

# **Exhibit 1**

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UNITED STATES DISTRICT COURT

16

NORTHERN DISTRICT OF CALIFORNIA

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

18

) CLASS ACTION

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

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ALL ACTIONS. )

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This stipulation and agreement of settlement (the “Stipulation”) is made and entered into by and between Lead Plaintiffs Inter-Local Pension Fund GCC/IBT (“Inter-Local”) and Bristol County Retirement System (“Bristol County” and, together with Inter-Local, “Lead Plaintiffs”), on behalf of themselves, and the proposed Settlement Class (defined below), on the one hand, and Ubiquiti Networks, Inc. (“Ubiquiti” or the “Company”), and Robert J. Pera (“Pera”), John

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  
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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(l)(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.

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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.

28

**DISTRIBUTION TO AUTHORIZED CLAIMANTS**

1  
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           26.     If there is any balance remaining in the Net Settlement Fund (whether by reason  
 2 of tax refunds, uncashed checks or otherwise) after at least six (6) months from the date of initial  
 3 distribution of the Net Settlement Fund, Lead Counsel shall, if feasible and economical,  
 4 redistribute such balance among Authorized Claimants who have cashed their checks in an  
 5 equitable and economic fashion. These redistributions shall be repeated until the balance in the  
 6 Net Settlement Fund is no longer feasible to distribute to Settlement Class Members. Any  
 7 balance that still remains in the Net Settlement Fund after re-distribution(s), which is not feasible  
 8 or economical to reallocate, after payment of Notice and Administration Expenses, Taxes, and  
 9 attorneys' fees and expenses, shall be donated in equal amounts to Bay Area Legal Aid and  
 10 Consumer Federation of America.

11   **ADMINISTRATION OF THE SETTLEMENT**

12           27.     Any Settlement Class Member who fails timely to submit a valid Proof of Claim  
 13 (substantially in the form of Exhibit 2 to Exhibit A) will not be entitled to receive any of the  
 14 proceeds from the Net Settlement Fund, except as otherwise ordered by the Court, but will  
 15 otherwise be bound by all of the terms of this Stipulation and the Settlement, including the terms  
 16 of the Judgment or Alternative Judgment to be entered in the Action and all releases provided for  
 17 herein, and will be barred from bringing any action against the Released Defendant Parties  
 18 concerning the Released Claims.

19           28.     Lead Counsel shall be responsible for supervising the administration of the  
 20 Settlement and disbursement of the Net Settlement Fund by the Claims Administrator. Lead  
 21 Counsel shall have the right, but not the obligation, to advise the Claims Administrator to waive  
 22 what Lead Counsel deem to be *de minimis* or formal or technical defects in any Proof of Claim  
 23 submitted. Defendants and Defendants' Counsel shall have no liability, obligation or  
 24 responsibility for the administration of the Settlement, the allocation of the Net Settlement Fund,  
 25 or the reviewing or challenging of claims of Settlement Class Members.

26           29.     For purposes of determining the extent, if any, to which a claimant shall be  
 27 entitled to be treated as an Authorized Claimant, the following conditions shall apply:

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           32. All proceedings with respect to the administration, processing and determination  
2 of claims described by this Stipulation and the determination of all controversies relating thereto,  
3 including disputed questions of law and fact with respect to the validity of claims, shall be  
4 subject to the jurisdiction of the Court, but shall not in any event delay or affect the finality of the  
5 Judgment or Alternative Judgment.

6           33. No Person shall have any claim of any kind against the Released Defendant  
7 Parties or Defendants' Counsel with respect to the matters set forth in this section (*i.e.*, ¶¶ 27-  
8 33) or any of its subsections, or otherwise related in any way to the administration of the  
9 Settlement, including without limitation the processing of claims and distributions.

10           34. No Person shall have any claim against Lead Plaintiffs, Lead Counsel, or the  
11 Claims Administrator, or other Person designated by Lead Counsel, based on the distributions  
12 made substantially in accordance with the Stipulation and the Settlement contained herein, the  
13 Plan of Allocation, or further order(s) of the Court.

14                           **TERMS OF THE PRELIMINARY APPROVAL ORDER**

15           35. Concurrently with their application for preliminary approval by the Court of the  
16 Settlement contemplated by this Stipulation and promptly upon execution of this Stipulation, and  
17 no later than five (5) business days after the execution of the Stipulation, Lead Counsel shall  
18 apply to the Court for entry of the Preliminary Approval Order, which shall be substantially in  
19 the form annexed hereto as Exhibit A. The Preliminary Approval Order will, *inter alia*,  
20 preliminarily approve the Settlement, set the date for the Settlement Hearing, approve the form  
21 of notice, and prescribe the method for giving notice of the Settlement to the Settlement Class.

22           36. Ubiquiti shall provide, or cause to be provided, to Lead Counsel and/or the  
23 Claims Administrator, at no cost to Lead Counsel, Lead Plaintiffs or the Settlement Class, within  
24 five (5) business days of entry of the Preliminary Approval Order, transfer records obtained from  
25 Computershare in electronic searchable form, such as Excel, containing the names and addresses  
26 of Persons who purchased or acquired the publicly traded common stock of Ubiquiti during the  
27 Class Period, to the extent that information is available to Computershare. Ubiquiti expressly  
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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  
28

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: 

21 Jonathan Gardner (*pro hac vice*)  
22 Michael P. Canty (*pro hac vice*)  
23 Roger W. Yamada (*pro hac vice*)  
24 140 Broadway  
25 New York, NY 10005  
26 Telephone: (212) 907-0700  
27 Facsimile: (212) 818-0477

28 *Lead Counsel for Plaintiffs*

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**ROBBINS GELLER RUDMAN  
& DOWD LLP**

