

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

This Document Relates To:

Hon. James M. Alexander

ALL ACTIONS.

STIPULATION OF SETTLEMENT

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This Stipulation of Settlement (the “Stipulation”), is made and entered into by and among the following parties to the above-captioned litigation (the “Litigation”): (i) Lead Plaintiff Alan Poland (on behalf of himself and each of the Settlement Class Members), by and through his counsel of record, and (ii) Defendants Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp., by and through their counsel of record. Upon and subject to the terms and conditions hereof, Lead Plaintiff, on behalf of himself and the Settlement Class Members, on the one hand, and Defendants, on the other hand, intend this Stipulation and its Exhibits to be a final and complete resolution of all disputes between them with respect to the Litigation on the terms set forth herein.

I. THE LITIGATION

This Litigation arises from the sale of ITC Holdings Corp. (“ITC”) to Fortis Inc. (“Fortis”) for approximately \$11.3 billion, which was completed on October 14, 2016 (the “Merger”). On February 9, 2016, ITC and Fortis announced that they had entered into an Agreement and Plan of Merger (the “Merger Agreement”) whereby Fortis would acquire ITC for \$11.3 billion in a cash and stock transaction, subject to various conditions, including the voting approval of ITC shareholders.

On February 11, 2016, Alan Poland submitted a demand letter to the Board of Directors of ITC (the “Individual Defendants” herein, consisting of Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, and Lee C. Stewart) pursuant to MCL 450.1493(a).

Between February 26, 2016 and March 29, 2016, four putative class action lawsuits were filed by purported shareholders of ITC against various Defendants in the Circuit Court for the County of Oakland, State of Michigan (the “Court”): *Paolo Guerra v. Albert Ernst, et al.*, *Harvey Siegelman v. Joseph L. Welch, et al.*, *Alan Poland v. Fortis Inc., et al.*, and *Sanjiv Mehrotra v.*

*Joseph L. Welch, et al.*¹ The complaints in these actions generally allege, among other things, that Defendants breached their fiduciary duties and/or aided and abetted the same by issuing materially false and/or misleading disclosures and omissions in connection with the Merger and by agreeing to sell ITC to Fortis through an unfair process and at an unfair price.

On March 17, 2016, Fortis filed with the United States Securities and Exchange Commission (“SEC”) a Form F-4 Registration Statement in connection with the Merger, which included a preliminary draft of ITC’s proxy statement (the “Preliminary Proxy Statement”).

On March 23, 2016, the Court entered an order consolidating the state court actions under the caption *In re ITC Holdings Corporation Shareholder Litigation* (the “Consolidated Action”) and appointing Robbins Geller Rudman & Dowd LLP and The Miller Law Firm P.C. to serve as co-counsel for the putative shareholder plaintiff class.

On April 8, 2016, Mr. Poland filed an amended complaint in the Consolidated Action (the “Amended Complaint”). On April 28, 2016, Defendants filed a motion for summary disposition pursuant to MCR 2.116(C)(4), (5) and (8). On June 8, 2016, the Court entered an order denying Defendants’ motion.²

On May 17, 2016, ITC filed with the SEC a Schedule 14A Definitive Proxy Statement (the “Definitive Proxy Statement”), which set June 22, 2016 as the date of the special meeting for ITC shareholders to vote on the Merger. On May 20, June 8, and June 13, 2016, ITC made supplemental disclosures related to the Merger in Forms 8-K filed with the SEC.

¹ The *Guerra, Mehrotra, and Siegelman* actions were later voluntarily dismissed by the plaintiffs therein.

² Mr. Poland’s amended complaint also named as defendants Fortis, FortisUS Inc., and Element Acquisition Sub Inc. (the “Fortis Defendants”). On April 29, 2016, the Fortis Defendants filed a motion for summary disposition, which was heard concurrently with Defendants’ motion for summary disposition. In its June 8, 2016 order, the Court granted the Fortis Defendants’ motion for summary disposition and dismissed the amended complaint as to the Fortis Defendants.

On May 24, 2016, Mr. Poland filed a motion for preliminary injunction. Mr. Poland later decided not to seek a preliminary injunction, and the parties stipulated to the withdrawal of his motion. On June 13, 2016, the Court entered a stipulated order resolving the motion for preliminary injunction.

On June 22, 2016, a majority of ITC's shares voted to approve the Merger (97.6% of the shares represented at the meeting, representing 68.7% of the total outstanding shares entitled to vote).

On July 8, 2016, Mr. Poland filed a motion for class certification. On July 13, 2016, the Individual Defendants and ITC filed their respective answers to the Amended Complaint.

On July 22, 2016, Washtenaw County Employees' Retirement System ("WCERS") sought to intervene as a plaintiff in the Consolidated Action and filed a Complaint in Intervention for Breach of Fiduciary Duty ("Complaint in Intervention"). On July 25, 2016, the Court issued an order allowing WCERS to intervene as a plaintiff in the Consolidated Action.

On August 2, 2016, Plaintiffs filed an amended motion for class certification.

On October 14, 2016, the Merger was completed.

On November 22 and 23, 2016, the Individual Defendants and ITC filed their answers to the Complaint in Intervention.

On January 20, 2017, Defendants filed a motion for summary disposition pursuant to MCR 2.116(C)(10) based on the vote to approve the Merger by ITC's shareholders.

Plaintiffs' amended motion for class certification and Defendants' motion for summary disposition pursuant to MCR 2.116(C)(10) are both fully briefed and pending.

During an appearance by counsel for all parties on March 22, 2017, the Court indicated it was inclined to grant Defendants' motion for summary disposition at least with respect to those who voted in favor of the Merger.

Lead Counsel and Defendants' counsel have engaged in extensive settlement efforts and on March 25, 2017, after arm's-length negotiations, reached an agreement in principle to settle the Litigation. The Court held a status conference on March 30, 2017, at which time Plaintiffs' Lead Counsel and Defendants' counsel informed the Court that they had reached a settlement in principle. At the parties' request, the Court stayed the matter except for all settlement-related proceedings and scheduled a hearing on preliminary settlement approval for May 25, 2017.

II. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Plaintiffs in the Litigation. Defendants have expressly denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, *inter alia*, that Plaintiffs or the Settlement Class Members have suffered damages or were otherwise harmed by the conduct alleged in the Litigation.

Nonetheless, Defendants have concluded that further litigation could be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled pursuant to the terms and conditions set forth in this Stipulation. Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like the Litigation. Defendants have, therefore, determined that it is desirable and beneficial that the Litigation be settled pursuant to the terms and conditions set forth in this Stipulation.

III. CLAIMS OF PLAINTIFFS AND BENEFITS OF SETTLEMENT

Lead Plaintiff believes that the claims asserted in the Litigation have merit. However, Lead Plaintiff and his counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and through appeals. Lead Plaintiff and his counsel also have taken into account the uncertain outcome and the

risk of any litigation, especially in complex actions such as the Litigation, as well as the difficulties and delays inherent in such litigation. Lead Plaintiff and his counsel also are mindful of the inherent problems of proof of, and possible defenses to, the claims asserted in the Litigation. Lead Plaintiff and his counsel believe that the Settlement set forth in this Stipulation confers substantial benefits upon the Settlement Class and is in the best interest of the Settlement Class.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Lead Plaintiff (on behalf of himself and each of the Settlement Class Members) and Defendants, by and through their respective counsel of record, that, subject to the approval of the Court, the Litigation and the Released Claims shall be finally and fully compromised, settled, and released, and the Litigation shall be dismissed with prejudice, upon and subject to the terms and conditions of the Stipulation, as follows.

1. Definitions

As used in this Stipulation, the following terms have the meanings specified below:

1.1 “Authorized Claimant” means any Settlement Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation.

1.2 “Claimant” means any Settlement Class Member who files a Proof of Claim and Release in such form and manner, and within such time, as the Court shall prescribe.

1.3 “Claims Administrator” means the firm of Gilardi & Co. LLC.

1.4 “Defendants” means Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp.

1.5 “Effective Date” means the first date by which all of the events specified in ¶7.1 of the Stipulation have been met and have occurred.

1.6 “Escrow Agent” means the law firm of Robbins Geller Rudman & Dowd LLP or its successor(s).

1.7 “Final” means the later of: (i) the expiration of the time for the filing of notice of any appeal or motion for reconsideration of the entry of the Judgment or Alternate Judgment by the Court in the Litigation; (ii) the date of the final affirmance of any appeals therefrom, including reargument of any such appeals; or (iii) the expiration of the time for petitions for review or reconsideration, and, if review or reconsideration is granted, the date of final affirmance following review or reconsideration or the final dismissal of any appeals or proceedings or review of the entry of the Judgment or Alternate Judgment by the Court in the Litigation.

1.8 “Individual Defendants” means Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, and Lee C. Stewart.

1.9 “Judgment” means the judgment to be rendered by the Court, substantially in the form and content attached hereto as Exhibit B.

1.10 “Lead Counsel” or “Plaintiffs’ Lead Counsel” means the law firm of Robbins Geller Rudman & Dowd LLP.

1.11 “Lead Plaintiff” means Alan Poland.

1.12 “Merger” means the transaction whereby Fortis, through its subsidiary FortisUS Inc., and FortisUS Inc.’s subsidiary Element Acquisition Sub Inc., purchased ITC for approximately \$11.3 billion in cash and Fortis stock, which was completed on October 14, 2016.

1.13 “Notice Order” means the preliminary order as approved by the Court for mailing of notice of the Settlement to the Settlement Class, substantially in the form and content attached hereto as Exhibit A.

1.14 “Person” means an individual, corporation, limited liability company, professional corporation, limited liability partnership, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

1.15 “Plaintiffs” means any plaintiff who filed a complaint in the Litigation.

1.16 “Plaintiffs’ Counsel” means counsel who have appeared for any plaintiff who filed a complaint in the Litigation.

1.17 “Plan of Allocation” means a plan or formula of allocation of the Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses, and interest as may be awarded by the Court. Any Plan of Allocation is not part of the Stipulation and the Defendants shall have no responsibility or liability with respect thereto.

1.18 “Released Claims” shall collectively mean all claims, debts, disputes, demands, rights, actions, causes of action, potential actions, liabilities, damages, losses, obligations, duties, costs, expenses, penalties, sanctions, sums of money due, judgments, decrees, matters, agreements, suits, amounts, issues, controversies and charges of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts or liabilities whatsoever), whether based on United States federal, state or local statutory or common law or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class, individual or derivative in nature, including both known claims and Unknown Claims (as defined below), by any Plaintiffs or Settlement Class Member in his, her, or its capacity as an ITC common stockholder during the

Settlement Class Period against the Released Parties (i) that concern, are based on, arise out of or in any way relate to the allegations, transactions, facts, matters, events, disclosures, non-disclosures, statements, occurrences, representations, acts or omissions or failures to act that have been or could have been alleged in the Litigation; (ii) that would have been barred by *res judicata* had the Litigation been fully litigated to a final judgment; (iii) that concern, are based on, arise out of or in any way relate to the Merger or any actions, deliberations or negotiations in connection with the Merger; (iv) any disclosures, SEC filings, public filings, periodic reports, press releases, proxy statements or other statements issued, made available or filed relating, directly or indirectly, to the Merger, including, without limitation, claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts); (v) the fiduciary duties and obligations of the Released Parties in connection with the Merger; (vi) the fees, expenses or costs incurred in prosecuting, defending or settling the Litigation; or (vii) any deliberations, negotiations, representations, omissions or other conduct leading up to the execution of the Stipulation. The Released Claims shall not include claims to enforce the Settlement.

1.19 “Released Defendants’ Claims” means any and all claims, debts, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, matters and issues of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on United States federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class or individual in nature, including both known claims and Unknown Claims (as defined below), that have been or could have been asserted in the Litigation or any other court, tribunal, proceeding or forum by any of the Defendants or their successors or assigns against the Plaintiffs, any of the

Settlement Class Members, Plaintiffs' Counsel, including Lead Counsel, and their respective heirs, executors, administrators, successors and assigns, which arise out of or relate to or are based on the institution, prosecution, or settlement of the Litigation. The Released Defendants' Claims shall not include claims to enforce the Settlement.

