside the release given
18 and the Judgment or Alternative Judgment entered in favor of that Defendant or all Defendants,
19 and that Defendant or all Defendants, Lead Plaintiffs and the members of the Settlement Class
20 shall be restored to their litigation positions immediately prior to June 22, 2017. All releases and
21 the Judgment or Alternative Judgment as to other Defendants shall remain unaffected.

22 44. Ubiquiti warrants, as to itself and the payments made on its behalf, that, at the
23 time of such payment, it will not be insolvent, nor will payment render it insolvent, within the
24 meaning of and/or for the purposes of the United States Bankruptcy Code, including Sections
25 101 and 547 thereof.

26 45. If an option to withdraw from and terminate this Stipulation and Settlement arises
27 under any of ¶¶ 39 - 43 above: (i) neither Defendants nor Lead Plaintiffs (as the case may be)

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1 will be required for any reason or under any circumstance to exercise that option; and (ii) any
2 exercise of that option shall be made in good faith, but in the sole and unfettered discretion of
3 Defendants or Lead Plaintiffs, as applicable.

4 46. With the exception of the provisions of ¶¶ 46 - 48 which shall continue to apply,
5 in the event the Settlement is terminated as set forth herein or cannot become effective for any
6 reason, then the Settlement shall be without prejudice, and none of its terms shall be effective or
7 enforceable except as specifically provided herein; the Parties shall be deemed to have reverted
8 to their respective litigation positions in the Action immediately prior to June 22, 2017; and,
9 except as specifically provided herein, the Parties shall proceed in all respects as if this
10 Stipulation and any related order had not been entered. In such event, this Stipulation, and any
11 aspect of the discussions or negotiations leading to this Stipulation shall not be admissible in this
12 Action and shall not be used against or to the prejudice of Defendants or against or to the
13 prejudice of Lead Plaintiffs, in any court filing, deposition, at trial, or otherwise.

14 47. In the event the Settlement is terminated or fails to become effective for any
15 reason, any portion of the Settlement Amount previously paid, together with any earnings
16 thereon, less any Taxes paid or due, less Notice and Administration Expenses actually incurred
17 and paid or payable from the Settlement Amount, shall be returned to the Person(s) that made the
18 deposit(s) within fifteen (15) business days after written notification of such event in accordance
19 with instructions provided by Defendants' Counsel to Lead Counsel. At the request of
20 Defendants' Counsel, the Escrow Agent or their designees shall apply for any tax refund owed
21 on the amounts in the Escrow Account and pay the proceeds, after any deduction of any fees or
22 expenses incurred in connection with such application(s), of such refund to the Person(s) that
23 made the deposits or as otherwise directed.

24 **NO ADMISSION**

25 48. Except as set forth in ¶ 49 below, this Stipulation, whether or not consummated,
26 and whether or not approved by the Court, and any discussion, negotiation, proceeding, or
27 agreement relating to the Stipulation, the Settlement, and any matter arising in connection with
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1 settlement discussions or negotiations, proceedings, or agreements, shall not be offered or
2 received against or to the prejudice of the Parties or their respective counsel, for any purpose
3 other than in an action to enforce the terms hereof, and in particular:

4 (a) do not constitute, and shall not be offered or received against or to the
5 prejudice of Defendants as evidence of, or construed as, or deemed to be evidence of any
6 presumption, concession, or admission by Defendants with respect to the truth of any allegation
7 by Lead Plaintiffs and the Settlement Class, or the validity of any claim that has been or could
8 have been asserted in the Action or in any litigation, including but not limited to the Released
9 Claims, or of any liability, damages, negligence, fault or wrongdoing of Defendants or any
10 person or entity whatsoever;

11 (b) do not constitute, and shall not be offered or received against or to the
12 prejudice of Defendants as evidence of a presumption, concession, or admission of any fault,
13 misrepresentation, or omission with respect to any statement or written document approved or
14 made by Defendants, or against or to the prejudice of Lead Plaintiffs, or any other member of the
15 Settlement Class as evidence of any infirmity in the claims of Lead Plaintiffs, or the other
16 members of the Settlement Class;

17 (c) do not constitute, and shall not be offered or received against or to the
18 prejudice of Defendants, Lead Plaintiffs, any other member of the Settlement Class, or their
19 respective counsel, as evidence of a presumption, concession, or admission with respect to any
20 liability, damages, negligence, fault, infirmity, or wrongdoing, or in any way referred to for any
21 other reason against or to the prejudice of any of the Defendants, Lead Plaintiffs, other members
22 of the Settlement Class, or their respective counsel, in any other civil, criminal, or administrative
23 action or proceeding, other than such proceedings as may be necessary to effectuate the
24 provisions of this Stipulation;

25 (d) do not constitute, and shall not be construed against Defendants, Lead
26 Plaintiffs, or any other member of the Settlement Class, as an admission or concession that the
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1 consideration to be given hereunder represents the amount that could be or would have been
2 recovered after trial; and

3 (e) do not constitute, and shall not be construed as or received in evidence as
4 an admission, concession, or presumption against Lead Plaintiffs, or any other member of the
5 Settlement Class that any of their claims are without merit or infirm or that damages recoverable
6 under the Complaint would not have exceeded the Settlement Amount.