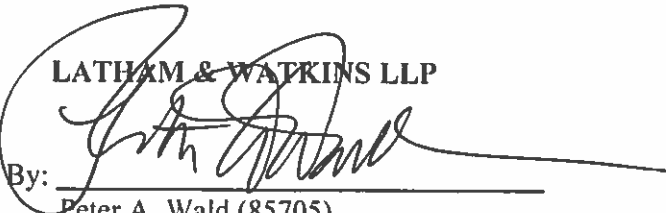
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*Attorneys for the Ubiquiti Defendants*

**GIBSON DUNN & CRUTCHER LLP**

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

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**ROBBINS GELLER RUDMAN  
& DOWD LLP**

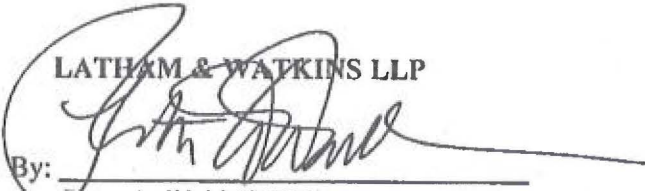
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**GIBSON DUNN & CRUTCHER LLP**

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

# **Exhibit A**

1 ROBBINS GELLER RUDMAN  
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 2 CHRISTOPHER P. SEEFER (201197)  
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7 LABATON SUCHAROW LLP  
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 8 MICHAEL P. CANTY  
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 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
17	SECURITIES LITIGATION	)	
	_____	)	<u>CLASS ACTION</u>
18		)	
19	This Document Relates To:	)	[PROPOSED] ORDER GRANTING
20	ALL ACTIONS.	)	PRELIMINARY APPROVAL OF CLASS
21		)	ACTION SETTLEMENT, APPROVING
		)	FORM AND MANNER OF NOTICE, AND
		)	SETTING DATE FOR HEARING ON
		)	FINAL APPROVAL OF SETTLEMENT

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

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 \_\_\_\_\_ day of \_\_\_\_\_,  
14 2017 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  
27  
28



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 \_\_\_\_\_, 2017,  
5 at \_\_:\_\_\_ .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 meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 27 of the  
18 Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7) as amended by the PSLRA, and due process,  
19 constitute the best notice practicable under the circumstances, and shall constitute due and  
20 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. The passage of title and ownership of the Settlement Fund to the Escrow Agent in  
13 accordance with the terms and obligations of the Stipulation is approved. No person who is not a  
14 Settlement Class Member or Lead Counsel shall have any right to any portion of, or to any  
15 distribution of, the Settlement Fund unless otherwise ordered by the Court or otherwise provided  
16 in the Stipulation.

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

20 24. Neither Defendants nor their counsel shall have any responsibility for the Plan of  
21 Allocation or any application for attorney's fees or expenses submitted by Lead Counsel or Lead  
22 Plaintiffs, and such matters shall be considered separately from the fairness, reasonableness and  
23 adequacy of the Settlement.

24 25. If the Settlement fails to become effective as defined in the Stipulation or is  
25 terminated, then, in any such event, the Stipulation, including any amendment(s) thereof, except  
26 as expressly provided in the Stipulation, and this Preliminary Approval Order shall be null and  
27 void, of no further force or effect, and without prejudice to any Party, and may not be introduced  
28

1 as evidence or used in any actions or proceedings by any person or entity against the Parties, and  
2 the Parties shall be deemed to have reverted to their respective litigation positions in the Action  
3 as of June 22, 2017.

4 26. The Court retains exclusive jurisdiction over the Action to consider all further  
5 matters arising out of or connected with the Settlement.

6

7

8 Dated: \_\_\_\_\_, 2017

\_\_\_\_\_   
Honorable Yvonne Gonzalez Rogers  
UNITED STATES DISTRICT JUDGE

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# **Exhibit A-1**

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  
15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA

16 In re UBIQUITI NETWORKS, INC.  
17 SECURITIES LITIGATION

) Master File No. 12-cv-04677-YGR

) CLASS ACTION

18 \_\_\_\_\_ )  
19 This Document Relates To:

) NOTICE OF PENDENCY OF CLASS  
) ACTION, PROPOSED SETTLEMENT,  
) AND MOTION FOR ATTORNEYS' FEES  
) AND EXPENSES

20 ALL ACTIONS.  
21 \_\_\_\_\_ )

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 share<sup>1</sup> before the deduction  
10 of Court-approved expenses) in cash for the benefit of the Settlement Class  
11 (described below).<sup>2</sup>
  - 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 Pacific  
19 Crest Securities LLC) (collectively, the “Underwriter Defendants” and with  
20 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 won 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.
  - The Court in charge of this case still has to decide whether to approve the

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

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

1 Settlement. Payments will be made only if the Court approves the Settlement  
2 and after any appeals are resolved. Please be patient.

- 3 • **If you are a Settlement Class Member, your legal rights will be**  
4 **affected by this Settlement whether you act or do not act. Please**  
5 **read this Notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
6 <b>SUBMIT A PROOF OF CLAIM FORM BY</b> 7 _____, 2017	The <u>only</u> way to get a payment.
8 <b>EXCLUDE YOURSELF</b> 9 <b>BY</b> _____, 2017	You will get no payment. This is the only option that, assuming your claim is timely brought, might allow you to ever bring or be part of any other lawsuit against the Defendants and/or the other Released Defendant Parties concerning the Released Claims.
10 <b>OBJECT BY</b> _____, 2017	Write to the Court about why you do not like the Settlement, the Fee and Expense Application, or the proposed Plan of Allocation.
11 <b>GO TO A HEARING ON</b> 12 _____, 2017	Ask to speak in Court about the Settlement.
13 <b>DO NOTHING</b>	Get no payment AND give up your rights to bring your own individual action.