1.20 "Released Parties" means (i) Defendants, (ii) the Fortis Defendants, (iii) any and all of their past, present and future family members, spouses, parent entities, associates, affiliates, subsidiaries, predecessors, successors and/or assigns, and (iv) the past, present and future officers, directors, executives, partners, stockholders, representatives, employees, attorneys, financial or investment advisors, underwriters, consultants, accountants, auditors, investment bankers, commercial bankers, brokers, dealers, lenders, insurers, co-insurers, reinsurers, advisors, agents, fiduciaries, heirs, executors, beneficiaries, distributees, foundations, trusts, trustees, general or limited partners or partnerships, joint ventures, limited liability companies, corporations, member firms, divisions, associated entities, principals, managing directors, members, managers, entities providing any fairness opinion, personal representatives, estates, administrators, predecessors, predecessors in interest, successors, successors in interest, assigns and/or any other representatives of each of the foregoing.

1.21 "Settlement" means the settlement of the Litigation set forth in this Stipulation.

1.22 "Settlement Class" means a class pursuant to Michigan Court Rule 3.501, for settlement purposes only, consisting of all Persons (other than those Persons who timely and validly request exclusion from the Settlement Class) who were record holders or beneficial owners of ITC common stock at any time between and including February 9, 2016 and the date of consummation of the Merger on October 14, 2016 (the "Settlement Class Period"). Excluded from the Settlement Class are any and all record holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Further excluded

from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

1.23 “Settlement Class Member” means a Person who falls within the definition of the Settlement Class.

1.24 “Settlement Class Period” means the period between February 9, 2016 and October 14, 2016, inclusive.

1.25 “Settlement Fund” means the principal amount of Five Million Dollars (\$5,000,000.00) in cash, plus any accrued interest.

1.26 “Settling Parties” means, collectively, Defendants and the Lead Plaintiff on behalf of Plaintiffs and the Settlement Class Members.

1.27 “Unknown Claims” means any Released Claims that Lead Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any Released Defendants’ Claims that a Defendant does not know or suspect to exist in his, her or its favor, which, if known by him, her or it, might have affected his, her or its decision(s) to enter into this Settlement and the releases set forth in this Stipulation or to object or not to object to the Settlement. With respect to any and all Released Claims and Released Defendants’ Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each of the Settlement Class Members and Released Parties shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN

BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff and the Settlement Class Members acknowledge that they may hereafter discover facts in addition to or different from those that any of them now knows or believes to be true related to the subject matter of the Released Claims, but it is their intention to fully, finally, and forever settle and release any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Similarly, Defendants and the Released Parties may hereafter discover facts in addition to or different from those that they now know or believe to be true related to the subject matter of the Released Defendants' Claims, but it is their intention to fully, finally, and forever settle and release any and all Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of Unknown Claims in the definitions of Released Claims and Released Defendants' Claims was separately bargained for and is a key element of the Settlement of which these releases are a part.

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2. The Settlement

a. The Settlement Fund

2.1 The principal amount of Five Million Dollars (\$5,000,000.00) (plus any accrued interest) shall constitute the Settlement Fund, which shall be held in an interest bearing account maintained by the Escrow Agent in settlement of the Litigation. Defendants shall cause the \$5,000,000.00 to be deposited into an interest bearing account designated by the Escrow Agent within twenty (20) calendar days after entry of the Notice Order or materially similar order preliminarily approving the Settlement (“Due Date”).

b. The Escrow Agent

2.2 The Escrow Agent shall invest the Settlement Fund deposited pursuant to ¶2.1 above in short-term instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then current market rates. In the event that the yield on such instruments is negative, in lieu of purchasing such instruments, all or any portion of the funds held by the Escrow Agent may be deposited in a non-interest bearing account that is fully insured by the FDIC. The Settlement Fund shall bear all risks related to investments made in accordance with the guidelines set forth in this paragraph.

2.3 The Escrow Agent shall not disburse the Settlement Fund except as provided in the Stipulation, by an order of the Court, or with the written agreement of counsel for Defendants and Lead Counsel.

2.4 Subject to further order and/or directions as may be made by the Court, the Escrow Agent is authorized to execute such transactions on behalf of the Settlement Class Members as are consistent with the terms of the Stipulation.

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

c. Taxes

2.6 The Settling Parties and their counsel agree that the Settlement Fund should be treated as being at all times a “qualified settlement fund” within the meaning of Treas. Reg. §1.468B-1. The Settling Parties shall not take a position in any filing or before any tax authority inconsistent with such treatment. In addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry out the provisions of this ¶2.6, including the “relation-back election” (as defined in Treas. Reg. §1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur. The Escrow Agent shall obtain and provide to Defendants the Settlement Fund’s federal taxpayer identification number before the date that Defendants first transfer or cause the transfer of funds to the Settlement Fund.

(a) For the purpose of §468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow Agent. The Escrow Agent shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B-2(k)(1)). Such returns (as well as the election described in this ¶2.6) shall be consistent with this ¶2.6 and in all events shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶2.6(b) hereof.

(b) All Taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund (“Taxes”) shall be paid out of the Settlement Fund. Expenses and costs incurred in connection with the operation and implementation of this ¶2.6 (including, without limitation, expenses of tax attorneys and/or accountants, and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in this ¶2.6 (“Tax Expenses”) shall be paid out of the Settlement Fund without approval of the Defendants or the Court. In all events neither Defendants nor their counsel shall have any liability or responsibility for the Taxes or the Tax Expenses. The Escrow Agent shall indemnify and hold Defendants and their counsel harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order from the Court, and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from any distribution to Settlement Class Members any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. §1.468B-2(l)(2)); neither Defendants, their insurance carriers, nor their counsel are responsible, nor shall they have any liability, therefor. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶2.6.

2.7 The Claims Administrator with such supervision of Lead Counsel or the Court, as the circumstances may require, shall administer the Settlement, including providing notice to the Settlement Class, locating Settlement Class Members, soliciting claims, assisting with the filing of claims, administering and distributing the Settlement Fund to Authorized Claimants, and processing Proof of Claim and Release forms (“Notice and Administration of the Settlement”). Defendants

shall pay all costs and expenses associated with providing notice to the Settlement Class. The Escrow Agent shall pay from the Settlement Fund all costs and expenses, on a monthly basis as they are incurred, associated with the administration of the Settlement, including, but not limited to, assisting with the filing of claims, determining whether a claimant is an Authorized Claimant, administering and distributing the Settlement Fund to Authorized Claimants, and processing Proof of Claim and Release forms.

d. Termination of Settlement

2.8 In the event that the Stipulation is not approved, or is terminated, canceled, or the Effective Date does not occur, the Settlement Fund (including accrued interest) less any expenses of up to \$250,000 actually incurred or due and owing in connection with providing notice to the Settlement Class, locating Settlement Class Members, or paying escrow fees and costs, if any and any Taxes or Tax Expenses, if any, provided for herein, all duly accounted for, shall be refunded directly to Defendants or the contributing insurers, in proportion to their contributions to the Settlement Fund, pursuant to their payment instructions within ten (10) business days upon written instructions from Defendants' counsel. No payment of cost or expenses actually paid for the Notice and Administration of the Settlement shall be refunded to Defendants, their insurers or any other Person who paid or incurred such costs. Any expenses or costs related to the Notice and Administration of the Settlement which have been incurred, but not paid, shall be paid by Defendants or their insurers.

3. Notice Order and Settlement Hearing

3.1 Promptly after execution of the Stipulation, the Settling Parties shall submit the Stipulation together with its Exhibits to the Court and shall apply for entry of the order, substantially in the form and content of Exhibit A hereto, requesting, *inter alia*, preliminary approval of the Settlement set forth in the Stipulation, provisional certification of the Settlement Class for settlement

purposes only, and approval for the mailing of a settlement notice (the “Notice”), substantially in the form and content of Exhibit A-1 hereto. The Notice shall include the general terms of the Settlement set forth in the Stipulation, the general terms of the Fee and Expense Application as defined in ¶6.1 below, the terms of the Plan of Allocation and the date of the Settlement Hearing as defined below. In addition, publication of a Summary Notice (“Summary Notice”), substantially in the form and content of Exhibit A-3, shall be published in *The Wall Street Journal*.

3.2 At least fourteen (14) days prior to the Settlement Hearing (defined below), Lead Counsel shall file with the Court an appropriate affidavit or declaration with respect to preparing, filing and disseminating the Notice to potential Settlement Class Members.

3.3 Lead Counsel shall request that after notice is given, the Court hold a hearing (the “Settlement Hearing”) and approve the settlement of the Litigation as set forth herein and enter the Judgment. At or after the Settlement Hearing, Lead Counsel also will request that the Court approve the Fee and Expense Application and the Plan of Allocation.

4. Releases

4.1 Upon the Effective Date, as defined in ¶1.5 hereof, Plaintiffs and each Settlement Class Member shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against each of the Released Parties.

4.2 Upon the Effective Date, as defined in ¶1.5 hereof, Defendants and the Released Parties shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released Lead Plaintiff, Plaintiffs, Plaintiffs’ Counsel, Lead Counsel and each and all of the Settlement Class Members from all Released Defendants’ Claims.

4.3 Pending final determination of whether the Stipulation should be finally approved, the Settling Parties agree that all aspects of the Litigation between them will be stayed except for activities related to the approval or enforcement of this Stipulation.

5. Administration, Supervision and Distribution of the Settlement Fund

5.1 The Escrow Agent shall oversee distribution of the Settlement Fund. The Settlement Fund shall be applied as follows:

(a) to pay the Taxes and Tax Expenses described in ¶2.6 above and any escrow fees and costs, if any;

(b) to pay Plaintiffs' Counsel's attorneys' fees, expenses, and costs with interest thereon (the "Fee and Expense Award"), if and to the extent allowed by the Court; and

(c) to distribute the balance of the Settlement Fund ("Net Settlement Fund") to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

5.2 Within ninety (90) days after the mailing of the Notice or such other time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim and Release form, substantially in the form and content of Exhibit A-2 hereto, signed under penalty of perjury.

5.3 Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a Proof of Claim and Release form within such period, or such other period as may be ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant to this Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound by the provisions of this Stipulation, the releases contained herein and the Judgment. Notwithstanding the foregoing, Lead Counsel may, in its discretion, accept for processing late filed claims so long as the distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed. No Person shall have any claim against Defendants, Lead

Plaintiff, Lead Counsel, any Plaintiff or the Claims Administrator by reason of the decision to exercise discretion whether to accept the late-submitted claims.

5.4 No Person shall have any claim against Defendants, Lead Plaintiff, Plaintiffs, Plaintiffs' Lead Counsel, or any claims administrator based on the distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation or further order(s) of the Court.

5.5 The Net Settlement Fund shall be distributed to the Authorized Claimants substantially in accordance with a Plan of Allocation to be described in the Notice and approved by the Court. However, if there is any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise), Lead Counsel shall reallocate such balance among Authorized Claimants in an equitable and economic fashion. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to the Michigan Veterans Foundation.

5.6 The Released Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the Settlement Fund or the payment or withholding of Taxes, or any losses incurred in connection therewith.

6. Payment of Plaintiffs' Counsel's Attorneys' Fees and Litigation Expenses

6.1 Lead Counsel may submit an application or applications (the "Fee and Expense Application") for distributions to it from the Settlement Fund for attorneys' fees and for payment of expenses and costs incurred in connection with prosecuting the Litigation plus any interest on such expenses and costs at the same rate and for the same periods as earned by the Settlement Fund (until paid). Defendants will take no position on such application.

