UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	:	Master File No. 1:20-cv-09575-JLR-KHP
	:	CLASS ACTION
This Document Relates To:	:	
ALL ACTIONS.	:	

STIPULATION OF SETTLEMENT

This Stipulation of Settlement, dated February 7, 2025 (the "Stipulation"), is entered into by and among the following Settling Parties to the above-captioned action: (i) Class Representative John R. Erickson ("Lead Plaintiff"), on behalf of himself and the other members of the Class (as defined below); and (ii) defendants Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc. ("Jernigan" or the "Company"), John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen (referred to collectively as the "Defendants"), by and through their respective counsel of record in the litigation, and embodies the terms and conditions of the settlement of the above-captioned action. Subject to the approval of the United States District Court for the Southern District of New York (the "Court"), the Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the above-captioned action and all claims asserted against Defendants therein, and all Released Plaintiff's Claims.

I. THE LITIGATION

This case, captioned *In re Jernigan Capital, Inc. Securities Litigation*, Civil Action No. 1:20-cv-09575-JLR-KHP (S.D.N.Y.) (the "Litigation" or "Action"), is a securities class action currently pending before the Honorable Jennifer L. Rochon in the United States District Court for the Southern District of New York. The initial complaint in the Litigation was filed on November 13, 2020. On February 5, 2021, the Court appointed John R. Erickson as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP as Lead Counsel.

On April 6, 2021, Lead Plaintiff filed the operative amended complaint (the "Complaint"), alleging violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934. More specifically, Lead Plaintiff alleged that shareholders of Jernigan common stock voted pursuant to a materially false and misleading Proxy to approve a going-private transaction whereby affiliates of NexPoint Advisors, L.P. acquired Jernigan's outstanding publicly traded common stock for $17.30 per share in cash (the "Transaction"). Lead Plaintiff alleged that the Proxy misrepresented

the nature of the Transaction and failed to disclose material information concerning the role Extra Space, a leader in the self-storage REIT industry, played in the Transaction. Lead Plaintiff also alleged that the Proxy's statement that one reason for the merger was "the limited interest other REITs operating in the self-storage sector would likely have in acquiring the Company's portfolio" was false and misleading because Extra Space was participating directly in the Transaction by providing $300 million – representing approximately one third of the purchase price. Lead Plaintiff also alleged that the $17.30 per share that Jernigan shareholders received in the Transaction represented inadequate consideration.

On June 30, 2021, Defendants moved to dismiss the Complaint. On July 30, 2021, Lead Plaintiff filed his opposition to Defendants' motion to dismiss. On August 20, 2021, Defendants filed their reply brief in further support of their motion to dismiss. On May 20, 2022, the Court held oral argument on Defendants' motion to dismiss. On August 1, 2022, the Court denied Defendants' motion to dismiss. On September 7, 2022, Defendants answered the Complaint. Thereafter, the parties commenced discovery, collectively propounding over 45 requests for the production of documents.

On December 15, 2022, Lead Plaintiff moved for class certification under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and contemporaneously produced documents in response to Defendants' discovery requests. On January 27, 2023, Defendants' Counsel deposed Lead Plaintiff's expert. On February 9, 2023, Defendants' Counsel deposed Lead Plaintiff. On February 22, 2023, Defendants filed their opposition to Lead Plaintiff's motion for class certification. On March 29, 2023, Lead Counsel deposed Defendants' expert. On April 21, 2023, Lead Plaintiff filed his reply brief in further support of class certification. On June 9, 2023, the Court held oral argument on Lead Plaintiff's motion for class certification. On June 12, 2023,

Magistrate Judge Katharine H. Parker issued a report and recommendation (the "Report & Recommendation") recommending that Lead Plaintiff's motion for class certification be granted. On September 14, 2023, the Court adopted the Report & Recommendation in full and certified the class. On September 28, 2023, Defendants filed a petition seeking permission, under Federal Rule of Civil Procedure 23(f), to appeal from the Court's September 14, 2023 class certification order (the "Rule 23(f) petition"). On October 10, 2023, Lead Plaintiff filed his opposition to Defendants' Rule 23(f) petition. On February 21, 2024, the U.S. Court of Appeals for the Second Circuit denied Defendants' Rule 23(f) petition.