14  
15  
16  
17 **Identification of Attorneys' Representatives**

18 Lead Plaintiffs and the Settlement Class are being represented by Labaton Sucharow LLP  
19 and Robbins Geller Rudman & Dowd LLP, Court-appointed Lead Counsel. Any questions  
20 regarding the Settlement should be directed to Jonathan Gardner, Labaton Sucharow LLP, 140  
21 Broadway, New York, NY 10005, (888) 219-6877, www.labaton.com,  
22 settlementquestions@labaton.com and Rick Nelson, Shareholder Relations, Robbins Geller  
23 Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101-8498, (800)  
24 449-4900, www.rgrdlaw.com.

25  
26 **BASIC INFORMATION**

27 **1. Why did I get this Notice?**  
28

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

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

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

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

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

22 For Defendants, who deny all allegations of wrongdoing or liability whatsoever and deny  
23 that any Settlement Class Members were damaged, the principal reasons for entering into the  
24 Settlement are to bring to an end the substantial burden, expense, uncertainty, and risk of further  
25 litigation.

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

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

11 Beginning in September 2012, two class actions were filed in the U.S. District Court for  
12 the Northern District of California on behalf of investors in Ubiquiti. By order dated November  
13 30, 2012, the Court consolidated the related securities actions, appointed Inter-Local Pension  
14 Fund GCC/IBT and Bristol County Retirement System as Lead Plaintiffs, and appointed Labaton  
15 Sucharow and Robbins Geller as co-lead counsel to represent the class.

16 Lead Plaintiffs filed the CAC on January 29, 2013 alleging violations of §§11, 12(a)(2)  
17 and 15 of the Securities Act of 1933 (the “1933 Act”), and §§10(b) and 20(a) of the Securities  
18 and Exchange Act of 1934 (“1934 Act”), arising from allegedly false statements in the  
19 Company’s Registration Statement and after the IPO. On March 26, 2013, each of the  
20 Defendants moved to dismiss the CAC. On March 26, 2014, the Court granted Defendants’  
21 motions in their entirety with leave to amend. On April 15, 2014, Lead Plaintiffs filed a notice  
22 of intent not to file an amended complaint, and on April 16, 2014, the Court issued an order  
23 dismissing the case with prejudice.

24 On September 24, 2014, Lead Plaintiffs appealed the dismissal of their claims under §§11  
25 and 15 of the 1933 Act, and §§10(b) and 20(a) of the 1934 Act to the United States Court of  
26 Appeals for the Ninth Circuit (the “Ninth Circuit”). Lead Plaintiffs did not appeal the dismissal  
27 of their claim under §12(a)(2) of the 1933 Act. On October 24, 2016, the Ninth Circuit issued an  
28

1 order affirming in part and reversing in part the Court's March 26, 2014 order. The Ninth  
2 Circuit affirmed the Court's dismissal of the §§10(b) and 20(a) claims and reversed the dismissal  
3 of the §§11 and 15 claims, remanding the claims to the Court for further proceedings.

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

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

19 Defendants and Lead Plaintiffs engaged Robert A. Meyer, a well-respected and highly  
20 experienced mediator, to assist them in exploring a potential negotiated resolution of the claims  
21 in the Action. On May 15, 2017, counsel for Lead Plaintiffs and Defendants met with Mr.  
22 Meyer in an attempt to reach a settlement. The mediation involved an extended effort to settle  
23 the claims and, prior to the mediation, the Parties exchanged detailed mediation statements, as  
24 well as informal discovery through which Ubiquiti and the Underwriter Defendants produced  
25 approximately 60,000 pages of documents to Lead Plaintiffs, including drafts of registration  
26 statements for the IPO, road show presentations, underwriter memoranda, due diligence  
27 materials, board minutes, financial documents, emails, and documents related to counterfeiting  
28

1 of Ubiquiti's products. However, the parties were unable to reach an agreement on May 15,  
2 2017. Following the mediation, Mr. Meyer continued his efforts to facilitate discussions among  
3 the parties. Ultimately, Mr. Meyer made a mediator's proposal to both sides to settle the Action  
4 for \$6,800,000, which was separately agreed to by the Parties on June 22, 2017.

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

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

12  
13 **WHO IS IN THE SETTLEMENT**

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

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

19  
20 All persons and entities that purchased or acquired the publicly  
21 traded common stock of Ubiquiti pursuant and/or traceable to  
22 Ubiquiti's initial public offering on or about October 14, 2011.

23 Check your investment records or contact your broker to see if you purchased or acquired  
24 the publicly traded common stock of Ubiquiti during the period from October 14, 2011 through  
25 May 3, 2012, inclusive. If so, you are presumed to have purchased or acquired your shares  
26 pursuant and/or traceable to Ubiquiti's IPO on or about October 14, 2011.

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



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

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

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

12 If you are still not sure whether you are included in the Settlement, you can ask for free  
13 help. You can call the Claims Administrator toll-free at (\_\_\_\_) \_\_\_\_ - \_\_\_\_, send an e-mail to the  
14 Claims Administrator at \_\_\_\_\_, or write to the Claims Administrator at \_\_\_\_\_ c/o  
15 XXX, P.O. Box \_\_\_\_\_, XXX. Or you can fill out and return the Proof of Claim form  
16 described in Question 8 to see if you qualify.

17 **THE SETTLEMENT BENEFITS — WHAT YOU GET**

18 **7. How much will my payment be?**

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

26 If you are an Authorized Claimant entitled to a payment, your share of the Net Settlement  
27 Fund will depend on several things, including, how many Settlement Class Members timely send  
28

1 in valid Claim Forms; the total amount of Recognized Losses of other Settlement Class  
2 Members; how many shares of Ubiquiti publicly traded common stock you purchased; the prices  
3 and dates of those purchases; and the prices and dates of any sales.

4 You can calculate your Recognized Loss in accordance with the formulas shown below  
5 in the Plan of Allocation. It is unlikely that you will receive a payment for all of your  
6 Recognized Loss. See the Plan of Allocation of Net Settlement Fund on pages \_\_\_ for more  
7 information on your Recognized Loss.