6.2 The fees and expenses, as awarded by the Court, shall be paid to Lead Counsel, as ordered, immediately after the Court executes an order awarding such fees and expenses, subject to

Lead Counsel's obligation to pay any refunds as required by ¶6.3 below. Lead Counsel may thereafter allocate the attorneys' fees among other Plaintiffs' Counsel in a manner in which it in good faith believes reflects the contributions of such counsel to the initiation, prosecution, and resolution of the Litigation.

6.3 In the event attorneys' fees or expenses are awarded by the Court pursuant to ¶6.1 hereof and paid to Plaintiffs' Counsel from the Settlement Fund, all Plaintiffs' Counsel who receive any payment of attorneys' fees or expenses agree that they accept payment subject to the obligation of each Plaintiffs' Counsel (including their respective partners, shareholders and/or firms) receiving payments to make repayment to the Settlement Fund within five (5) business days from receiving notice from Defendants' counsel or from a court of appropriate jurisdiction of the total amount required to be refunded, with accrued interest, in the event, for any reason including, without limitation, appeal, further proceeding on remand or successful collateral attack, the attorneys' fee or expense award is reduced or reversed. Furthermore, all Plaintiffs' Counsel (including their respective partners, shareholders and/or firms) agree that they remain subject to the continuing jurisdiction of the Court for the purpose of enforcing their obligation to repay required attorneys' fees and expenses to the Settlement Fund as provided in this paragraph.

6.4 The procedure for and the allowance or disallowance by the Court of any applications by Lead Counsel for costs, expenses or attorneys' fees to be paid out of the Settlement Fund, are not part of the Settlement set forth in the Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in the Stipulation. Any order or proceeding relating to any expense or fee application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the settlement of the Litigation set forth therein.

6.5 The Released Parties shall have no responsibility for, and no liability whatsoever with respect to, any payment to Plaintiffs' Counsel from the Settlement Fund.

6.6 The Released Parties shall have no responsibility for, and no liability whatsoever with respect to, the allocation among Plaintiffs' Counsel, and/or any other Person who may assert some claim thereto, of any fee or expense award that the Court may make in the Litigation.

7. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

7.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

(a) the contributions to the Settlement Fund as required by ¶2.1 hereof have been made;

(b) the Court has entered the Judgment, in all material respects in the form and content of Exhibit B attached hereto, or a judgment in a form other than that provided above ("Alternate Judgment") acceptable to all of the Settling Parties; and

(c) the Judgment or Alternate Judgment has become Final, as defined in ¶1.7 hereof.

7.2 Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all remaining interest or right of Defendants or any Released Party in or to the Settlement Fund, if any, shall be absolutely and forever extinguished.

7.3 If and only if all of the Defendants jointly elect to do so, the Defendants may withdraw from the Settlement if any other action is commenced by Plaintiffs or Settlement Class Members who have not opted out of the Settlement asserting any of the Released Claims, and such action is not dismissed, or stayed in anticipation of dismissal, prior to the approval of the Settlement.

7.4 If and only if all of the Defendants jointly elect to do so, the Defendants may withdraw from the Settlement, in their sole discretion, in the event that persons or entities eligible to

participate in the Settlement and who held in the aggregate a number of shares equal to or greater than the amount set forth in a separate, confidential Supplemental Agreement between Plaintiffs and Defendants deliver timely and valid requests for exclusion from the Settlement Class.

7.5 If all of the conditions specified in ¶7.1 hereof are not met, or if all of the Defendants exercise their right to withdraw from the Settlement pursuant to ¶¶7.3 or 7.4 hereof, then the Stipulation shall be canceled and terminated subject to ¶7.7 hereof unless Lead Counsel and counsel for the Defendants mutually agree in writing to proceed with the Stipulation.

7.6 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, within ten (10) business days after written notification of such event is sent by counsel for Defendants or Lead Counsel, the Settlement Fund (including accrued interest), less any notice and administration expenses and costs paid or payable from the Settlement Fund, including Taxes and Tax Expenses, shall be refunded pursuant to written instructions from counsel for Defendants. At the request of counsel for Defendants, the Escrow Agent or its designee shall apply for any tax refund owed to the Settlement Fund and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for refund, in accordance with written instructions from counsel for Defendants.

7.7 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Settling Parties shall be restored to their respective positions in the Litigation as of March 29, 2017. In such event, the terms and provisions of the Stipulation shall have no further force and effect with respect to the Settling Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the allocation of any Settlement proceeds to

the Settlement Class or the amount of any attorneys' fees, costs, expenses, and interest awarded by the Court to Lead Plaintiff or any of his counsel shall constitute grounds for cancellation or termination of the Stipulation. If the Stipulation is terminated pursuant to its terms, neither Lead Plaintiff nor any of his counsel shall have any obligation to repay any amounts actually paid or payable from the Settlement Fund for Taxes, Tax Expenses and/or escrow fees.

7.8 Nothing in this Stipulation or the Notice Order or the Judgment or any of the proceedings had in connection with the Settlement shall be taken as an admission or concession that the Settlement Class or any other class could properly be certified if this Settlement were not entered into. The Settling Parties agree that, in the event the Settlement is terminated or the Effective Date does not occur for any reason, neither this Stipulation nor the Notice Order nor the Judgment nor any of the proceedings had in connection with the Settlement shall be referred to or offered into evidence to support any argument or contention that a class could or should be certified in the Litigation.

8. Miscellaneous Provisions

8.1 The Settling Parties: (a) acknowledge that it is their intent to consummate this agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of this Stipulation.

8.2 The Settling Parties represent and agree that the terms of the Settlement were negotiated at arm's length and in good faith by the Settling Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

8.3 Lead Counsel represent that none of Lead Plaintiff's claims or causes of actions referred to in this Stipulation have been assigned, encumbered or otherwise transferred. Lead Plaintiff Alan Poland represents that he was a shareholder of ITC during the Settlement Class Period

and that he has not assigned, encumbered or in any manner transferred in whole or in part the claims in the Litigation.

8.4 If a case is commenced in respect to any Defendant (or any insurer contributing funds to the Settlement Fund on behalf of any Defendant) under Title 11 of the United States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any similar law, and in the event of the entry of a final order of a court of competent jurisdiction determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf of a Defendant to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to be returned, and such amount is not promptly deposited to the Settlement Fund by or on behalf of Defendants, then, at the election of Lead Counsel, the parties shall jointly move the Court to vacate and set aside the releases given and Judgment entered in favor of Defendants, which releases and Judgment shall be null and void, and the parties shall be restored to their respective positions in the Litigation immediately prior to the execution of this Stipulation and any cash amounts in the Settlement Fund shall be returned as provided in ¶7.6 above.

8.5 Upon and subject to the terms and conditions hereof, Lead Plaintiff, on behalf of himself and members of the Settlement Class, and Defendants intend this Settlement to be a final and complete resolution of all disputes among them with respect to the Litigation. The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party or Released Party as to the merits of any claim or defense. The Judgment will contain a statement that during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of MCR 2.114(D). The Settling Parties agree that the amount paid to the Settlement Fund and the other terms of the Settlement were negotiated in good faith by the Settling Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel. The Settling Parties reserve their right to rebut, in a manner that such party

determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

8.6 Neither the Stipulation nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim or of any wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of the Released Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. The Released Parties may file the Stipulation and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

8.7 All of the Exhibits to this Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

8.8 This Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

8.9 This Stipulation and the Exhibits attached hereto and the Supplemental Agreement constitute the entire agreement between Defendants, on the one hand, and the Lead Plaintiff, on behalf of himself and the Settlement Class Members, on the other, and no representations, warranties, or inducements have been made to any party concerning the Stipulation or its Exhibits other than the representations, warranties, and covenants contained and memorialized in such documents. Except as otherwise provided herein, each party shall bear his, her or its own costs.

8.10 Lead Counsel, on behalf of the Settlement Class, is expressly authorized by Lead Plaintiff to take all appropriate action required or permitted to be taken by the Settlement Class

pursuant to the Stipulation to effectuate its terms and also is expressly authorized to enter into any modifications or amendments to the Stipulation on behalf of the Settlement Class which it deems appropriate.

8.11 Each counsel or other Person executing the Stipulation or any of its Exhibits on behalf of any party hereto hereby warrants that such Person has the full authority to do so.

8.12 This Stipulation may be executed in one or more counterparts, including by signature transmitted by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of executed counterparts shall be filed with the Court.

8.13 This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto.

8.14 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Stipulation, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in this Stipulation.

8.15 This Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Michigan, and the rights and obligations of the parties to this Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Michigan without giving effect to that State's choice-of-law principles.

8.16 Each of the Settling Parties (a) irrevocably submits to the personal jurisdiction of any state court sitting in Oakland County, Michigan, as well as to the jurisdiction of all courts to which an appeal may be taken from such courts, in any suit, action or proceeding arising out of or relating to this Stipulation and/or the Settlement, (b) agrees that all claims in respect of such suit, action or proceeding shall be brought, heard and determined exclusively in any state court sitting in Oakland County, Michigan, (c) agrees that it shall not attempt to deny or defeat such personal jurisdiction by

motion or other request for leave from such court, and (d) agrees not to bring any action or proceeding arising out of or relating to this Stipulation and/or the Settlement in any other court. Each of the Settling Parties waives any defense of inconvenient forum to the maintenance of any action or proceeding brought in accordance with this Paragraph. Each of the Settling Parties further agrees to waive any bond, surety or other security that might be required of any Settling Party with respect to any action or proceeding, including an appeal thereof. Each of the Settling Parties further consents and agrees that process in any proceeding to enforce the terms of the Stipulation may be made by motion and served on the Settling Parties' counsel.

IN WITNESS WHEREOF, the Settling Parties have caused this Stipulation to be executed by their duly authorized attorneys, dated as of May 22, 2017.

ROBBINS GELLER RUDMAN
& DOWD LLP
RANDALL J. BARON
A. RICK ATWOOD, JR.
DAVID T. WISSBROECKER



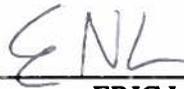
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Counsel for Plaintiffs

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ERIC LANDAU (admitted *pro hac vice*)
LOUIS P. GABEL (P80365)
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and Defendant Joseph L. Welch

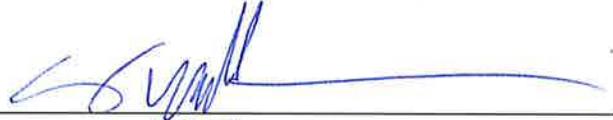
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Counsel for Nominal Party ITC Holdings Corp.
and Defendant Joseph L. Welch

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

PROOF OF SERVICE

ALL ACTIONS.

ATTORNEYS FOR PLAINTIFFS

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Alexis C. Haan certifies that on May 22, 2017, she Stipulation of Settlement and this Proof of Service upon all counsel of record via Oakland County Circuit Court Wiznet System.

I declare under the penalty of perjury that the statements made above are true to the best of my knowledge, information, and belief.

/s/ Alexis C. Haan
Alexis C. Haan

EXHIBIT A

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

ALL ACTIONS.

[PROPOSED] ORDER PRELIMINARILY
APPROVING SETTLEMENT AND
PROVIDING FOR NOTICE AND
SETTLEMENT HEARING

EXHIBIT A

ATTORNEYS FOR PLAINTIFFS

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WHEREAS, Lead Plaintiff Alan Poland (on behalf of himself and each of the Class Members), by and through his counsel of record have moved for this Order (the “Notice Order”) determining certain matters in connection with the proposed settlement (the “Settlement”) of the above-captioned litigation (the “Litigation”) in accordance with the terms and conditions of the Stipulation of Settlement (“Stipulation” or “Settlement”) entered into by Lead Plaintiff and Defendants Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp. (“Defendants”); and

WHEREAS, all defined terms contained herein shall have the same meaning as set forth in Stipulation.