Lead Plaintiff, through Lead Counsel, pursued extensive discovery concerning the claims against each of the Defendants and the events at issue in the Action. During the period from 2022 to 2024, Lead Plaintiff served Defendants with discovery requests, which resulted in the production of over 35,000 documents totaling over 290,000 pages. Lead Plaintiff also served subpoenas on nine non-parties, who produced over 87,000 additional documents. These productions were the result of extensive negotiations, and Lead Counsel participated in numerous conferences to resolve discovery disputes and to ensure that the Class had access to all relevant materials.

As part of the discovery process, Lead Counsel also carefully reviewed and engaged with Defendants' Counsel on privilege issues, including Defendants' assertions of privilege over documents produced by a third party and Defendants' privilege log which asserted privilege over thousands of documents. Lead Counsel also participated in numerous substantive discussions with Lead Plaintiff's expert regarding the evidentiary record and damages.

A. Mediation and Further Efforts to Resolve the Litigation

During the course of the Litigation, the Settling Parties engaged the services of Greg Danilow of Phillips ADR Enterprises, a highly qualified mediator experienced in securities

litigation (the "Mediator"). In connection with this engagement, the Settling Parties participated in a full-day, in-person mediation session before the Mediator on September 18, 2024, and exchanged opening and reply mediation statements and exhibits, which addressed the parties' respective positions on liability and potential damages. On September 25, 2024, the Mediator made a Mediator's proposal. In response to the Mediator's proposal, the Settling Parties reached an agreement in principle on October 7, 2024 to settle the Action for Twelve Million Dollars in cash ($12,000,000). On October 11, 2024, the Settling Parties informed the Court of the settlement in principle of the Action. After further negotiations, the Settling Parties executed a term sheet on December 10, 2024 (the "Term Sheet").

This Stipulation (together with the exhibits hereto) reflects the Settling Parties' superseding, final and binding agreement to settle, subject to Court approval.

II. LEAD PLAINTIFF'S INVESTIGATION AND THE BENEFITS OF SETTLEMENT

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Litigation have merit. However, Lead Plaintiff and Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation through trial. Lead Plaintiff and Lead Counsel also have taken into account the expense of depositions, the uncertain outcome and the risks associated with Defendants' anticipated motion for summary judgment and persuading a jury at trial, especially in a complex action such as this Litigation, as well as the risks posed by post-trial motions, and potential appeals from the determination of those motions, or a jury verdict. Lead Plaintiff and Lead Counsel also are aware of the risks presented by the defenses to the securities law violations asserted in the Litigation.

Based on their investigation and review, Lead Counsel concluded that the terms and conditions of this Stipulation are fair, reasonable, adequate, and in the best interests of the Class,

and have agreed to settle the claims raised in the Action pursuant to the terms and provisions of this Stipulation, after considering: (a) the substantial benefits that the Class will receive from settlement of the Action; (b) the risks, costs, and uncertainties of further litigation; (c) the desirability of permitting the Settlement to be consummated as provided by the terms of this Stipulation; and (d) Lead Counsel's experience in the prosecution of similar actions.

III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants have vigorously denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiff in the Litigation and maintain that their conduct was at all times proper and in compliance with all applicable provisions of law. Defendants expressly have 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, *inter alia*, the allegations that they made materially false statements or omissions, the allegations that Lead Plaintiff or the Class have suffered damage, that Lead Plaintiff or the Class were harmed by the conduct that was or could have been alleged in the Litigation, or that Defendants have any liability to the Class. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Litigation.

Nonetheless, Defendants have determined that it is desirable and beneficial to them that the Litigation be settled in the manner and upon the terms and conditions set forth in this Stipulation to avoid the further expense, inconvenience, burden, and uncertainty of this Litigation, the distraction and diversion of personnel and resources, and to obtain the conclusive and complete dismissal and/or release of this Litigation and Released Plaintiff's Claims.