8  
9 **HOW YOU RECEIVE A PAYMENT:  
10 SUBMITTING A PROOF OF CLAIM FORM**

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

12 To qualify for a payment, you must submit a timely and valid Claim Form. A Claim  
13 Form is included with this Notice. If you did not receive a Claim Form, you can obtain one on  
14 the internet at the website for the Claims Administrator: [www.\\_\\_\\_\\_\\_](http://www._____.). You can also ask for a  
15 Claim Form by calling the Claims Administrator toll-free at (\_\_\_\_) \_\_\_\_-\_\_\_\_.

16 Please read the instructions carefully, fill out the Claim Form, include all the documents  
17 the form requests, sign it, and mail or submit it to the Claims Administrator so that it is  
18 **postmarked or electronically submitted no later than \_\_\_\_\_, 2017.**

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

20 Unless you exclude yourself, you are staying in the Settlement Class, and that means that,  
21 upon the “Effective Date,” you will release all “Released Claims” against the “Released  
22 Defendant Parties.”

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

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

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

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

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

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

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

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

1 discovery or existence of such different or additional facts, legal theories, or authorities. Lead  
 2 Plaintiffs and Defendants acknowledge, and other Settlement Class Members and Released  
 3 Defendant Party by operation of law shall be deemed to have acknowledged, that the inclusion of  
 4 “Unknown Claims” in the definition of Released Claims and Released Defendants’ Claims was  
 5 separately bargained for and was a material element of the Settlement.

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

### 9 **EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS**

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

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

20 To exclude yourself from the Settlement Class, you must mail a signed letter stating that  
 21 you “wish to be excluded from the Settlement Class in “*In re Ubiquiti Networks, Inc. Securities*  
 22 *Litigation*, No. 12-4677 (N.D. Cal.)” You cannot exclude yourself by telephone or e-mail.  
 23 Your letter must state the date(s), price(s), and number(s) of shares of all purchases, acquisitions,  
 24 and/or sales of Ubiquiti publicly traded common stock during the period from October 14, 2011  
 25 through May 3, 2012. Your letter must include your name, mailing address, telephone number,  
 26 e-mail address, and signature. You must submit your exclusion request so that it is **postmarked**  
 27  
 28

1 no later than \_\_\_\_\_, 2017 to:

2  
3 *Ubiquiti Networks Securities Litigation*  
4 Claims Administrator  
5 c/o [XXX]  
6 [XXXXXXXXXXXXXXXXXX}

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

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

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

17 **THE LAWYERS REPRESENTING YOU**

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

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

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

25 Lead Counsel have not been paid for any of their work. They will ask the Court to award  
26 them, from the Settlement Fund, attorneys’ fees of no more than 25% of the Settlement Fund,  
27 which includes interest on such fees at the same rate as earned by the Settlement Fund. Lead  
28 Counsel will also seek payment of their litigation expenses in connection with the prosecution of

1 this Action of no more than \$200,000, plus interest on such expenses at the same rate as earned  
2 by the Settlement Fund.

3 **OBJECTING TO THE SETTLEMENT**

4 You can tell the Court that you do not agree with the Settlement or any part of it.

5 **14. How do I tell the Court that I do not like something about the proposed**  
6 **Settlement?**

7 If you are a Settlement Class Member, you can object to the Settlement or any of its  
8 terms, the proposed Plan of Allocation, and/or the Fee and Expense Application. You may write  
9 to the Court explaining your objection. You can ask the Court to not approve the Settlement,  
10 however you cannot ask the Court to order a larger settlement – the Court can only approve or  
11 deny this Settlement. If the Court denies approval, the settlement payments will not be sent out  
12 and the lawsuit will continue. If you would like the Court to consider your views, you must file  
13 a proper objection within the deadline, and according to the following procedures.

14 To object, you must send a signed letter stating that you object to the proposed Settlement  
15 in “*In re Ubiquiti Networks, Inc. Securities Litigation*, No. 12-4677 (N.D. Cal.)” You must  
16 include your name, address, telephone number, e-mail address, and signature; identify the  
17 date(s), price(s), and number(s) of shares of Ubiquiti publicly traded common stock purchased,  
18 acquired, and/or sold; state the reasons why you object to the Settlement and which part(s) of the  
19 Settlement you object to; and include any legal support and/or evidence, to support your  
20 objection. Unless otherwise ordered by the Court, any Settlement Class Member who does not  
21 object in the manner described in this Notice will be deemed to have waived any objection and  
22 shall be forever foreclosed from making any future objection. Your objection must be submitted  
23 to the Court either by mailing the objection to the Clerk of the Court at the address below or by  
24 filing the objection in person at the location below, and mailed to Lead Counsel and Defendants’  
25 Counsel so that it is **postmarked on or before \_\_\_\_\_, 2017:**

26 **The Court**

27 Clerk of the Court  
28 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. 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 \_\_\_\_\_ at \_\_\_\_\_.m., in Courtroom 1, 4th Floor of the Oakland Courthouse, 1301 Clay Street, Oakland, CA 94612.



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

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

13 **17. May I speak at the Settlement Hearing?**

14 You may ask the Court for permission to speak at the Settlement Hearing. To do so, you  
15 must submit a statement that it is your intention to appear in “*In re Ubiquiti Networks, Inc.*  
16 *Securities Litigation*, No. 12-4677 (N.D. Cal.)” Persons who intend to object to the Settlement,  
17 the Plan of Allocation, or Lead Counsel’s Fee and Expense Application and desire to present  
18 evidence at the Settlement Hearing must also include in their objections (prepared and submitted  
19 in accordance with the answer to Question 14 above) the identity of any witness they may wish  
20 to call to testify and any exhibits they intend to introduce into evidence at the Settlement  
21 Hearing. You may not speak at the Settlement Hearing if you excluded yourself from the  
22 Settlement Class or if you have not provided written notice of your objection and/or intention to  
23 speak at the Settlement Hearing in accordance with the procedures described in Questions 10  
24 and 14.