NOW, upon consent of the Settling Parties, after review and consideration of the Stipulation filed with the Court and the Exhibits annexed thereto, and after due deliberation,

IT IS HEREBY ORDERED this ___ day of [REDACTED], 2017, that:

1. The Court has jurisdiction over the subject matter of the Litigation and over the Settling Parties and Settlement Class Members.
2. The Court hereby preliminarily approves the Settlement, as embodied in the Stipulation, as being fair, reasonable, and adequate, subject to further consideration at the hearing set forth below.
3. Pursuant to Michigan Court Rule 3.501, the Court certifies, for purposes of effectuating this Settlement only, a class (the “Settlement Class”) consisting of all Persons (other than those Persons who timely and validly request exclusion from the Settlement Class) who were record holders or beneficial owners of ITC Holdings Corp. (“ITC”) common stock at any time between and including February 9, 2016 and the date of consummation of the Merger on October 14, 2016 (the “Settlement Class Period”). Excluded from the Settlement Class are any and all record

holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Further excluded from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

4. For settlement purposes only, Alan Poland is certified as the Class Representative, and the law firms of Robbins Geller Rudman & Dowd LLP (“Lead Counsel”) and The Miller Law Firm P.C. are appointed as counsel for the Settlement Class.

5. With respect to the Settlement Class, this Court finds and concludes, for purpose of this Settlement only, that: (i) the Settlement Class is so numerous that joinder of all members is impracticable; (ii) there are questions of law or fact common to the members of the Settlement Class that predominate over questions affecting only individual members; (iii) the claims or defenses of the representative parties are typical of the claims or defenses of the Settlement Class; (iv) Lead Plaintiff and Lead Counsel have and will fairly and adequately assert and protect the interests of the Settlement Class; and (v) the maintenance of the action as a class action will be superior to other available methods of adjudication in promoting the convenient administration of justice.

6. A hearing (the “Settlement Hearing”) shall be held on [REDACTED], 2017, at [REDACTED].m., before the Oakland County, Michigan Circuit Court, located at 1200 North Telegraph Road, Pontiac, Michigan 48341, to:

- (a) determine whether the Settlement should be approved by the Court as fair, reasonable and adequate;
- (b) determine if the Judgment should be entered pursuant to the Stipulation;
- (c) determine whether the Plan of Allocation set forth in the Notice should be approved as fair, reasonable and adequate;

(d) consider Lead Counsel’s application for an award of attorneys’ fees and expenses;

(e) consider objections, if any, to the proposed Settlement, the Plan of Allocation or Lead Counsel’s application for an award of attorneys’ fees and expenses; and

(f) rule on such other matters as the Court may deem appropriate.

7. The Court reserves the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the Plan of Allocation or Lead Counsel’s application for attorneys’ fees and expenses, without further notice of any kind other than to the Settlement Class, and retains jurisdiction over this action and the Settling Parties to consider further applications arising out of or connected with the proposed Settlement Class.

8. The Court reserves the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Settling Parties to the Stipulation without further notice to the Settlement Class, and retains jurisdiction over the Litigation, the Settling Parties, and all Settlement Class Members to consider further applications arising out of or connected with the proposed Settlement.

9. The Court approves the form, substance, and requirements of the Notice of Pendency and Proposed Settlement of Class Action and Settlement Hearing (the “Notice”), the Proof of Claim and Release (the “Proof of Claim”), and the Summary Notice of Pendency and Proposed Settlement of Class Action (the “Summary Notice”), annexed hereto as Exhibits A-1, A-2, and A-3, respectively.

10. The Court approves the appointment of Gilardi & Co. LLC as the Claims Administrator.

(a) The Claims Administrator shall cause the Notice and the Proof of Claim, substantially in the forms annexed hereto, to be mailed, by First-Class Mail, postage prepaid, within

twenty-one (21) calendar days of this Notice Order (“Notice Date”), to all Settlement Class Members who can be identified with reasonable effort and to be posted on www.itcshareholderlitigation.com. ITC, at its expense, shall promptly make, or cause to be made, the last known addresses of all record holders or beneficial owners of ITC common stock during the Settlement Class Period, or other identifying information, as set forth in the books and records regularly maintained by ITC or its transfer agent, available to the Settlement Claims Administrator for the purpose of identifying and giving notice to the Settlement Class. In accordance with the terms of the Stipulation, Defendants shall pay all costs and expenses associated with providing notice of the Settlement Class.

(b) The Claims Administrator shall cause the Summary Notice to be published once in *The Wall Street Journal* within ten (10) calendar days after the Notice Date.

11. In addition to the Notice and Proof of Claim, the amended complaint (“Complaint”) and the Stipulation and its Exhibits shall also be posted on a website (www.itcshareholderlitigation.com) maintained by the Claims Administrator.

12. The form and method of notice herein is the best notice practicable and constitutes due and sufficient notice of the Settlement Hearing in compliance with Michigan Court Rule 3.501(C). At least fourteen (14) days prior to the Settlement Hearing, Lead Counsel shall file with the Court an appropriate affidavit or declaration with respect to preparing, filing and disseminating the Notice to potential Settlement Class Members.

13. Within twenty (20) calendar days after entry of the Notice Order or a materially similar order preliminarily approving the Settlement, Defendants shall cause Five Million Dollars (\$5,000,000.00) in cash to be deposited into an interest bearing account designated by Robbins Geller Rudman & Dowd LLP or its successor(s) which with any interest earned after its deposit will constitute the Settlement Fund.

14. In order to be entitled to participate in the Net Settlement Fund, in the event the Settlement is consummated in accordance with its terms set forth in the Stipulation, each Settlement Class Member shall take the following actions and be subject to the following conditions:

(a) Within ninety (90) days after such time as set by the Court to mail notice to the Settlement Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim, substantially in the form and content of Exhibit A-2 attached hereto and as approved by the Court, signed under penalty of perjury.

(b) Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a valid Proof of Claim within such period, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth therein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained therein, and the Judgment. Notwithstanding the foregoing, Lead Counsel may, in its discretion, accept for processing late submitted claims so long as the distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed. No Person shall have any claim against Defendants, Defendants' Counsel, Lead Plaintiff, Lead Counsel, any Plaintiff or the Claims Administrator by reason of the decision to exercise discretion whether to accept the late-submitted claims.

15. As part of the Proof of Claim, each Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted and shall (subject to effectuation of the Settlement) release all Released Claims as provided in the Stipulation.

16. All proceedings in the Litigation, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of the Court. Pending final determination of whether the Settlement should be approved, Settling Parties are barred and enjoined from commencing or prosecuting any action asserting either

directly, representatively, derivatively or in any other capacity, any Released Claims as defined in the Stipulation.

17. Any Settlement Class Member may enter an appearance in the Litigation, at his, her or its own expense, individually or through counsel of his, her or its own choice. If a Settlement Class Member does not enter an appearance, he, she or it will be represented by Robbins Geller Rudman & Dowd LLP and The Miller Law Firm P.C.

18. Any Settlement Class Member who objects to the Settlement, the Final Judgment to be entered in the Litigation, the Plan of Allocation and/or Lead Counsel's application for attorneys' fees and expenses, or who otherwise wishes to be heard or seek to intervene, may appear in person or by such member's attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown, no person shall be heard and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless not later than [redacted], 2017, such person files with the Court and serves upon counsel listed below by First-Class U.S. mail: (i) a written notice of intention to appear; (ii) a statement of such person's objections to any matters before the Court; (iii) documentary proof of the number of shares of ITC common stock held by the objecting person between and including February 9, 2016 and October 14, 2016; and (iv) the grounds for such objections and the reasons that such person desires to appear and be heard as well as all documents or writings such person desires the Court to consider. Such filings shall be served upon the following counsel by First-Class U.S. mail on or before the date of filing with the Court:

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& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Louis P. Gabel
JONES DAY
150 W. Jefferson, Suite 2100
Detroit, MI 48226-4438

Andrew Kolozsvary
DYKEMA GOSSETT PLLC
201 Townsend Street, Suite 900
Lansing, MI 48933

19. Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, the Plan of Allocation or any award of attorneys' fees and expenses, or otherwise be heard or seek to intervene, except by serving and filing a written objection and supporting papers and documents as described in ¶18. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal).

20. Any potential member of the Settlement Class may exclude themselves from the Settlement Class by submitting a written request for exclusion (the "Request for Exclusion") by First-Class U.S. Mail postmarked no later than [REDACTED], 2017, to the address designated in the Notice. A Request for Exclusion must include: (i) the name and mailing address of the person or entity seeking exclusion from the Settlement Class; (ii) a statement attesting to the fact that such person or entity is a member of the Settlement Class; and (iii) a statement that the person or entity wishes to be excluded from the Settlement Class. All individuals or entities who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall not be bound by the Settlement or any judgment entered thereon.

21. Lead Counsel shall file and serve its opening brief in support of the Settlement, the Plan of Allocation and its application for attorneys' fees and expenses at least fourteen (14) calendar days prior to the objection deadline in ¶18. All reply papers in support of the Settlement, the Plan of Allocation and/or Lead Counsel's application for attorneys' fees and expenses shall be filed and served no later than seven (7) calendar days prior to the Settlement Hearing.

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

23. Defendants' counsel and Lead Counsel shall promptly furnish each other with copies of any and all objections that come into their possession.

24. All reasonable expenses incurred in identifying and notifying Settlement Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiffs nor any of their counsel shall have any obligation to repay any amounts actually and properly disbursed, or due and owing from the Settlement Fund as provided for in the Stipulation.

25. The Court may, for good cause, extend any of the deadlines set forth in this Notice Order without further notice to Settlement Class Members.

26. If the Court does not approve the Judgment or an Alternate Judgment acceptable to all of the Settling Parties, or if the proposed Settlement does not become effective according to the terms of the Stipulation, any class certification herein and actions taken or to be taken in connection with Settlement shall be terminated and shall have no further force or effect, except for those specifically set forth in §§2.2, 2.7-2.8, 3.2, 6.2-6.3, 7.6 of the Stipulation and shall not be used in the Litigation or in any other proceeding for any purpose, nor be deemed to prejudice in any way the position of the parties with respect to the Litigation, nor constitute an admission of fact or wrongdoing by any party, and any judgment or order entered by the Court in accordance with the term of the Stipulation shall be treated as vacated.

DATED: _____

THE HONORABLE JAMES M. ALEXANDER

EXHIBIT A-1

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

ALL ACTIONS.

NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF CLASS ACTION AND
SETTLEMENT HEARING

EXHIBIT A-1

ATTORNEYS FOR PLAINTIFFS

THE MILLER LAW FIRM, P.C.
MARC L. NEWMAN (P51393)
M. RYAN JARNAGIN (P76838)
RICHARD L. BRAUN (P26408)
950 W. University Drive, Suite 300
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ROBBINS GELLER RUDMAN
& DOWD LLP
RANDALL J. BARON
A. RICK ATWOOD, JR.
DAVID T. WISSBROECKER
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

TO: ANY AND ALL RECORD HOLDERS OR BENEFICIAL OWNERS OF ITC HOLDINGS CORP. (“ITC”) COMMON STOCK AT ANY TIME BETWEEN AND INCLUDING FEBRUARY 9, 2016 AND THE DATE OF THE CONSUMMATION OF THE MERGER (DEFINED BELOW) ON OCTOBER 14, 2016

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF A LAWSUIT AND CONTAINS IMPORTANT INFORMATION. YOUR RIGHTS WILL BE AFFECTED BY THESE LEGAL PROCEEDINGS IN THIS LITIGATION.