Defendants' decision to settle the Litigation was based solely on the conclusion that further conduct of the Litigation would be protracted and expensive, that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this

Stipulation, and that it would be beneficial to avoid the costs, uncertainty, and risks inherent in any litigation, especially in a complex case like this Litigation.

Neither the Term Sheet, this Stipulation (whether or not consummated), including the exhibits hereto and the Plan of Allocation, the Settling Parties' mediation and subsequent Settlement, the communications and/or discussions leading to the execution of the Term Sheet and this Stipulation, nor any proceedings taken pursuant to or in connection with the Term Sheet, this Stipulation, and/or approval of the Settlement (including any arguments proffered in connection therewith):

i. shall be evidence of, or construed as or deemed to be evidence of, any presumption, admission or concession on the part of any Released Defendants' Person in any arbitration proceeding or other civil, criminal, or administrative action or proceeding with respect to any claim or allegation of any fault, liability, wrongdoing, or damage whatsoever, or any infirmity in the defenses that Released Defendants' Persons have asserted; or

ii. shall be construed against any of the Released Defendants' Persons as an admission, concession, or presumption that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; *provided, however*, that if this Stipulation is approved by the Court, the Parties and releasees and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, without any admission or concession on the part of Lead Plaintiff of any lack of merit of the Litigation whatsoever, and without any admission or concession of any liability or wrongdoing or lack of merit in the defenses whatsoever by Defendants, IT IS HEREBY

STIPULATED AND AGREED by and among the Settling Parties, by and through their undersigned attorneys, subject to approval of the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, in consideration of the benefits flowing to the Settling Parties from the Settlement, that the Litigation and the Released Plaintiff's Claims shall be fully, finally and forever compromised, settled, released, discharged, and the Litigation shall be dismissed with prejudice, upon and subject to the terms and conditions of the Stipulation, as set forth below.

1. Definitions

The following terms, when capitalized, have the meanings specified below when used in this Stipulation:

1.1. "Authorized Claimant" means any Class Member who submits a valid Claim to the Claims Administrator that is approved by the Claims Administrator or Court for payment from the Net Settlement Fund.

1.2. "Claim(s)" means a paper claim submitted on a Proof of Claim and Release form, substantially in the form attached hereto as Exhibit A-2, or an electronic claim that is submitted to the Claims Administrator.

1.3. "Claims Administrator" means the firm of Verita Global.

1.4. "Class" means all holders of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, whose shares were sold for $17.30 in the Transaction. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and

any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members have or had a controlling interest. Also excluded from the Class are Excluded Persons as defined in ¶1.11 below.

1.5. "Class Member" means any Person who falls within the definition of the Class as set forth in ¶1.4 of this Stipulation.

1.6. "Court" means the United States District Court for the Southern District of New York.

1.7. "Defendants" means Jernigan, John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen.

1.8. "Defendants' Counsel" means all counsel who have appeared in the Litigation on behalf of Defendants.

1.9. "Effective Date" means the date on which all of the events and conditions specified in ¶7.1 of the Stipulation have been met and have occurred.

1.10. "Escrow Agent" means Robbins Geller Rudman & Dowd LLP, or its successor(s).

1.11. "Excluded Persons" means those Persons who timely and validly request exclusion from the Class in accordance with the requirements set forth by the Court.

1.12. "Fee and Expense Application" is defined in ¶6.1 below.

