

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re Investment Technology Group, Inc.
Securities Litigation

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 2-21-19

Exhibit B

No. 15 Civ. 6369 (JFK)

Consolidated

JFK
**[REVISED PROPOSED] FINAL JUDGMENT
APPROVING CLASS ACTION SETTLEMENT**

WHEREAS Metzler Asset Management GmbH (“Metzler” or “Lead Plaintiff”), on behalf of itself and the members of the Class, defendant Investment Technology Group, Inc. (“ITG” or the “Company”), and defendant Robert C. Gasser (“Gasser” and, together with ITG, the “Defendants” and, collectively with Lead Plaintiff, the “Parties”), entered into an Amended Stipulation and Agreement of Settlement between Lead Plaintiff and Defendants dated as of October 26, 2018 (the “Stipulation”), that provides for a complete dismissal with prejudice of the claims asserted in the above-captioned action (the “Action”) against all Defendants and other Defendant Released Parties on the terms and conditions set forth in the Stipulation, subject to the approval of this Court (the “Settlement”);

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

WHEREAS, by Order dated November 5, 2018 (the “Preliminary Approval Order”), this Court (a) preliminarily approved the Settlement and certified a Class solely for purposes of effectuating the Settlement; (b) ordered that notice of the proposed Settlement be

provided to potential Class Members; (c) provided Class Members with the opportunity either to exclude themselves from or object to the proposed Settlement; and (d) scheduled a hearing regarding final approval of the Settlement;

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

WHEREAS, there have been no objections to the proposed Settlement or any portion thereof;

WHEREAS, the Court conducted a hearing on February 21, 2019, to consider, among other things, (i) whether the terms and conditions of the Settlement are fair, reasonable, and adequate and should therefore be approved; and (ii) whether a judgment should be entered dismissing the Action with prejudice as against the Defendants;

WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and proceedings held herein in connection with the Settlement, all oral and written comments received regarding the proposed Settlement, and the record and papers filed in the Action, and good cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

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

2. **Incorporation of Settlement Documents:** This Judgment incorporates and makes a part hereof the Stipulation and exhibits thereto.

3. **Class Findings:** With respect to the Class set forth below, this Court finds only for the purpose of effectuating this Settlement and only as pertains to the claims asserted against Defendants by Lead Plaintiff and the Class that the prerequisites for a class action under Rules

23(a) and 23(b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the members of the class are so numerous that their joinder would be impracticable; (b) there are questions of law and fact common to the Class which predominate over any individual questions; (c) the claims of Lead Plaintiff in the Action are typical of the claims of the Class; (d) Lead Plaintiff and Lead Counsel have fairly and adequately represented and protected the interests of all of the Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. **Final Class Certification:** Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby finally certifies, solely for the purpose of effectuating this Settlement, a class of all persons and entities who purchased or otherwise acquired ITG common stock during the period of February 28, 2011 to and through August 3, 2015, inclusive (the “Class Period”), and were damaged thereby. Excluded from the Class are: (1) Defendants; (2) Steven Vigliotti (“Vigliotti”) and Mats Goebels (“Goebels”); (3) ITG’s affiliates and subsidiaries; (4) the officers and directors of ITG and its affiliates and subsidiaries at all relevant times; (5) members of the immediate family of any excluded person; (6) heirs, successors, and assigns of any excluded person or entity; and (7) any entity in which any excluded person has or had a controlling interest.

5. **Adequacy of Representation:** Lead Plaintiff and Lead Counsel have fully and adequately represented the Class for purposes of entering into and implementing the Settlement and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and 23(g). Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of the Settlement only, Lead Plaintiff is certified as Class Representative and Lead Counsel is certified as Class Counsel.

6. **Settlement Notice:** The Court finds that the distribution of the Notice and the publication of the Summary Notice:

- a. were implemented in accordance with the Preliminary Approval Order;
- b. constituted the best notice practicable under the circumstances to Class Members;
- c. were reasonably calculated, under the circumstances, to apprise Class Members of (i) the pendency of the Action; (ii) the effect of the proposed Settlement (including the releases contained therein); and (iii) their right to object to any aspect of the proposed Settlement, exclude themselves from the Class, and/or appear at the Settlement Hearing;
- d. were reasonable and constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and
- e. fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the PSLRA, and all other applicable law and rules.