I. THE PURPOSE OF THIS NOTICE

The purpose of this Notice is to inform you of a proposed settlement (the “Settlement”) of the above-captioned action (the “Litigation”) on the terms set forth in the Stipulation of Settlement (“Stipulation” or “Settlement”)¹ entered into between Lead Plaintiff Alan Poland, on behalf of himself and each of the Settlement Class Members (defined below), and Defendants Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp. (“ITC”) pending before the Oakland County, Michigan Circuit Court (the “Court”), as well as of a hearing to be held before the Court on [___], 2017, at [____].m. at 1200 North Telegraph Road, Pontiac, Michigan 48341 (the “Settlement Hearing”). The purpose of the Settlement Hearing is to determine whether: (a) the proposed Settlement on the terms and conditions provided for in the Stipulation should be finally approved by the Court as fair, reasonable and adequate; (b) the Plan of Allocation should be approved; and (c) whether Lead Counsel’s request for an award of attorneys’ fees and expenses should be granted.

If the Court approves the Settlement, the parties to the Litigation will ask the Court to enter the Judgment dismissing the Litigation with prejudice on the merits.

¹ The Stipulation and its exhibits can be viewed at www.itcshareholderlitigation.com. All capitalized terms used herein shall have the same meanings as the terms defined in the Stipulation.

This Notice describes the rights you may have under the Settlement if you are a Settlement Class Member and what steps you may, but are not required to, take in relation to the Settlement.

* * * * *

THIS NOTICE IS NOT AN OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES.

II. BACKGROUND AND DESCRIPTION OF THE LITIGATION

This Litigation arises from the sale of ITC to Fortis Inc. (“Fortis”) for approximately \$11.3 billion, which was completed on October 14, 2016 (the “Merger”). On February 9, 2016, ITC and Fortis announced that they had entered into an Agreement and Plan of Merger (the “Merger Agreement”) whereby Fortis would acquire ITC for \$11.3 billion in a cash and stock transaction, subject to various conditions, including the voting approval of ITC shareholders.

On February 11, 2016, Alan Poland submitted a demand letter to the Board of Directors of ITC (the “Individual Defendants” herein, consisting of Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, and Lee C. Stewart) pursuant to MCL 450.1493(a).

Between February 26, 2016 and March 29, 2016, four putative class action lawsuits were filed by purported shareholders of ITC against various defendants in the Circuit Court for the County of Oakland, State of Michigan (the “Court”): *Paolo Guerra v. Albert Ernst, et al.*, *Harvey Siegelman v. Joseph L. Welch, et al.*, *Alan Poland v. Fortis Inc., et al.*, and *Sanjiv Mehrotra v. Joseph L. Welch, et al.*² The complaints in these actions generally allege, among other things, that Defendants breached their fiduciary duties and/or aided and abetted the same by issuing materially false and/or misleading disclosures and omissions in connection with the Merger and by agreeing to sell ITC to Fortis through an unfair process and at an unfair price.

² The *Guerra*, *Mehrotra*, and *Siegelman* actions were later voluntarily dismissed by the plaintiffs therein.

On March 17, 2016, Fortis filed with the United States Securities and Exchange Commission (“SEC”) a Form F-4 Registration Statement in connection with the Merger, which included a preliminary draft of ITC’s proxy statement (the “Preliminary Proxy Statement”).

On March 23, 2016, the Court entered an order consolidating the state court actions under the caption *In re ITC Holdings Corporation Shareholder Litigation* (the “Consolidated Action”) and appointing Robbins Geller Rudman & Dowd LLP (“Lead Counsel” or “Plaintiffs’ Lead Counsel”) and The Miller Law Firm P.C. to serve as co-counsel for the putative shareholder plaintiff class.

On April 8, 2016, Mr. Poland filed an amended complaint in the Consolidated Action (the “Amended Complaint”). On April 28, 2016, Defendants filed a motion for summary disposition pursuant to MCR 2.116(C)(4), (5) and (8). On June 8, 2016, the Court entered an order denying Defendants’ motion.³

On May 17, 2016, ITC filed with the SEC a Schedule 14A Definitive Proxy Statement (the “Definitive Proxy Statement”), which set June 22, 2016 as the date of the special meeting for ITC shareholders to vote on the Merger. On May 20, June 8, and June 13, 2016, ITC made supplemental disclosures related to the Merger in Forms 8-K filed with the SEC.

On May 24, 2016, Mr. Poland filed a motion for preliminary injunction. Mr. Poland later decided not to seek a preliminary injunction, and the parties stipulated to the withdrawal of his motion. On June 13, 2016, the Court entered a stipulated order resolving the motion for preliminary injunction.

³ Mr. Poland’s amended complaint also named as defendants Fortis, FortisUS Inc., and Element Acquisition Sub Inc. (the “Fortis Defendants”). On April 29, 2016, the Fortis Defendants filed a motion for summary disposition, which was heard concurrently with Defendants’ motion for summary disposition. In its June 8, 2016 order, the Court granted the Fortis Defendants’ motion for summary disposition and dismissed the amended complaint as to the Fortis Defendants.

On June 22, 2016, a majority of ITC's shares voted to approve the Merger (97.6% of the shares represented at the meeting, representing 68.7% of the total outstanding shares entitled to vote).

On July 8, 2016, Mr. Poland filed a motion for class certification. On July 13, 2016, the Individual Defendants and ITC filed their respective answers to the Amended Complaint.

On July 22, 2016, Washtenaw County Employees' Retirement System ("WCERS") sought to intervene as a plaintiff in the Consolidated Action and filed a Complaint in Intervention for Breach of Fiduciary Duty ("Complaint in Intervention"). On July 25, 2016, the Court issued an order allowing WCERS to intervene as a plaintiff in the Consolidated Action.

On August 2, 2016, WCERS and Alan Poland filed an amended motion for class certification.

On October 14, 2016, the Merger was completed.

On November 22 and 23, 2016, the Individual Defendants and ITC filed their answers to the Complaint in Intervention.

On January 20, 2017, Defendants filed a motion for summary disposition pursuant to MCR 2.116(C)(10) based on the vote to approve the Merger by ITC's shareholders.

Plaintiffs' amended motion for class certification and Defendants' motion for summary disposition pursuant to MCR 2.116(C)(10) are both fully briefed and pending.

During an appearance by counsel for all parties on March 22, 2017, the Court indicated it was inclined to grant Defendants' motion for summary disposition at least with respect to those who voted in favor of the Merger.

Lead Counsel and Defendants' counsel have engaged in extensive settlement efforts and on March 25, 2017, after arm's-length negotiations, reached an agreement in principle to settle the

Litigation. The Court held a status conference on March 30, 2017, at which time Plaintiffs' Lead Counsel and Defendants' counsel informed the Court that they had reached a settlement in principle.

On May 22, 2017, the Lead Plaintiff, on behalf of himself and the Settlement Class Members, on the one hand, and, on the other hand, Defendants (together, the "Settling Parties") entered into the Stipulation.

On [DATE OF PRELIMINARY APPROVAL AND NOTICE ORDER], the Court entered an order providing for, among other things, the scheduling of the Settlement Hearing and a stay of the Litigation pending a hearing on the proposed Settlement (the "Notice Order").

III. REASONS FOR THE SETTLEMENT TERMS

Lead Plaintiff and his counsel have determined to enter into the Settlement because while Lead Plaintiff believes that his claims asserted in the Litigation have legal merit, he nevertheless acknowledges that Defendants would continue to assert legal and factual defenses to such claims and believes that the terms of the Settlement are fair, reasonable, adequate, and in the best interest of the Settlement Class. In coming to this conclusion, Lead Plaintiff and his counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and through appeals. Lead Plaintiff and his counsel have also taken into account the uncertain outcome and risk of any litigation, especially of complex actions such as the Litigation, as well as the difficulties and delays inherent in such litigation. Finally, Lead Plaintiff and his counsel are also mindful of the inherent problems of proof of, and possible defenses to, the claims asserted in the Litigation.

Defendants have denied, and continue to deny, each and all of the claims and contentions alleged by Plaintiffs in the Litigation. Defendants have also denied and continue to deny, *inter alia*, that Plaintiffs or the Settlement Class Members have suffered damages or were otherwise harmed as a result of the conduct alleged in the Litigation.

Defendants have nevertheless concluded that further litigation could be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled pursuant to the terms and conditions set forth in the Stipulation. Defendants are entering into the Stipulation solely because the proposed Settlement would eliminate the burden, expense, and uncertainties inherent in further litigation.

The Settling Parties wish to settle and resolve the claims asserted by Lead Plaintiff and all claims relating to or arising out of the Merger, and the Settling Parties have, following arm's-length negotiations, reached an agreement in principle as set forth in the Stipulation, providing for the settlement of the Litigation on the terms and subject to the conditions set forth in the Stipulation, and the Settling Parties believe the Settlement is in the best interests of the Settlement Class and ITC's public shareholders.

IV. SUMMARY OF THE SETTLEMENT TERMS

In consideration for the full settlement and release of all Released Claims, Defendants shall cause \$5,000,000.00 (the "Settlement Amount") to be deposited into an interest bearing account designated by the Escrow Agent within twenty (20) calendar days after entry of the Notice Order or materially similar order preliminarily approving the Settlement. The Settlement Amount, plus any accrued interest (the "Settlement Fund") and minus the costs associated with the administration of the Settlement,⁴ as well as attorneys' fees and expenses as approved by the Court (the "Net Settlement Fund") will be distributed to Settlement Class Members (as defined herein) who submit valid and timely Proof of Claim and Release forms ("Proof of Claim") pursuant to the Plan of Allocation described below ("Authorized Claimants").

⁴ Administration costs do not include the costs of providing notice to the Settlement Class which are being paid by Defendants.

V. CLASS ACTION DETERMINATION AND YOUR RIGHT TO EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS

The Court has ordered that the Litigation shall be maintained as a class action for purposes of the Settlement only, of a class (the “Settlement Class”) consisting of all Persons (other than those Persons who timely and validly request exclusion from the Settlement Class) who were record holders or beneficial owners of ITC common stock at any time between and including February 9, 2016 and the date of consummation of the Merger on October 14, 2016 (the “Settlement Class Period”). Excluded from the Settlement Class are any and all record holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Further excluded from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

Any Settlement Class Member may exclude themselves from the Settlement Class by submitting a written request for exclusion (the “Request for Exclusion”) by First-Class U.S. Mail postmarked no later than [], 2017, and addressed to:

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
EXCLUSIONS
P.O. Box 8040
San Rafael, CA 94912-8040

A Request for Exclusion must include: (a) the name and mailing address of the person or entity seeking exclusion from the Settlement Class; (b) a statement attesting to the fact that such person or entity is a Settlement Class Member; and (c) a statement that the person or entity wishes to be excluded from the Settlement Class. All individuals or entities who submit valid and timely Requests for Exclusion in the manner set forth here will not be bound by the Settlement or any judgment entered thereon.

VI. WHAT IS THE PROPOSED PLAN OF ALLOCATION?

Your share of the Net Settlement Fund will depend on how many shares of ITC common stock you held at any time between and including February 9, 2016 and the date of the closing of the Merger on October 14, 2016 that were not voted in favor of the Merger and the number of shares represented by valid Proofs of Claim that are received by the Claims Administrator.

Distributions will be made to the Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement and the Effective Date has occurred. The Net Settlement Fund will be disbursed by the Claims Administrator to the Authorized Claimants and will be allocated on a per-share basis amongst the Authorized Claimants. Any distribution will require a \$10.00 minimum.

If there is any balance remaining in the Net Settlement Fund after six months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), such funds shall be used: (a) first, to pay any amounts mistakenly omitted from the initial disbursement; (b) second, to pay any additional settlement administration fees, costs, and expenses; and (c) finally, to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining balance shall then be distributed to the Michigan Veterans Foundation.

Settlement Class Members who do not submit acceptable Proofs of Claim will not share in the Settlement proceeds. The Settlement and the final Judgment releasing the Released Parties and dismissing this Litigation with prejudice will nevertheless bind all Settlement Class Members.

Please contact the Claims Administrator if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Settlement Class Members and the claims administration process, to decide the issue by submitting a written request.