1.13. "Final" means when the last of the following with respect to the Order and Final Judgment, substantially in the form of Exhibit B attached hereto, shall occur: (i) the expiration of three (3) business days after the time for the filing of any motion to alter or amend the Order and Final Judgment under Federal Rule of Civil Procedure 59(e) without any such motion having been filed; (ii) the expiration of the time for the filing or noticing of any appeal under the Federal Rules of Appellate Procedure without any appeal having been filed; and (iii) if such motion to alter or

amend is filed or if an appeal is filed or noticed, then immediately after the determination of that motion or appeal so that the Order and Final Judgment, or it is no longer subject to any further judicial review or appeal whatsoever, whether by reason of affirmance by court of last resort, lapse of time, voluntary dismissal of the appeal or otherwise, and in such a manner as to permit the consummation of the Settlement in accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an appeal shall include any petition for a writ of certiorari or other writ that may be filed in connection with the approval or disapproval of this Settlement, but shall not include any appeal that concerns only the issue of attorneys' fees and expenses, payment of Lead Plaintiff's time and expenses or the Plan of Allocation. Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to any plan of distribution and/or application for attorneys' fees, costs, or expenses and/or Lead Plaintiff's request for payment of time and expenses, shall not in any way delay or preclude the Order and Final Judgment from becoming Final.

1.14. "Final Approval Hearing" or "Settlement Hearing" means the hearing set by the Court under Rule 23(e)(2) of the Federal Rules of Civil Procedure to determine whether the proposed Settlement embodied by this Stipulation is fair, reasonable, and adequate to the Class, and whether the Court should: (i) enter the Order and Final Judgment or order approving the proposed Settlement; (ii) approve the Plan of Allocation; and (iii) consider Lead Counsel's petition for attorneys' fees and expenses to Lead Counsel and Lead Plaintiff's request for payment of time and expenses.

1.15. "Immediate Family Member(s)" means children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law,

daughters-in-law, brothers-in-law, sisters-in-law, and any persons (other than a tenant or employee) sharing the household.

1.16. "Judgment" means the Final Judgment Approving Class Action Settlement to be rendered by the Court, substantially in the form attached hereto as Exhibit B, as well as any form of final judgment that may be entered by the Court in a form other than the form attached hereto as Exhibit B.

1.17. "Lead Counsel" means the law firm of Robbins Geller Rudman & Dowd LLP.

1.18. "Lead Plaintiff" means John R. Erickson.

1.19. "Litigation" or "Action" means the above-captioned action, *In re Jernigan Capital, Inc. Securities Litigation*, No. 1:20-cv-09575-JLR-KHP, in the United States District Court for the Southern District of New York.

1.20. "Net Settlement Fund" means the Settlement Fund less: (i) any Court-awarded attorney's fees, litigation expenses, and interest thereon; (ii) Notice and Administration Expenses; (iii) Taxes; and (iv) any other fees or expenses approved by the Court.

1.21. "Notice" means the Notice of Pendency and Proposed Settlement of Class Action that is to be sent to Class Members substantially in the form of Exhibit A-1 attached hereto or as modified pursuant to agreement of the Settling Parties or order of the Court.

1.22. "Order and Final Judgment" means the judgment to be rendered by the Court, in the form attached hereto as Exhibit B.

1.23. "Person" means a natural person, individual, corporation, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, limited liability company, 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 all of their respective spouses, heirs, beneficiaries, executors, administrators, predecessors, successors, representatives, or assignees.

1.24. "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 expenses of notice and administration of the Settlement, Taxes and Tax Expenses, and such attorneys' fees and expenses (including time and expenses awarded by the Court to Lead Plaintiff), and interest as may be awarded by the Court. Any Plan of Allocation is not part of the Stipulation, and Released Defendants' Persons shall have no responsibility or liability with respect thereto.

1.25. "Preliminary Approval Order" means the order described in ¶3.1 hereof.

1.26. "Proof of Claim and Release" means the form that is to be sent to Class Members substantially in the form of Exhibit A-2 attached hereto or as modified pursuant to agreement of the Settling Parties or order of the Court.

1.27. "Released Defendants' Claims" means all claims (including, but not limited to, Unknown Claims as defined at ¶1.37 below), and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, by the Released Defendants' Persons against the Released Plaintiff's Persons. This release does not include claims relating to the enforcement of the Settlement.