7. **Final Settlement Approval and Dismissal of Claims:** Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation: the Settlement Amount; the Releases provided for therein, including the release of any and all Settled Claims against each and all of the Defendant Released Parties; and the dismissal with prejudice of all claims asserted in the Action), and finds that the Settlement is, in all respects, fair, reasonable, and adequate, and is in the best interests of Lead Plaintiff and the other Class Members. The Parties are directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

8. **Dismissal with Prejudice:** The Action and all of the claims asserted in the Action by Lead Plaintiff and the other Class Members are hereby dismissed with prejudice. The Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

9. **Binding Effect:** The terms of the Stipulation and of this Judgment shall be forever binding on Lead Plaintiff and all other Class Members (regardless of whether or not any individual Class Member submits a Proof of Claim Form or seeks or obtains a distribution from the Net Settlement Fund), as well as their respective heirs, executors, administrators, predecessors, successors, affiliates, and assigns.

10. **Releases:** The releases as set forth in paragraphs 5-9 of the Stipulation, together with the definitions contained in paragraph 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. Accordingly, this Court orders that:

a. Pursuant to this Judgment, without further action by anyone, upon the Effective Date of the Settlement, Lead Plaintiff and each of the other Class Members (whether or not such person submitted a Claim Form), on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, affiliates, agents, attorneys, representatives, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Settled Claim (including, without limitation, any Unknown Claims) against any and all of the Defendants and any and all of the other Defendant Released Parties, and shall forever be barred and enjoined from prosecuting any and all of the Settled Claims against any and all of the Defendant Released Parties.

b. Pursuant to this Judgment, without further action by anyone, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, affiliates, agents, attorneys, representatives, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Settled Defendants' Claim (including, without limitation, any Unknown Claims) against Lead Plaintiff and the other Plaintiff Released Parties, and shall forever be barred and enjoined from prosecuting any or all of the Settled Defendants' Claims against any and all of the Plaintiff Released Parties.

c. Notwithstanding the foregoing, nothing in paragraphs 10(a) and 10(b) above shall bar any action or claim to enforce the terms of the Stipulation or this Judgment.

11. **Exclusions:** No requests for exclusion from the Class were received by the January 31, 2019 submission deadline.

12. **Lead Plaintiff's Covenant Not to Sue:** As set forth in paragraph 7 of the Stipulation, Lead Plaintiff covenants, on its own behalf and on behalf of the Class, not to sue any Defendant Released Party on the basis of any of the Settled Claims or to assist any person in commencing or maintaining any suit relating to any Settled Claim. Such covenants are expressly incorporated herein in all respects. Accordingly, this Court orders that Lead Plaintiff and members of the Class not sue any Defendant Released Party on the basis of any of the Settled Claims or assist any person in commencing or maintaining any suit relating to any Settled Claims. This covenant of Lead Plaintiff and members of the Class does not include claims to enforce the Settlement or this Judgment.

13. **Bar Order:** In accordance with 15 U.S.C. § 78u-4(f)(7)(A) and to the fullest extent permitted by applicable law, any and all claims for contribution against any of the Defendants, Vigliotti, and Goebels based upon, arising out of, or relating to the claims or allegations of the Action or any Settled Claim, whether arising under state, federal, foreign law, as claims, cross-claims, counterclaims, third-party claims, or otherwise, that have been or could be brought, by any person or entity, are hereby permanently barred, extinguished, discharged, satisfied, and rendered unenforceable. This bar order constitutes the final discharge of all obligations to any member of the Class of each of the Defendants, Vigliotti, and Goebels arising out of the Action.

14. **Enforcement of Stipulation or Judgment:** Notwithstanding anything to the contrary herein, nothing in the Stipulation or this Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

15. **Rule 11 Findings:** The Court finds and concludes that the Parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the commencement, maintenance, prosecution, defense, and settlement of the Action.