25 **IF YOU DO NOTHING**

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

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

### 8 GETTING MORE INFORMATION

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

10 This Notice summarizes the proposed Settlement. More details are in the Stipulation.  
 11 Lead Counsel's motions in support of approval of the Settlement, the request for attorneys' fees  
 12 and litigation expenses, and approval of the proposed Plan of Allocation will be filed with the  
 13 Court no later than \_\_\_\_\_, 2017 and available from Lead Counsel, the Claims  
 14 Administrator, or the Court, pursuant to the instructions below.

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

21 You can also get a copy of the Stipulation and other case documents by calling the  
 22 Claims Administrator toll free at (\_\_\_\_) \_\_\_\_ - \_\_\_\_; writing to the Claims Administrator at  
 23 *Ubiquiti Networks, Inc. Securities Litigation*, c/o XXX, P.O. Box \_\_\_\_\_, XXX; or visiting the  
 24 websites of the Claims Administrator or Lead Counsel at [www.\\_\\_\\_\\_\\_](http://www.____), [www.labaton.com](http://www.labaton.com),  
 25 [www.rgrdlaw.com](http://www.rgrdlaw.com) where you will find answers to common questions about the Settlement,  
 26 download copies of the Stipulation or Claim Form, and locate other information.  
 27  
 28

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

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

**A. Preliminary Matters**

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

The purpose of this Plan of Allocation of the Net Settlement Fund (“Plan of Allocation” or “Plan”) is to establish a reasonable and equitable method of distributing the Net Settlement Fund among Authorized Claimants who allegedly suffered economic losses as a result of the alleged violations of the federal securities laws. For purposes of determining the amount an Authorized Claimant may recover under this Plan, Lead Counsel have conferred with a consulting damages expert. This Plan is intended to be generally consistent with an assessment of, among other things, the damages that Lead Counsel and Lead Plaintiffs believe were recoverable in the Action. The Plan, however, is not a formal damages analysis and the calculations made pursuant to the Plan are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. An individual Settlement Class Member’s recovery will depend on, for example: (a) the total number of claims submitted; (b) when the Settlement Class Member purchased or acquired Ubiquiti publicly traded common stock; and (c) whether and when the Settlement Class Member sold his, her, or its shares of Ubiquiti common stock.

1 Because the Net Settlement Fund is less than the total losses alleged to be suffered by  
2 Settlement Class Members, the formulas described below for calculating Recognized Losses are  
3 not intended to estimate the amount that will actually be paid to Authorized Claimants. Rather,  
4 these formulas provide the basis on which the Net Settlement Fund will be distributed among  
5 Authorized Claimants on a *pro rata* basis. An Authorized Claimant's Recognized Loss shall be  
6 the amount used to calculate the Authorized Claimant's *pro rata* share of the Net Settlement  
7 Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Loss divided by the  
8 total of the Recognized Losses of all Authorized Claimants, multiplied by the total amount in the  
9 Net Settlement Fund.

10 Defendants, their respective counsel, and all other Released Defendant Parties will have  
11 no responsibility or liability for the investment of the Settlement Fund, the distribution of the Net  
12 Settlement Fund, the Plan of Allocation or the payment of any claim. Lead Plaintiffs, Lead  
13 Counsel, and anyone acting on their behalf, likewise will have no liability for their reasonable  
14 efforts to execute, administer, and distribute the Settlement.

15  
16 **B. Calculation of Recognized Loss Amounts**

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

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

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

22 *minus*

23 b. the sales price per share;

24  
25 (2) sold after the close of trading on September 7, 2012 and before the close of trading on  
26 April 25, 2013, the Recognized Loss per share is:

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

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*minus*

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

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

**C. Additional Provisions**

If a Settlement Class Member made multiple purchases, acquisitions, or sales of Ubiquiti common stock during or after the Class Period, the starting point for calculating a claimant’s Recognized Loss is to match the claimant’s purchases and acquisitions to their sales using the FIFO (*i.e.*, first-in-first-out) method. Under the FIFO method, sales will be matched against purchases or acquisitions in chronological order, beginning with the earliest purchase or acquisition made during the Class Period.

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

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

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

4 Distributions to eligible Authorized Claimants will be made after claims have been  
5 processed. After an initial distribution of the Net Settlement Fund, if there is any balance  
6 remaining in the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or  
7 otherwise) after at least six (6) months from the date of initial distribution of the Net Settlement  
8 Fund, Lead Counsel shall, if feasible and economical, re-distribute such balance among  
9 Authorized Claimants who have cashed their checks in an equitable and economic fashion.  
10 These re-distributions shall be repeated until the balance in the Net Settlement Fund is no longer  
11 feasible to distribute to Authorized Claimants. Any balance that still remains in the Net  
12 Settlement Fund after re-distribution(s), which is not feasible or economical to reallocate, after  
13 payment of Notice and Administration Expenses, Taxes, and attorneys' fees and expenses, shall  
14 be donated in equal amounts to Bay Area Legal Aid and Consumer Federation of America.

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

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

18 If you purchased the publicly traded common stock of Ubiquiti during the Class Period  
19 for the beneficial interest of a person or organization other than yourself, the Court has directed  
20 that, WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, you  
21 either: (a) provide to the Claims Administrator the name and last known address of each person  
22 or organization for whom or which you purchased such shares during such time period; or (b)  
23 request additional copies of this Notice and the Proof of Claim form, which will be provided to  
24 you free of charge, and WITHIN SEVEN (7) CALENDAR DAYS mail the Notice and Proof of  
25 Claim form directly to the beneficial owners of that security. If you choose to follow  
26 alternative procedure (b), the Court has directed that, upon such mailing, you must send a  
27 statement to the Claims Administrator confirming that the mailing was made as directed. Upon  
28

1 timely compliance with the above requirements, you are entitled to reimbursement from the  
2 Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing,  
3 including reimbursement of postage expense and the cost of ascertaining the names and  
4 addresses of beneficial owners. Those expenses will be paid upon request and submission of  
5 appropriate supporting documentation. All communications concerning the foregoing should be  
6 addressed to the Claims Administrator:

7  
8 *Ubiquiti Networks Securities Litigation*  
9 Claims Administrator  
10 c/o [XXX]  
11 [XXXXXXXXXXXXXXXXX}  
12 Phone: [XXX-XXX-XXXX] Fax: [XXX-XXX-XXXX]  
13 [e-mail]  
14 www.XXXXX

15 Dated: \_\_\_\_\_, 2017

16 BY ORDER OF THE UNITED STATES  
17 DISTRICT COURT FOR THE  
18 NORTHERN DISTRICT OF  
19 CALIFORNIA

# **Exhibit A-2**



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  
15 UNITED STATES DISTRICT COURT  
16 NORTHERN DISTRICT OF CALIFORNIA

16 In re UBIQUITI NETWORKS, INC. ) Master File No. 12-cv-04677-YGR  
17 SECURITIES LITIGATION )  
) CLASS ACTION  
18 \_\_\_\_\_ )  
19 This Document Relates To: ) PROOF OF CLAIM AND RELEASE  
)  
20 ALL ACTIONS. ) EXHIBIT A-2  
\_\_\_\_\_ )

21  
22  
23 **I. GENERAL INSTRUCTIONS**

24 1. To recover as a Settlement Class Member based on your claims in the action entitled  
25 *In re Ubiquiti Networks, Inc. Securities Litigation*, Master File No. 12-cv-04677-YGR (the  
26 “Action”), YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED PROOF OF CLAIM  
27 FORM (“CLAIM FORM”), ACCOMPANIED BY COPIES OF THE DOCUMENTS  
28

1 REQUESTED HEREIN, **ON OR BEFORE** \_\_\_\_\_, **2017**, ADDRESSED AS FOLLOWS:

2  
3 *Ubiquiti Networks Securities Litigation*  
4 Claims Administrator  
5 c/o The Garden City Group Inc.  
6 XXX  
7 XXXX  
8 www.XXXXX.com

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

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

15 **II. CLAIMANT IDENTIFICATION**

16 If you purchased or acquired the publicly traded common stock of Ubiquiti Networks, Inc.  
17 (“Ubiquiti” or the “Company”) pursuant and/or traceable to Ubiquiti’s Initial Public Offering  
18 (“IPO”) on or about October 14, 2011,<sup>1</sup> use Part I of this form entitled “Claimant Identification” to  
19 list the claimant name, mailing address, and account information if relevant (such as for a claim  
20 submitted on behalf of an IRA, Trust, or estate account). Please list the most current claimant or  
21 account name as you would like the information to appear on the check, if eligible for payment.  
22 Please also provide a telephone number and/or e-mail address, as the Claims Administrator may  
23 need to contact you with questions about the claim submitted. If your Claimant Identification  
24 information changes, please notify the Claims Administrator in writing at the address above.

25 All joint purchasers must sign this claim. If you are acting in a representative capacity on  
26 behalf of a Settlement Class Member (for example, as an executor, administrator, trustee, or other

27 <sup>1</sup> If you purchased or acquired your shares during the period from October 14, 2011 through May 3,  
28 2012, inclusive, you are presumed to have purchased or acquired your shares pursuant and/or  
traceable to Ubiquiti’s IPO on or about October 14, 2011.

1 representative), you must submit evidence of your current authority to act on behalf of that  
2 Settlement Class Member. Such evidence would include, for example, letters testamentary, letters  
3 of administration, or a copy of the trust documents or other documents which provide you with the  
4 authority to submit the claim. Please also indicate your representative capacity under your signature  
5 on page \_\_\_ of this Claim Form.

6  
7 **III. CLAIM FORM**

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

14 On the schedules, provide all of the requested information with respect to all of your  
15 purchases or acquisitions of Ubiquiti publicly traded common stock which took place from October  
16 14, 2011 through April 25, 2013, inclusive, and *all* of your sales of Ubiquiti common stock which  
17 took place prior to or on April 25, 2013, whether such transactions resulted in a profit or a loss.<sup>2</sup>  
18 You must also provide the amount of Ubiquiti publicly traded common stock you held at the close  
19 of trading on April 25, 2013. Failure to report all such transactions may result in the rejection of  
20 your claim.

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

23  
24  
25 <sup>2</sup> Information requested with respect to your purchases/acquisitions of Ubiquiti common stock  
26 through April 25, 2013 is needed in order to balance your claim. Purchases/acquisitions after May  
27 3, 2012, however, are not eligible for a recovery under the Plan of Allocation and will not be used  
28 for purposes of calculating your Recognized Loss pursuant to the Plan of Allocation for the  
Settlement.

1 The date of covering a “short sale” is deemed to be the date of purchase of Ubiquiti common  
2 stock. The date of a “short sale” is deemed to be the date of sale of Ubiquiti common stock.

3 COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR  
4 TRANSACTIONS SHOULD BE ATTACHED TO YOUR CLAIM. **FAILURE TO PROVIDE**  
5 **THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR**  
6 **RESULT IN REJECTION OF YOUR CLAIM.**

7  
8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 *Ubiquiti Networks Securities Litigation*

11 Master File No. 12-cv-04677

12 **PROOF OF CLAIM**

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

14 \_\_\_\_\_, 2017

15 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  
 2 COMMON STOCK

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

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

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):

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

16 C. Number of shares of Ubiquiti common stock held at the close of trading on April 25,  
 17 2013: \_\_\_\_\_

**IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS**

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

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

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

Executed this \_\_\_\_\_ day of \_\_\_\_\_  
(Month/Year)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Type or print your name here)

\_\_\_\_\_  
(Capacity of person(s) signing, e.g., Beneficial Purchaser, Executor, or Administrator)

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

Reminder Checklist:

1. Please sign 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 \_\_\_\_\_, 2017, ADDRESSED AS FOLLOWS:**

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



# **Exhibit A-3**

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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.<sup>1</sup>