VII. DO I NEED TO CONTACT LEAD COUNSEL IN ORDER TO PARTICIPATE IN DISTRIBUTION OF THE SETTLEMENT FUND?

No. If you have received this Notice and timely submit your Proof of Claim to the designated address, you need not contact Lead Counsel. If your address changes, please contact the Claims Administrator at:

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404004
Louisville, KY 40233-4004
Phone: 1-866-684-3790
www.itcshareholderlitigation.com

VIII. THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED

The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation is terminated, the Litigation will proceed as if the Stipulation had not been entered into.

IX. WHO REPRESENTS THE SETTLEMENT CLASS?

The Court appointed the law firms of Robbins Geller Rudman & Dowd LLP (“Lead Counsel”) and The Miller Law Firm P.C. to represent you and other Settlement Class Members. Lead Counsel will apply to the Court for payment of attorneys’ fees and expenses from the Settlement Fund; you will not be otherwise charged for their work. If you want to be represented by your own lawyer, you may hire one at your own expense.

X. HOW WILL THE PLAINTIFFS’ LAWYERS BE PAID?

Lead Counsel will file a motion for an award of attorneys’ fees and expenses that will be considered by the Court at the Settlement Hearing. Lead Counsel will apply for an award of up to

30% of the Settlement Fund, plus payment of expenses incurred in connection with the Litigation in an amount not to exceed \$125,000, to be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. Lead Counsel has committed significant time and expenses in litigating this case for the benefit of the Settlement Class. To date, Lead Counsel has not been paid for its services in conducting this Litigation on behalf of the Lead Plaintiff and the Settlement Class, or for its expenses. The fees requested will compensate Lead Counsel for its work in achieving the Settlement. The Court will decide what constitutes a reasonable fee award and may award less than the amount requested by Lead Counsel.

XI. THE SETTLEMENT HEARING

The Settlement Hearing shall be held on [REDACTED], 2017, at [REDACTED].m., before the Oakland County, Michigan Circuit Court, located at 1200 North Telegraph Road, Pontiac, Michigan 48341, for the purposes of determining whether: (a) the Settlement should be approved by the Court as fair, reasonable, and adequate; (b) to award Lead Counsel attorneys' fees and expenses out of the Settlement Fund; (c) the Plan of Allocation should be approved by the Court; and (d) to rule on such other matters as the Court may deem appropriate.

The Court reserves the right to adjourn or continue the Settlement Hearing without further notice to members of the Settlement Class.

The Court also reserves the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Settling Parties to the Stipulation without further notice to the Settlement Class, and retains jurisdiction over the Litigation, the Settling Parties

and all Settlement Class Members to consider further applications arising out of or connected with the proposed Settlement.

XII. YOUR RIGHT TO APPEAR, OBJECT OR INTERVENE

Settlement Class Members are not obligated to take any action in response to this Notice or any of the matters described herein.

Any Settlement Class Member can object to the Settlement, the Plan of Allocation, and/or Lead Counsel’s application for an award of attorneys’ fees and expenses. Settlement Class Members can also seek to intervene in this action. Any Settlement Class Member who seeks to object or intervene, or otherwise wishes to be heard, may appear in person or at the Settlement Hearing and present evidence or argument that may be proper and relevant. A Settlement Class Member can appear through an attorney whom the Settlement Class Member hires at his, her, or its own cost. If a Settlement Class Member wishes to appear, object or seek to intervene they must provide the Court and counsel listed below with papers that include: (a) a written notice of intention to appear; (b) a statement of such person’s objections to any matters before the Court; (c) documentary proof of the number of shares of ITC common stock held by the objecting person between and including February 9, 2016 and October 14, 2016; and (d) the grounds for such objections and the reasons that such person desires to appear and be heard and writings such person desires the Court to consider. The papers must be filed with the Court no later than [redacted], 2017, and served by First-Class U.S. mail on or before the date of filing with the Court to:

David T. Wissbroecker
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Louis P. Gabel
JONES DAY
150 W. Jefferson, Suite 2100
Detroit, MI 48226-4438

Andrew Kolozsvary
DYKEMA GOSSETT PLLC
201 Townsend Street, Suite 900
Lansing, MI 48933

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, the Plan of Allocation or any award of attorneys' fees and expenses to Lead Counsel, or otherwise seek to intervene or be heard, except by serving and filing a written objection and supporting papers and documents as described here. Any person who fails to object in the manner described above shall be deemed to have waived the right to object and shall be forever barred from raising such objection in this or any other action or proceeding.

XIII. HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.itcshareholderlitigation.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail or submit it online so that it is postmarked (if mailed) or received (if filed electronically) no later than _____. If you do not submit a valid Proof of Claim with all of the required information, you will not receive a payment from the Net Settlement Fund; however, you will still be bound in all other respects by the Settlement, the Judgment, and the releases contained in them.

XIV. WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

If the proposed Settlement is approved, the Court will enter a Judgment and by operation of the Judgment, Plaintiffs and each and all Settlement Class Members shall be deemed to have fully, finally, and forever released, relinquished, and discharged all Released Claims against each of the Released Parties, unless you submit a valid request for exclusion.

If the proposed Settlement is approved, the Court will enter a Judgment and by operation of the Judgment, Defendants and the Released Parties shall be deemed to have, fully, finally, and

forever released Lead Plaintiff, Plaintiffs, Plaintiffs' Counsel, Lead Counsel and each and all of the Settlement Class Members from all Released Defendants' Claims.

- “Released Claims” shall collectively mean all claims, debts, disputes, demands, rights, actions, causes of action, potential actions, liabilities, damages, losses, obligations, duties, costs, expenses, penalties, sanctions, sums of money due, judgments, decrees, matters, agreements, suits, amounts, issues, controversies and charges of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts or liabilities whatsoever), whether based on United States federal, state or local statutory or common law or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class, individual or derivative in nature, including both known claims and Unknown Claims, by any Plaintiffs or Settlement Class Member in his, her, or its capacity as an ITC common stockholder during the Settlement Class Period against the Released Parties (i) that concern, are based on, arise out of or in any way relate to the allegations, transactions, facts, matters, events, disclosures, non-disclosures, statements, occurrences, representations, acts or omissions or failures to act that have been or could have been alleged in the Litigation; (ii) that would have been barred by *res judicata* had the Litigation been fully litigated to a final judgment; (iii) that concern, are based on, arise out of or in any way relate to the Merger or any actions, deliberations or negotiations in connection with the Merger; (iv) any disclosures, SEC filings, public filings, periodic reports, press releases, proxy statements or other statements issued, made available or filed relating, directly or indirectly, to the Merger, including, without limitation, claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts); (v) the fiduciary duties and obligations of the Released Parties in connection with the Merger; (vi) the fees, expenses or costs incurred in prosecuting, defending or settling the Litigation; or (vii) any deliberations, negotiations, representations, omissions or other conduct leading up to the execution of the Stipulation. The Released Claims shall not include claims to enforce the Settlement.
- “Released Parties” means (i) Defendants, (ii) the Fortis Defendants, (iii) any and all of their past, present and future family members, spouses, parent entities, associates, affiliates, subsidiaries, predecessors, successors and/or assigns, and (iv) the past, present and future officers, directors, executives, partners, stockholders, representatives, employees, attorneys, financial or investment advisors, underwriters, consultants, accountants, auditors, investment bankers, commercial bankers, brokers, dealers, lenders, insurers, co-insurers, reinsurers, advisors, agents, fiduciaries, heirs, executors, beneficiaries, distributees, foundations, trusts, trustees, general or limited partners or partnerships, joint ventures, limited liability companies, corporations, member firms, divisions, associated entities, principals, managing directors, members, managers, entities providing any fairness opinion, personal representatives, estates, administrators, predecessors, predecessors in interest, successors, successors in interest, assigns and/or any other representatives of each of the foregoing.

- “Released Defendants’ Claims” means any and all claims, debts, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, matters and issues of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on United States federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class or individual in nature, including both known claims and Unknown Claims, that have been or could have been asserted in the Litigation or any other court, tribunal, proceeding or forum by any of the Defendants or their successors or assigns against the Plaintiffs, any of the Settlement Class Members, Plaintiffs’ Counsel, including Lead Counsel, and their respective heirs, executors, administrators, successors and assigns, which arise out of or relate to or are based on the institution, prosecution, or settlement of the Litigation. The Released Defendants’ Claims shall not include claims to enforce the Settlement.

XV. SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you held any ITC common stock between February 9, 2016 and October 14, 2016, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404004
Louisville, KY 40233-4004

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

XVI. SCOPE OF THIS NOTICE AND WHERE TO GET ADDITIONAL INFORMATION

This Notice is not all-inclusive. The references in this Notice to the pleadings in the Litigation, the Stipulation and other papers and proceedings are only summaries and do not purport to be comprehensive. For the full details of the Litigation, the claims that have been asserted by the Settling Parties and the terms and conditions of the Settlement, including a complete copy of the Stipulation and related and proposed forms of Orders, Settlement Class Members are referred to the Court files for the Litigation. You or your attorney may examine the public Court files during regular business hours of each business day at the office of the Clerk of the Court for Oakland County, Michigan Circuit Court, located at 1200 North Telegraph Road, Pontiac, Michigan 48341. The Consolidated Amended Complaint, Stipulation and related Orders to the Settlement are also available at www.itcshareholderlitigation.com. Inquiries or comments about the Settlement or the Litigation may be directed to the attention of Plaintiffs' Counsel:

David T. Wissbroecker
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

Marc L. Newman
THE MILLER LAW FIRM, P.C.
950 W. University Drive, Suite 300
Rochester, MI 48307
Telephone: 248/841-2200
248/652-2852 (fax)

PLEASE DO NOT WRITE OR CALL THE COURT.

Dated: _____

BY ORDER OF THE COURT
STATE OF MICHIGAN
COUNTY OF OAKLAND
BUSINESS COURT

EXHIBIT A-2

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

PROOF OF CLAIM AND RELEASE

ALL ACTIONS.

EXHIBIT A-2

ATTORNEYS FOR PLAINTIFFS

THE MILLER LAW FIRM, P.C.
MARC L. NEWMAN (P51393)
M. RYAN JARNAGIN (P76838)
RICHARD L. BRAUN (P26408)
950 W. University Drive, Suite 300
Rochester, MI 48307
Telephone: 248/841-2200
248/652-2852 (fax)

ROBBINS GELLER RUDMAN
& DOWD LLP
RANDALL J. BARON
A. RICK ATWOOD, JR.
DAVID T. WISSBROECKER
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

Received for Filing Oakland County Clerk 5/23/2017 8:00 AM

I. GENERAL INSTRUCTIONS

1. To recover as a member of the Settlement Class in the consolidated action entitled *In re ITC Holdings Corporation Shareholder Litigation*, Lead Case No. 2016-151852-CB (the “Litigation”), you must complete and, on page __ hereof, sign this Proof of Claim and Release (“Proof of Claim Form”). If you fail to file a properly addressed (as set forth in paragraph 3 below) Proof of Claim Form, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed Settlement of the Litigation.

2. Submission of this Proof of Claim Form, however, does not assure that you will share in the proceeds of the Settlement of the Litigation.

3. **YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED PROOF OF CLAIM FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, ON OR BEFORE _____, ADDRESSED AS FOLLOWS:**

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404004
Louisville, KY 40233-4004
Online Submissions: www.itcshareholderlitigation.com

If you are NOT a member of the Settlement Class, as defined in the Notice of Pendency and Proposed Settlement of Class Action and Settlement Hearing (the “Notice”), DO NOT submit a Proof of Claim Form.

4. If you are a member of the Settlement Class and you do not timely request exclusion in connection with the proposed Settlement, you will be bound by the terms of any judgment entered in the Litigation, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM FORM.**

II. DEFINITIONS

1. “Merger” means the transaction whereby Fortis, through its subsidiary FortisUS Inc., and FortisUS Inc.’s subsidiary Element Acquisition Sub Inc., purchased ITC for approximately \$11.3 billion in cash and Fortis stock, which was completed on October 14, 2016.