16. **No Admissions:** Neither the Term Sheet, the Stipulation, including the exhibits thereto and the Plan of Allocation contained therein (or any other plan of allocation that may be approved by this Court), the negotiations leading to the execution of the Term Sheet and the Stipulation, nor any proceedings taken pursuant to or in connection with the Term Sheet, the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

a. shall be offered against any of the Defendants or Defendant Released Parties as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendant Released Parties with respect to the truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Defendant Released Parties or in any way referred to for any other reason as against any of the Defendant Released Parties, in any civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation;

b. shall be offered against any of the Plaintiff Released Parties, as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Plaintiff Released Parties that any of their claims are without merit, that any of the Defendant Released Parties had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount or with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff Released Parties, in any civil, criminal, or administrative action or

proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation;

c. shall be construed against any of the Released Parties as an admission, concession, or presumption that the consideration to be given hereunder represents the amount that could be or would have been recovered after trial;

provided, however, that if the Stipulation is approved by the Court, the Parties and the Released Parties and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Stipulation; and provided further that nothing herein shall limit the materials or evidence that may be offered or referred to by Defendant Released Parties in disputes, actions, or proceedings arising between any Defendant Released Party and any Insurer.

17. **Retention of Jurisdiction:** Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of the administration, interpretation, implementation, and enforcement of the Settlement; (b) the disposition of the Settlement Fund; (c) any motion for an award to Lead Counsel of attorneys' fees and Litigation Expenses and/or awards to Lead Plaintiff made pursuant to the PSLRA for reasonable costs and expenses (including lost wages) that will be paid from the Settlement Fund; (d) any motion to approve the Plan of Allocation; (e) any motion to approve the Class Distribution Order; and (f) the Class Members for all matters relating to the Action.

18. **Other Orders:** Separate orders shall be entered regarding approval of a plan of allocation and Lead Counsel's motion for an award of attorneys' fees, reimbursement of Litigation Expenses, and/or awards to Lead Plaintiff made pursuant to the PSLRA for reasonable

costs and expenses (including lost wages). Such orders shall in no way affect or delay the finality of this Judgment and shall not affect or delay the Effective Date of the Settlement.

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

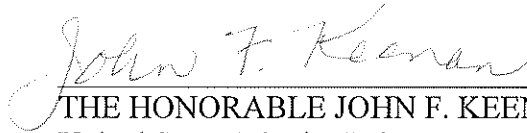
20. **Termination:** If the Effective Date does not occur or the Settlement is terminated as provided in the Stipulation, then this Judgment (and any orders of the Court relating to the Settlement) shall be vacated, be rendered null and void, and be of no further force or effect, except as otherwise provided by the Stipulation. Within five (5) business days after joint written notification of termination is sent by Defendants' Counsel and Lead Counsel to the Escrow Agent, the Settlement Fund (including accrued interest thereon and any funds received by Lead Counsel consistent with paragraph 21 of the Stipulation), less any expenses and any costs that have either been disbursed or incurred and chargeable to Notice and Administration Costs, and less any Taxes paid or due or owing, shall be refunded by the Escrow Agent to ITG and/or the Insurers (in proportion to the amount contributed by each). In the event that any funds received by any of Lead Counsel or Lead Plaintiff have not been refunded or repaid (as provided for by paragraph 21 of the Stipulation) within the five (5) business days specified in the second sentence of this paragraph, and are thereafter refunded or repaid to the Escrow Account, those funds shall be refunded or repaid by the Escrow Agent to ITG and/or the Insurers (in proportion

to the amount contributed by each) immediately upon any deposit of such funds into the Escrow Account.

21. **Intervention:** Class Members appealing from this Judgment, or any portion thereof, must first timely intervene pursuant to Rule 24 of the Federal Rules of Civil Procedure.

22. **Entry of Final Judgment:** There is no just reason to delay the entry of this Judgment as a final judgment dismissing this Action. Accordingly, the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure to immediately enter this final judgment in this Action.

SO ORDERED this 21 day of February, 2019.



THE HONORABLE JOHN F. KEENAN
United States District Judge