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 4<sup>th</sup> Floor, 1301 Clay Street, Oakland, CA 94612 at \_\_: \_\_ .m. on \_\_\_\_\_, 2017 to,  
17 among other things, determine whether (1) the Settlement should be approved by the Court as  
18 fair, reasonable, and adequate; (2) the Plan of Allocation for distribution of the Settlement  
19 Amount, 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**

<sup>1</sup> The complete terms of the Settlement are in the Stipulation and Agreement of Settlement, dated August \_\_, 2017, which can be viewed at [www.\\_\\_\\_\\_.com](http://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 [XXXXXXXXXXXXXXXXX]  
10 Phone: [XXX-XXX-XXXX] Fax: [XXX-XXX-XXXX]  
11 [e-mail]  
12 www.XXXXX

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 \_\_\_\_\_, 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 \_\_\_\_\_, 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.

8

9 Dated: \_\_\_\_\_, 2017

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

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# **Exhibit B**

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  
 17 SECURITIES LITIGATION )  
 ) CLASS ACTION  
 18 \_\_\_\_\_ )  
 19 This Document Relates To: ) [PROPOSED] FINAL ORDER AND  
 ) JUDGMENT  
 20 ALL ACTIONS. )  
 \_\_\_\_\_ )

21 WHEREAS:

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

1 LLC, Deutsche Bank Securities Inc., Raymond James & Associates, Inc. and KeyBanc Capital  
2 Markets Inc. (formerly known as Pacific Crest Securities LLC) (collectively, the “Underwriter  
3 Defendants” and with Ubiquiti and the Individual Defendants, the “Defendants”), on the other  
4 hand, entered into a Stipulation and Agreement of Settlement (the “Stipulation”) in the Action;

5 B. Pursuant to the Order Granting Preliminary Approval of Class Action Settlement,  
6 Approving Form and Manner of Notice, and Setting Date for Hearing on Final Approval of  
7 Settlement, entered \_\_\_\_\_, 2017 (the “Preliminary Approval Order”), the Court  
8 scheduled a hearing for \_\_\_\_\_, 2017, at \_\_\_\_:\_\_\_\_.m. (the “Settlement  
9 Hearing”) to, among other things: (i) determine whether the proposed Settlement of the Action  
10 on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate, and  
11 should be approved by the Court; and (ii) determine whether a judgment as provided for in the  
12 Stipulation should be entered;

13 C. The Court ordered that the Notice of Pendency of Class Action, Proposed  
14 Settlement, and Motion for Attorneys’ Fees and Expenses (the “Notice”) and a Proof of Claim  
15 and Release form (“Proof of Claim”), substantially in the forms attached to the Preliminary  
16 Approval Order as Exhibits 1 and 2, respectively, be mailed by first-class mail, postage prepaid,  
17 on or before ten (10) business days after the date of entry of the Preliminary Approval Order  
18 (“Notice Date”) to all potential Settlement Class Members who could be identified through  
19 reasonable effort, and that a Summary Notice of Pendency of Class Action, Proposed Settlement,  
20 and Motion for Attorneys’ Fees and Expenses (the “Summary Notice”), substantially in the form  
21 attached to the Preliminary Approval Order as Exhibit 3, be published in *The Wall Street Journal*  
22 and transmitted over the *Business Wire* within fourteen (14) calendar days of the Notice Date;

23 D. The Notice and the Summary Notice advised potential Settlement Class Members  
24 of the date, time, place, and purpose of the Settlement Hearing. The Notice further advised that  
25 any objections to the Settlement were required to be filed with the Court and served on counsel  
26 for the Parties such that they were received and filed by \_\_\_\_\_, 2017;



1 E. The provisions of the Preliminary Approval Order as to notice were complied  
2 with;

3 F. On \_\_\_\_\_, 2017, Lead Plaintiffs moved for final approval of the  
4 Settlement, as set forth in the Preliminary Approval Order. The Settlement Hearing was duly  
5 held before this Court on \_\_\_\_\_, 2017, at which time all interested Persons were  
6 afforded the opportunity to be heard; and

7 G. This Court has duly considered Lead Plaintiffs' motion, the affidavits,  
8 declarations, memoranda of law submitted in support thereof, the Stipulation, and all of the  
9 submissions and arguments presented with respect to the proposed Settlement;

10 NOW, THEREFORE, after due deliberation, IT IS ORDERED, ADJUDGED AND  
11 DECREED that:

12 1. This Judgment incorporates and makes a part hereof: (i) the Stipulation filed with  
13 the Court on \_\_\_\_\_, 2017; and (ii) the Notice, which was filed with the Court on  
14 \_\_\_\_\_, 2017. Capitalized terms not defined in this Judgment shall have the meaning set  
15 forth in the Stipulation.

16 2. This Court has jurisdiction over the subject matter of the Action and over all  
17 parties to the Action, including all Settlement Class Members.

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

1 assigns of any such excluded person or entity. Also excluded from the Settlement Class are  
2 those Persons who have timely and validly sought exclusion from the Settlement Class and are  
3 listed on the annexed Exhibit A.

4 4. Pursuant to Fed. R. Civ. P. 23, and for purposes of the Settlement only, the Court  
5 hereby re-affirms its determinations in the Preliminary Approval Order and finally certifies Lead  
6 Plaintiffs Inter-Local Pension Fund GCC/IBT and Bristol County Retirement System, as Class  
7 Representatives for the Settlement Class; and finally appoints the law firms of Labaton  
8 Sucharow LLP and Robbins Geller Rudman & Dowd as Class Counsel for the Settlement Class.