7 49. Notwithstanding ¶ 48 above, the Parties, and their respective counsel, may file
8 this Stipulation and/or the Judgment or Alternative Judgment in any action that may be brought
9 against them in order to support a defense or counterclaim based on principles of *res judicata*,
10 collateral estoppel, release, statute of limitations, statute of repose, good-faith settlement,
11 judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar
12 defense or counterclaim, or to effectuate any liability protection granted them under any
13 applicable insurance policy. The Parties may file this Stipulation and/or the Judgment or
14 Alternative Judgment in any action that may be brought to enforce the terms of this Stipulation
15 and/or the Judgment or Alternative Judgment. All Parties submit to the jurisdiction of the Court
16 for purposes of implementing and enforcing the Settlement.

17 **MISCELLANEOUS PROVISIONS**

18 50. All of the exhibits to the Stipulation, and the Supplemental Agreement are
19 material and integral parts hereof and are fully incorporated herein by this reference.

20 51. The Parties intend the Settlement to be the full, final, and complete resolution of
21 all claims asserted or that could have been asserted by the Parties with respect to the Released
22 Claims and Released Defendants' Claims. Accordingly, the Parties agree not to assert in any
23 forum that the Action was brought, prosecuted, or defended in bad faith or without a reasonable
24 basis. The Parties and their respective counsel agree that each has complied fully with Rule 11
25 of the Federal Rules of Civil Procedure in connection with the maintenance, prosecution,
26 defense, and settlement of the Action and shall not make any application for sanctions, pursuant
27 to Rule 11 or other court rule or statute, with respect to any claim or defense in this Action. The
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1 Judgment shall contain a finding that the Parties and their counsel at all times complied with
2 Rule 11. The Parties agree that the amount paid and the other terms of the Settlement were
3 negotiated at arm's-length and in good faith by the Parties and their respective counsel and
4 reflect a settlement that was reached voluntarily based upon adequate information and after
5 consultation with experienced legal counsel.

6 52. This Stipulation, along with its exhibits and the Supplemental Agreement may not
7 be modified or amended, nor may any of its provisions be waived, except by a writing signed by
8 counsel for the Parties hereto.

9 53. Ubiquiti shall be responsible for and shall pay for, at no cost to the Settlement
10 Class, timely service of any notice that might be required pursuant to the Class Action Fairness
11 Act, 28 U.S.C. § 1715.

12 54. The headings herein are used for the purpose of convenience only and are not
13 meant to have legal effect.

14 55. The administration and consummation of the Settlement as embodied in this
15 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the
16 purpose of entering orders providing for awards of attorneys' fees and any expenses, and
17 implementing and enforcing the terms of this Stipulation.

18 56. The waiver by one Party of any breach of this Stipulation by any other Party shall
19 not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

20 57. This Stipulation, its exhibits, and the Supplemental Agreement constitute the
21 entire agreement among the Parties concerning the Settlement as against the Defendants, and no
22 representation, warranty, or inducement has been made by any Party concerning this Stipulation
23 and its exhibits other than those contained and memorialized in such documents.

24 58. Nothing in the Stipulation, or the negotiations relating thereto, is intended to or
25 shall be deemed to constitute a waiver of any applicable privilege or immunity, including,
26 without limitation, attorney-client privilege, joint defense privilege, or work product protection.
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1 59. Without further order of the Court, the Parties may agree to reasonable extensions
2 of time to carry out any of the provisions of this Stipulation.

3 60. All designations and agreements made, or orders entered during the course of the
4 Action relating to the confidentiality of documents or information shall survive this Stipulation.

5 61. This Stipulation may be executed in one or more counterparts. All executed
6 counterparts and each of them shall be deemed to be one and the same instrument. Signatures
7 sent by facsimile or via e-mail in pdf format shall be deemed originals.

8 62. This Stipulation shall be binding when signed, but the Settlement shall be
9 effective upon the entry of the Judgment or Alternative Judgment and the payment in full of the
10 Settlement Amount, subject only to the condition that the Effective Date will have occurred.

11 63. This Stipulation shall be binding upon, and inure to the benefit of, the successors
12 and assigns of the Parties.

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

17 65. This Stipulation shall not be construed more strictly against one Party than
18 another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel
19 for one of the Parties, it being recognized that it is the result of arm's-length negotiations among
20 the Parties, and all Parties have contributed substantially and materially to the preparation of this
21 Stipulation.