2. “Settlement Class” means a class pursuant to Michigan Court Rule 3.501, for settlement purposes only, consisting of all Persons (other than those Persons who timely and validly request exclusion from the Settlement Class) who were record holders or beneficial owners of ITC common stock at any time between and including February 9, 2016 and the date of consummation of the Merger on October 14, 2016 (the “Settlement Class Period”). Excluded from the Settlement Class are any and all record holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Further excluded from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

III. CLAIMANT IDENTIFICATION

If you held the common stock of ITC Holdings Corp. (“ITC” or the “Company”) at any time between and including February 9, 2016 and the consummation of the Merger on October 14, 2016, use Part I of this form entitled “Claimant Identification” to list the claimant name, mailing address, and account information if relevant (such as for a claim submitted on behalf of an IRA, Trust, or estate account). Please list the most current claimant or account name as you would like the information to appear on the check, if eligible for payment. Please also provide a telephone number and/or e-mail address, as the Claims Administrator may need to contact you with questions about the claim submitted. If your Claimant Identification information changes, please notify the Claims Administrator in writing at the address above.

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

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request to, or may be requested to, submit information regarding their transactions in electronic files. If you have a large number of transactions and wish to file your claim electronically, you must contact the Claims Administrator at edata@gilardi.com to obtain the required file layout.

IV. CLAIM FORM

Use Part II of this form entitled “Schedule of Transactions in ITC Common Stock” to supply the number of shares of ITC common stock for which you either voted AGAINST the Merger, or for which you ABSTAINED from voting on the Merger, or for which you DID NOT vote on the Merger. Please provide third-party supporting documentation which shows the surrender of the claimed shares, such as a brokerage statement which indicates that the shares were surrendered and Merger consideration received or letter accompanying the payment of the Merger consideration from the transfer agent.

**IF YOU VOTED IN FAVOR OF THE MERGER FOR YOUR SHARES OR
ACCOUNT, DO NOT LIST THOSE SHARES.**

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC Holdings Corporation Shareholder Litigation,

Lead Case No. 2016-151852-CB

PROOF OF CLAIM AND RELEASE

Must Be Postmarked or Submitted Online No Later Than:

_____, 2017

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Owner's Name (First, Middle, Last)

Street Address

City

State or Province

Zip Code or Postal Code

Country

Social Security Number or
Taxpayer Identification Number

Individual
Corporation/Other

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

E-Mail Address

PART II: SCHEDULE OF TRANSACTIONS IN ITC COMMON STOCK

- A. Number of shares of ITC common stock for which you voted AGAINST the Merger, or for which you ABSTAINED from voting on the Merger, or for which you DID NOT vote on the Merger: _____.

If you voted in favor of the Merger, do not list those shares. Please also be certain to include documentation which supports the number of shares surrendered in the Merger, such as a brokerage statement which indicates that the shares were surrendered and Merger consideration received or letter accompanying the payment of the Merger consideration from the transfer agent.

YOUR SIGNATURE ON PAGE __ WILL CONSTITUTE YOUR ACKNOWLEDGMENT OF THE RELEASE AND THAT THE NUMBER OF SHARES LISTED IN SECTION A ABOVE IS TRUE AND CORRECT UNDER PENALTY OF PERJURY.

V. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim Form under the terms of the Stipulation of Settlement (“Stipulation”) described in the Notice. I (We) also submit to the jurisdiction of the State of Michigan, Circuit Court for the County of Oakland, Business Court with respect to my (our) claim as a Settlement Class Member and for purposes of enforcing the release set forth herein. 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 Litigation. 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 in connection with the holding of ITC common stock at any time between and including February 9, 2016 and the date of the consummation of the Merger on October 14, 2016 and know of no other person having done so on my (our) behalf.

VI. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Released Claims each and all of the Released Parties as provided in the Stipulation.

2. “Defendants” means Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp.

3. “Released Claims” shall collectively mean all claims, debts, disputes, demands, rights, actions, causes of action, potential actions, liabilities, damages, losses, obligations, duties, costs, expenses, penalties, sanctions, sums of money due, judgments, decrees, matters, agreements, suits, amounts, issues, controversies and charges of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses, amounts or liabilities whatsoever), whether based on United States federal, state or local statutory or common law or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class, individual or derivative in nature, including both known claims and Unknown Claims (as defined below), by any Plaintiffs or Settlement Class Member in his, her, or its capacity as an ITC common stockholder during the Settlement Class Period against the Released Parties (i) that concern, are based on, arise out of or in any way relate to the allegations, transactions, facts, matters, events, disclosures, non-disclosures, statements, occurrences, representations, acts or omissions or failures to act that have been or could have been alleged in the Litigation; (ii) that would have been barred by *res judicata* had the Litigation been fully litigated to a final judgment; (iii) that concern, are based on, arise out of or in any way relate to the Merger or any actions, deliberations or negotiations in connection with the

Merger; (iv) any disclosures, SEC filings, public filings, periodic reports, press releases, proxy statements or other statements issued, made available or filed relating, directly or indirectly, to the Merger, including, without limitation, claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts); (v) the fiduciary duties and obligations of the Released Parties in connection with the Merger; (vi) the fees, expenses or costs incurred in prosecuting, defending or settling the Litigation; or (vii) any deliberations, negotiations, representations, omissions or other conduct leading up to the execution of the Stipulation. The Released Claims shall not include claims to enforce the Settlement.

4. “Released Defendants’ Claims” means any and all claims, debts, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, matters and issues of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on United States federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class or individual in nature, including both known claims and Unknown Claims (as defined below), that have been or could have been asserted in the Litigation or any other court, tribunal, proceeding or forum by any of the Defendants or their successors or assigns against the Plaintiffs, any of the Settlement Class Members, Plaintiffs’ Counsel, including Lead Counsel, and their respective heirs, executors, administrators, successors and assigns, which arise out of or relate to or are based on the institution, prosecution, or settlement of the Litigation. The Released Defendants’ Claims shall not include claims to enforce the Settlement.

5. “Released Parties” means (i) Defendants, (ii) the Fortis Defendants, (iii) any and all of their past, present and future family members, spouses, parent entities, associates, affiliates,

subsidiaries, predecessors, successors and/or assigns, and (iv) the past, present and future officers, directors, executives, partners, stockholders, representatives, employees, attorneys, financial or investment advisors, underwriters, consultants, accountants, auditors, investment bankers, commercial bankers, brokers, dealers, lenders, insurers, co-insurers, reinsurers, advisors, agents, fiduciaries, heirs, executors, beneficiaries, distributees, foundations, trusts, trustees, general or limited partners or partnerships, joint ventures, limited liability companies, corporations, member firms, divisions, associated entities, principals, managing directors, members, managers, entities providing any fairness opinion, personal representatives, estates, administrators, predecessors, predecessors in interest, successors, successors in interest, assigns and/or any other representatives of each of the foregoing.

6. “Unknown Claims” means any Released Claims that Lead Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any Released Defendants’ Claims that a Defendant does not know or suspect to exist in his, her or its favor, which, if known by him, her or it, might have affected his, her or its decision(s) to enter into this Settlement and the releases set forth in the Stipulation or to object or not to object to the Settlement. With respect to any and all Released Claims and Released Defendants’ Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs and Defendants shall expressly waive, and each of the Settlement Class Members and Released Parties shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN

BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff and the Settlement Class Members acknowledge that they may hereafter discover facts in addition to or different from those that any of them now knows or believes to be true related to the subject matter of the Released Claims, but it is their intention to fully, finally, and forever settle and release any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Similarly, Defendants and the Released Parties may hereafter discover facts in addition to or different from those that they now know or believe to be true related to the subject matter of the Released Defendants' Claims, but it is their intention to fully, finally, and forever settle and release any and all Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of Unknown Claims in the definitions of Released Claims and Released Defendants' Claims was separately bargained for and is a key element of the Settlement of which these releases are a part.

7. This release shall be of no force or effect unless and until the Court approves the Stipulation and the Settlement becomes effective on the Effective Date.

8. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

9. I (We) hereby warrant and represent that I (we) have included information about all of my (our) holdings in ITC common stock requested in this Proof of Claim Form.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this _____ day of _____
(Month/Year)
in _____
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing,
e.g., Purchaser or Acquirer,
Executor or Administrator)

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

Reminder Checklist:

1. Please sign the above release and declaration.
2. If this claim is being made on behalf of Joint Claimants, then both must sign.
3. Remember to attach copies of supporting documentation.
4. Do not send original certificates.
5. Do not use red pen or highlighter on the Proof of Claim Form or supporting documentation.
6. Keep a copy of your Proof of Claim Form for your records.

7. If you desire an acknowledgment of receipt of your Proof of Claim Form, please send it Certified Mail, Return Receipt Requested.
8. If you move, please send your new address to the address below.

THIS PROOF OF CLAIM FORM MUST BE SUBMITTED ONLINE OR MAILED NO LATER THAN _____, 2017, ADDRESSED AS FOLLOWS:

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404004
Louisville, KY 40233-4004
www.itcshareholderlitigation.com

Received for Filing Oakland County Clerk 5/23/2017 8:00 AM

EXHIBIT A-3

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

ALL ACTIONS.

SUMMARY NOTICE OF PENDENCY AND
PROPOSED SETTLEMENT OF CLASS
ACTION

/ EXHIBIT A-3

ATTORNEYS FOR PLAINTIFFS

THE MILLER LAW FIRM, P.C.
MARC L. NEWMAN (P51393)
M. RYAN JARNAGIN (P76838)
RICHARD L. BRAUN (P26408)
950 W. University Drive, Suite 300
Rochester, MI 48307
Telephone: 248/841-2200
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ROBBINS GELLER RUDMAN
& DOWD LLP
RANDALL J. BARON
A. RICK ATWOOD, JR.
DAVID T. WISSBROECKER
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

TO: ANY AND ALL RECORD HOLDERS OR BENEFICIAL OWNERS OF ITC HOLDINGS CORP. (“ITC”) COMMON STOCK AT ANY TIME BETWEEN AND INCLUDING FEBRUARY 9, 2016 AND THE DATE OF THE CONSUMMATION OF THE MERGER ON OCTOBER 14, 2016 (THE “SETTLEMENT CLASS”)¹

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

YOU ARE HEREBY NOTIFIED that a hearing will be held on _____, 2017, at _____m., before the Honorable James M. Alexander at the Oakland County, Michigan Circuit Court, located at 1200 North Telegraph Road, Pontiac, MI 48341, to determine whether: (1) the proposed Settlement as set forth in the Stipulation of Settlement (the “Stipulation”) to settle Lead Plaintiff’s and the Settlement Class’ claims in connection with the Merger² for \$5,000,000 in cash should be approved by the Court as fair, reasonable and adequate; (2) to award Lead Counsel attorneys’ fees and expenses out of the Settlement Fund (as defined in the Notice of Pendency and Proposed Settlement of Class Action and Settlement Hearing (the “Notice”), which is discussed below); and (3) the Plan of Allocation should be approved by the Court, as fair, reasonable and adequate.

If you are a Settlement Class Member, in order to share in the distribution of the Net Settlement Fund, you must establish your rights by submitting a Proof of Claim and Release form by mail (postmarked no later than _____) or submitted electronically (no later than _____, 2017). Your failure to submit your Proof of Claim and Release by _____, 2017, will subject your claim to rejection and preclude your receiving any of the recovery in connection with the settlement of the

¹ Excluded from the Settlement Class are any and all record holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Further excluded from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

² The transaction whereby Fortis, through its subsidiary FortisUS Inc., and FortisUS Inc.’s subsidiary Element Acquisition Sub Inc., purchased ITC for approximately \$11.3 billion in cash and Fortis stock, which was completed on October 14, 2016.

above-captioned action (the “Litigation”). You will be bound by the Settlement and any judgment and release entered in the Litigation, including, but not limited to, the Judgment, whether or not you submit a Proof of Claim and Release.