9 5. The Court finds that the mailing and publication of the Notice, Summary Notice,  
10 and Proof of Claim: (i) complied with the Preliminary Approval Order; (ii) constituted the best  
11 notice practicable under the circumstances; (iii) constituted notice that was reasonably calculated  
12 to apprise Settlement Class Members of the effect of the Settlement, of the Plan of Allocation, of  
13 Lead Counsel's request for an award of attorney's fees and payment of litigation expenses  
14 incurred in connection with the prosecution of the Action, of Settlement Class Members' right to  
15 object or seek exclusion from the Settlement Class, and of their right to appear at the Settlement  
16 Hearing; (iv) constituted due, adequate, and sufficient notice to all Persons entitled to receive  
17 notice of the proposed Settlement; and (v) satisfied the notice requirements of Rule 23 of the  
18 Federal Rules of Civil Procedure, the United States Constitution (including the Due Process  
19 Clause), and Section 27 of the Securities Act of 1933, 15 U.S.C. § 77z-1(a)(7) as amended by the  
20 Private Securities Litigation Reform Act of 1995 (the "PSLRA").

21 6. In light of the benefits to the Settlement Class, the complexity, expense and  
22 possible duration of further litigation against Defendants, the risks of establishing liability and  
23 damages, the costs of continued litigation, the Court hereby fully and finally approves the  
24 Settlement as set forth in the Stipulation in all respects, and finds that the Settlement is, in all  
25 respects, fair, reasonable and adequate. This Court further finds the Settlement set forth in the  
26 Stipulation is the result of arm's-length negotiations between experienced counsel representing  
27

1 the interests of the Settlement Class and Defendants, all of whom had a firm understanding of the  
2 factual and legal issues in dispute.

3 7. The Consolidated Second Amended Complaint for Violations of the Federal  
4 Securities Laws filed on January 30, 2017 (the “SAC”) is dismissed in its entirety, with  
5 prejudice, and without costs to any Party, except as otherwise provided in the Stipulation.

6 8. The Court finds that during the course of the Action, the Parties and their  
7 respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of  
8 Civil Procedure.

9 9. Upon the Effective Date, Plaintiffs and each and every other Settlement Class  
10 Member, on behalf of themselves and each of their respective heirs, executors, trustees,  
11 administrators, predecessors, successors, and assigns, shall be deemed to have fully, finally, and  
12 forever waived, released, discharged, and dismissed each and every one of the Released Claims  
13 against each and every one of the Released Defendant Parties and shall forever be barred and  
14 enjoined from commencing, instituting, prosecuting, or maintaining any and all of the Released  
15 Claims against any and all of the Released Defendant Parties.

16 10. Upon the Effective Date, Defendants, on behalf of themselves and each of their  
17 respective heirs, executors, trustees, administrators, predecessors, successors, and assigns, shall  
18 be deemed to have fully, finally, and forever waived, released, discharged, and dismissed each  
19 and every one of the Released Defendants’ Claims against each and every one of the Releasing  
20 Plaintiff Parties and shall forever be barred and enjoined from commencing, instituting,  
21 prosecuting, or maintaining any and all of the Released Defendants’ Claims against any and all  
22 of the Releasing Plaintiff Parties.

23 11. Each Settlement Class Member, whether or not such Settlement Class Member  
24 executes and delivers a Proof of Claim, is bound by this Judgment, including, without limitation,  
25 the release of claims as set forth in the Stipulation.

26 12. This Judgment and the Stipulation, whether or not consummated, and any  
27 discussion, negotiation, proceeding, or agreement relating to the Stipulation, the Settlement, and

1 any matter arising in connection with settlement discussions or negotiations, proceedings, or  
2 agreements, shall not be offered or received against or to the prejudice of the Parties or their  
3 respective counsel, for any purpose other than in an action to enforce the terms hereof, and in  
4 particular:

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

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

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

26 (d) do not constitute, and shall not be construed against Defendants, Lead  
27 Plaintiffs, or any other member of the Settlement Class, as an admission or concession that the

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 SAC would not have exceeded the Settlement Amount.

7 13. The administration of the Settlement, and the decision of all disputed questions of  
8 law and fact with respect to the validity of any claim or right of any Person to participate in the  
9 distribution of the Net Settlement Fund, shall remain under the authority of this Court.

10 14. In the event that the Settlement does not become effective in accordance with the  
11 terms of the Stipulation, then this Judgment shall be rendered null and void to the extent  
12 provided by and in accordance with the Stipulation and shall be vacated, and in such event, all  
13 orders entered and releases delivered in connection herewith shall be null and void to the extent  
14 provided by and in accordance with the Stipulation.

15 15. Without further order of the Court, the Parties may agree to reasonable extensions  
16 of time to carry out any of the provisions of the Stipulation.

17 16. The Parties are hereby directed to consummate the Stipulation and to perform its  
18 terms.

19 17. A separate order shall be entered regarding Lead Counsel's motion for an award  
20 of attorneys' fees and payment of expenses. A separate order shall be entered regarding the Plan  
21 of Allocation set forth in the Notice. Such orders shall in no way disturb or affect this Judgment  
22 and shall be considered separate from this Judgment.

23 18. Without affecting the finality of this Judgment in any way, this Court hereby  
24 retains continuing jurisdiction for a period of one year from the date of this Judgment over: (i)  
25 implementation of the Settlement; (ii) the allowance, disallowance or adjustment of any  
26 Settlement Class Member's claim on equitable grounds and any award or distribution of the  
27 Settlement Fund; (iii) disposition of the Settlement Fund; (iv) hearing and determining

1 applications for attorneys' fees, costs, interest and payment of expenses in the Action; (v) all  
2 Parties for the purpose of construing, enforcing and administering the Settlement and this  
3 Judgment; and (vi) other matters related or ancillary to the foregoing. There is no just reason for  
4 delay in the entry of this Judgment and immediate entry by the Clerk of the Court is expressly  
5 directed.

6  
7 Dated: \_\_\_\_\_, 2017

\_\_\_\_\_  
8 Honorable Yvonne Gonzalez Rogers  
9 UNITED STATES DISTRICT JUDGE  
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**EXHIBIT A**