22 66. All counsel and any other person executing this Stipulation and any of the
23 exhibits hereto, or any related Settlement document, warrant and represent that they have the full
24 authority to do so, and that they have the authority to take appropriate action required or
25 permitted to be taken pursuant to the Stipulation to effectuate its terms.

26 67. The Parties and their respective counsel agree to cooperate fully with one another
27 in promptly applying for preliminary approval by the Court of the Settlement and for the
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1 the Parties, and all Parties have contributed substantially and materially to the preparation of this
2 Stipulation.

3 66. All counsel and any other person executing this Stipulation and any of the
4 exhibits hereto, or any related Settlement document, warrant and represent that they have the full
5 authority to do so, and that they have the authority to take appropriate action required or
6 permitted to be taken pursuant to the Stipulation to effectuate its terms.

7 67. The Parties and their respective counsel agree to cooperate fully with one another
8 in promptly applying for preliminary approval by the Court of the Settlement and for the
9 scheduling of a hearing for consideration of Final approval of the Settlement, the Plan of
10 Allocation and Lead Counsel's Fee and Expense Application, and to agree promptly upon and
11 execute all such other documentation as reasonably may be required to obtain Final approval by
12 the Court of the Settlement.

13 68. Except as otherwise provided herein, each Party shall bear its own costs.

14
15 **IN WITNESS WHEREOF**, the Parties have caused this Stipulation to be executed, by
16 their duly authorized attorneys, as of August 4, 2017.

17
18 **LABATON SUCHAROW LLP**

19
20 By: 

Jonathan Gardner (*pro hac vice*)

Michael P. Canty (*pro hac vice*)

Roger W. Yamada (*pro hac vice*)

140 Broadway

New York, NY 10005


Telephone: (212) 907-0700

Facsimile: (212) 818-0477

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25 *Lead Counsel for Plaintiffs*

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**ROBBINS GELLER RUDMAN
& DOWD LLP**

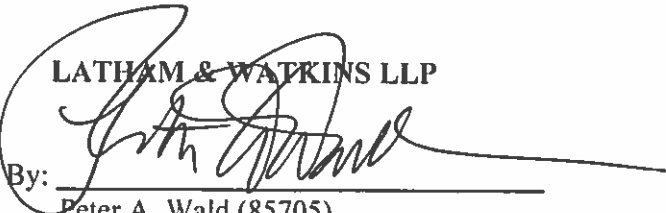
By: 
Christopher P. Seefel (201197)
Daniel J. Pfefferbaum (248631)
Post Montgomery Center
One Montgomery Street, Suite 1800
San Francisco, CA 94104
Telephone: (415) 288-4545
Facsimile: (415)288-4534

**ROBBINS GELLER RUDMAN
& DOWD LLP**

Jeffrey D. Light (159515)
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: (619) 231-1058
Facsimile: (415) 231-7423

Lead Counsel for Plaintiffs

LATHAM & WATKINS LLP

By: 
Peter A. Wald (85705)
Gavin M. Masuda (260480)
Eric Chen (287046)
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Telephone: 415-391-0600
Facsimile: 415-395-8095

Attorneys for the Ubiquiti Defendants

GIBSON DUNN & CRUTCHER LLP

By: _____
Ethan D. Dettmer (196046)
Joshua S. Lipshutz (242557)

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**ROBBINS GELLER RUDMAN
& DOWD LLP**

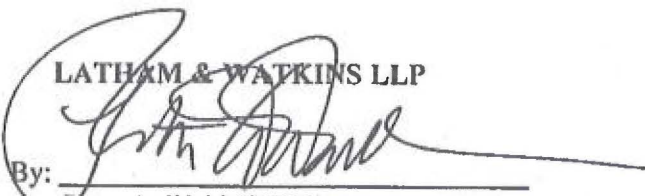
By: _____
Christopher P. Seefer (201197)
Daniel J. Pfefferbaum (248631)
Post Montgomery Center
One Montgomery Street, Suite 1800
San Francisco, CA 94104
Telephone: (415) 288-4545
Facsimile: (415)288-4534

**ROBBINS GELLER RUDMAN
& DOWD LLP**

Jeffrey D. Light (159515)
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: (619) 231-1058
Facsimile: (415) 231-7423

Lead Counsel for Plaintiffs

LATHAM & WATKINS LLP

By:  _____
Peter A. Wald (85705)
Gavin M. Masuda (260480)
Eric Chen (287046)
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Telephone: 415-391-0600
Facsimile: 415-395-8095

Attorneys for the Ubiquiti Defendants

GIBSON DUNN & CRUTCHER LLP

By:  _____
Ethan D. Dettmer (196046)
Joshua S. Lipshutz (242557)