If you have not received a copy of the Notice, which more completely describes the Settlement and your rights thereunder, including your right to object to the Settlement, to the Plan of Allocation or Lead Counsel’s request for an award of attorneys’ fees and expenses, as well as your right to request exclusion from the Settlement Class, and a Proof of Claim and Release form, you may obtain these documents, as well as a copy of the Stipulation (which, among other things, contains definitions for the defined terms used in this Summary Notice) and other Settlement documents, online at www.itcshareholderlitigation.com, or by writing to:

ITC Shareholder Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 404004
Louisville, KY 40233-4004
Phone: 1-866-684-3790

Inquiries should NOT be directed to the Court or the Clerk of the Court. Inquiries may be made to a representative of Lead Counsel:

ROBBINS GELLER RUDMAN
& DOWD LLP
Shareholder Relations
Rick Nelson
655 West Broadway, Suite 1900
San Diego, CA 92101
Phone: 1-800-449-4900

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE SETTLEMENT, THE PLAN OF ALLOCATION, AND/OR THE REQUEST BY LEAD COUNSEL FOR AN AWARD OF ATTORNEYS’ FEES AND EXPENSES. ANY OBJECTIONS MUST BE FILED WITH THE COURT AND SENT TO COUNSEL IDENTIFIED IN THE NOTICE BY _____, 2017, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU ALSO HAVE THE RIGHT TO REQUEST EXCLUSION FROM THE SETTLEMENT CLASS. ANY REQUEST FOR EXCLUSION MUST BE SENT TO THE CLAIMS ADMINISTRATOR SUCH THAT IT IS POSTMARKED NO LATER THAN _____, 2017, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

DATED: _____

BY ORDER OF THE COURT
STATE OF MICHIGAN
COUNTY OF OAKLAND
BUSINESS COURT

Received for Filing Oakland County Clerk 5/23/2017 8:00 AM

EXHIBIT B

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND
BUSINESS COURT

In re ITC HOLDINGS CORPORATION
SHAREHOLDER LITIGATION

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

[PROPOSED] ORDER AND FINAL
JUDGMENT

ALL ACTIONS.

EXHIBIT B

ATTORNEYS FOR PLAINTIFFS

THE MILLER LAW FIRM, P.C.
MARC L. NEWMAN (P51393)
M. RYAN JARNAGIN (P76838)
RICHARD L. BRAUN (P26408)
950 W. University Drive, Suite 300
Rochester, MI 48307
Telephone: 248/841-2200
248/652-2852 (fax)

ROBBINS GELLER RUDMAN
& DOWD LLP
RANDALL J. BARON
A. RICK ATWOOD, JR.
DAVID T. WISSBROECKER
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

Received for Filing Oakland County Clerk 5/23/2017 8:00 AM

WHEREAS, the Stipulation of Settlement, dated May 22, 2017 (the “Stipulation”), of the above-captioned litigation (the “Litigation”), and the settlement contemplated thereby (the “Settlement”) having been presented at the Settlement Hearing on _____, pursuant to the Order Preliminarily Approving Settlement and Providing for Notice and Settlement Hearing entered herein on _____ (the “Notice Order”), which Stipulation was entered into by Lead Plaintiff Alan Poland, on behalf of himself and the Settlement Class (defined below), and Defendants Joseph L. Welch, Albert Ernst, Christopher H. Franklin, Edward G. Jepsen, Dave R. Lopez, Hazel R. O’Leary, Thomas G. Stephens, G. Bennett Stewart III, Lee C. Stewart, and nominal party ITC Holdings Corp. (“Defendants”), and which is incorporated herein by reference; and the Court having determined that notice of said hearing was given to the Settlement Class in accordance with the Notice Order and that said notice was adequate and sufficient; and the Lead Plaintiff and Defendants having appeared by their attorneys of record; and the attorneys for the respective parties having been heard in support of the Settlement of the Litigation, and an opportunity to be heard having been given to all other persons desiring to be heard as provided in the notice; and the entire matter of the Settlement having been considered by the Court; and

WHEREAS, except for the terms defined herein, the Court adopts and incorporates the definitions in the Stipulation for purposes of this Order.

NOW, upon consent of the Settling Parties, after review and consideration of the Stipulation filed with the Court and the Exhibits annexed thereto, and after due deliberation,

IT IS HEREBY ORDERED this day of , 2017, that:

1. The Notice of Pendency and Proposed Settlement of Class Action and Settlement Hearing (the “Notice”) has been given to the Settlement Class (as defined below) pursuant to and in the manner directed by the Notice Order, proof of the mailing of the Notice and publication of the Summary Notice has been filed with the Court and a full opportunity to be heard has been offered to

all parties to the Litigation, and the Settlement Class. The form and manner of the Notice is hereby determined to have been the best notice practicable under the circumstances.

2. Pursuant to Michigan Court Rule 3.501, the Court finally certifies, for purposes of effectuating this Settlement only, a class (the “Settlement Class”) consisting of all Persons who were record holders or beneficial owners of ITC Holdings Corp. (“ITC”) common stock at any time between and including February 9, 2016 and the date of consummation of the Merger on October 14, 2016 (the “Settlement Class Period”). Excluded from the Settlement Class are any and all record holders or beneficial owners of ITC common stock who voted, themselves, by agent, or otherwise whose stock was voted, in favor of the Merger. Also excluded from the Settlement Class are all Persons who have timely and validly submitted requests for exclusion in compliance with the Notice Order, as listed on the Exhibit 1 attached hereto. Further excluded from the Settlement Class are Defendants, their immediate family members, and any entity in which Defendants had a controlling interest during the Settlement Class Period.

3. For settlement purposes only, Alan Poland is certified as the Class Representative, and the law firms of Robbins Geller Rudman & Dowd LLP (“Lead Counsel”) and The Miller Law Firm P.C. are appointed as the Settlement Class’ counsel.

4. With respect to the Settlement Class, this Court finds and concludes, for purpose of this Settlement only, that: (i) the Settlement Class is so numerous that joinder of all members is impracticable; (ii) there are questions of law or fact common to the members of the Settlement Class that predominate over questions affecting only individual members; (iii) the claims or defenses of the representative parties are typical of the claims or defenses of the Settlement Class; (iv) Lead Plaintiff and Lead Counsel have and will fairly and adequately assert and protect the interests of the Settlement Class; and (v) the maintenance of the action as a class action will be superior to other available methods of adjudication in promoting the convenient administration of justice.

5. The Settlement is found to be fair, reasonable and adequate and it is hereby approved and the Settling Parties are directed to perform its terms.

6. This Order and Final Judgment or the Stipulation or Settlement, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim or of any wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of the Released Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. The Released Parties may file the Stipulation and/or this Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

7. The Litigation is hereby dismissed with prejudice in its entirety as to the Settling Parties and all members of the Settlement Class, except as provided in the Stipulation and herein, without costs.

8. The Litigation is fully and completely dismissed with prejudice, and any and all claims, debts, disputes, demands, rights, actions, causes of action, potential actions, liabilities, damages, losses, obligations, duties, costs, expenses, penalties, sanctions, sums of money due, judgments, decrees, matters, agreements, suits, amounts, issues, controversies and charges of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, amounts or liabilities whatsoever), whether based on United States federal, state or local statutory or common law or any other law, rule or regulation, whether foreign or domestic, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen,

whether class, individual or derivative in nature, including both known claims and Unknown Claims, by any Plaintiffs or Settlement Class Member in his, her, or its capacity as an ITC common stockholder during the Settlement Class Period against the Released Parties (i) that concern, are based on, arise out of or in any way relate to the allegations, transactions, facts, matters, events, disclosures, non-disclosures, statements, occurrences, representations, acts or omissions or failures to act that have been or could have been alleged in the Litigation; (ii) that would have been barred by *res judicata* had the Litigation been fully litigated to a final judgment; (iii) that concern, are based on, arise out of or in any way relate to the Merger or any actions, deliberations or negotiations in connection with the Merger; (iv) any disclosures, SEC filings, public filings, periodic reports, press releases, proxy statements or other statements issued, made available or filed relating, directly or indirectly, to the Merger, including, without limitation, claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts); (v) the fiduciary duties and obligations of the Released Parties in connection with the Merger; (vi) the fees, expenses or costs incurred in prosecuting, defending or settling the Litigation; or (vii) any deliberations, negotiations, representations, omissions or other conduct leading up to the execution of the Stipulation (the “Released Claims”) are fully, finally, and forever released, relinquished, and discharged. The Released Claims do not include claims to enforce the Settlement contemplated by the Stipulation.

9. The Litigation is also fully and completely dismissed with prejudice on the merits, and any and all claims, debts, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, matters and issues of any kind, nature or description whatsoever (including, but not limited to, any claims for interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether based on United States federal, state, local, statutory or common law, or any other law, rule or regulation, whether foreign or domestic,

fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, foreseen or unforeseen, whether class or individual in nature, including both known claims and Unknown Claims, that have been or could have been asserted in the Litigation or any other court, tribunal, proceeding or forum by any of the Defendants or their successors or assigns against the Plaintiffs, any of the Settlement Class Members, Plaintiffs' Counsel, including Lead Counsel, and their respective heirs, executors, administrators, successors and assigns, which arise out of or relate to or are based on the institution, prosecution, or settlement of the Litigation (the "Released Defendants' Claims") are fully, finally, and forever released, relinquished, and discharged. The Released Defendants' Claims do not include claims to enforce the Settlement contemplated by the Stipulation.

10. The releases extend to extinguish all Released Claims and all Released Defendants' Claims, including Unknown Claims. The Released Parties waive their rights to the extent permitted by state law, federal law, foreign law or principle of common law, which may have the effect of limiting the release set forth above. This includes a waiver by Lead Plaintiff, the Settlement Class Members, and Released Parties of any rights pursuant to §1542 of the California Civil Code (or any similar, comparable or equivalent provision of any federal, state, or foreign law, or principle of common law) which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

11. Lead Plaintiff and Defendants acknowledge, and the Settlement Class shall be deemed by operation of the entry of this Judgment approving the Settlement to have acknowledged, that the foregoing waiver was separately bargained for, is an integral element of the Settlement, and was relied upon by Lead Plaintiff and each and all of the Defendants in entering into the Settlement.

Lead Plaintiff acknowledges, and the Settlement Class by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true by them with respect to the Released Claims, but that it is the intention of Lead Plaintiff, and by operation of law the intention of the Settlement Class Members, to completely, fully, finally and forever compromise, settle, release, discharge, extinguish, and dismiss any and all Released Claims, known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Similarly, Defendants and the Released Parties may hereafter discover facts in addition to or different from those that they now know or believe to be true related to the subject matter of the Released Defendants' Claims, but it is their intention to fully, finally, and forever settle and release any and all Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of Unknown Claims in the definitions of Released Claims and Released Defendants' Claims was separately bargained for and is a key element of the Settlement of which these releases are a part.

12. The Court hereby finds and concludes that the Litigation was brought, prosecuted and/or defended in good faith, with a reasonable basis.

13. In the event that the Stipulation is terminated in accordance with its terms: (i) this Judgment shall be rendered null and void and shall be vacated *nunc pro tunc*; and (ii) this Litigation shall proceed as provided in the Stipulation.

14. Without affecting the finality of this Judgment in any way, this Court retains continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees, interest, and expenses in the Litigation; and (d) all parties hereto for the purpose of construing, enforcing, and administering the Stipulation.

15. The Court finds that during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of MCR 2.114(D).

16. The effectiveness of this Order and Final Judgment and the obligations of Plaintiffs and Defendants under the Settlement shall not be conditioned upon or subject to the resolution of any appeal from the Order and Final Judgment that relates solely to the issue of Lead Counsel's application for an award of attorneys' fees and expenses or approval of the Plan of Allocation.

DATED: _____

THE HONORABLE JAMES M. ALEXANDER