1.28. "Released Defendants' Persons" means Defendants, NexPoint Advisors, L.P. and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors,

fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

1.29. "Released Plaintiff's Claims" means all claims, demands, losses, rights, and causes of action of every nature and description, whether known or unknown, and whether arising under federal, state, common, foreign or other applicable law, rule, or regulation, that the Released Plaintiff's Persons: (i) asserted in any complaint filed in the Action; or (ii) could have asserted or could in the future assert in any court or other forum, directly, derivatively, or in any other capacity, that: (a) arise out of or relate to any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in any complaint filed in the Action; and (b) arise from or relate to the sale of Jernigan common stock in the Transaction. This release does not cover, include, or release: (i) any previously filed shareholder derivative or ERISA claims; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims of any Person that submitted an effective request for exclusion from the Class. "Released Plaintiff's Claims" include "Unknown Claims" as defined in ¶1.37 hereof. For the avoidance of doubt, nothing in this Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

1.30. "Released Plaintiff's Persons" means Lead Plaintiff and the other members of the Class, on behalf of themselves and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries,

divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

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

1.32. "Settlement Amount" means the principal amount of Twelve Million Dollars ($12,000,000), to be paid pursuant to ¶2.1 of this Stipulation. None of the Released Defendants' Persons shall have any obligation whatsoever to pay any amount over and above the principal amount of Twelve Million Dollars ($12,000,000).

1.33. "Settlement Fund" means the Settlement Amount plus any interest or income earned thereon and accretions thereto to an account controlled by the Escrow Agent, and which may be reduced by payments or deductions as provided for herein or by court order.

1.34. "Settling Parties" or "Parties" means, collectively, Defendants and Lead Plaintiff, on behalf of himself and the Class.

1.35. "Stipulation" means this Stipulation of Settlement, including the recitals and Exhibits hereto.

1.36. "Taxes" means: (i) any taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax

detriments that may be imposed upon Defendants or the Released Defendants' Persons with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a "Qualified Settlement Fund" for federal or state income tax purposes; and (ii) all other tax expenses and costs incurred in the maintenance, operation, administration, or disbursement of the Settlement Fund, including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution expenses related to filing or failing to file any state, federal, or other applicable tax return.

1.37. "Unknown Claims" means any of the Released Plaintiff's Claims which Released Plaintiff's Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Persons, and any of the Released Defendants' Claims that the Released Defendants' Persons do not know or suspect to exist in his, her or its favor at the time of the release of Released Plaintiff's Persons, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement with and release of the Released Defendants' Persons or Released Plaintiff's Persons, or might have affected his, her, or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Plaintiff's Claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Plaintiff's Claims and the Released Defendants' Claims, upon the Effective Date, the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Order and Final Judgment, shall have, expressly waived to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Settling Parties shall expressly waive, and the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all 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. The Released Plaintiff's Persons and the Released Defendants' Persons acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to, or different from, those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Plaintiff's Claims or Released Defendants' Claims, but: (a) the Released Plaintiff's Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Released Plaintiff's Person shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff's Claims against the Released Defendants' Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which 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, legal theories, or authorities; and (b) the Defendants shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Defendants' Claims against the Released Plaintiff's Persons, 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 which 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, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff's Persons and Released Defendants' Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

1.38. Other capitalized terms used in this Settlement but not defined in this Section shall have the meanings ascribed to them elsewhere in this Settlement.

1.39. The plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be.

2. The Settlement

a. The Settlement Amount

2.1 In consideration of the terms of this Stipulation, Defendants shall pay or cause to be paid, the Settlement Amount by check and wire into the Escrow Account controlled by Lead Counsel, as follows: (a) Lead Counsel for the Class shall promptly provide Defendants with written instructions, including an IRS W-9 for the Escrow Account, as may be required by Jernigan, to facilitate the deposit of the Settlement Amount by check and wire into the Escrow Account;

(b) within thirty (30) calendar days of entry of an order granting preliminary approval of the Settlement, Defendants' insurance carriers, on behalf of Defendants, shall deposit no less than $8,000,000 of the Settlement Amount by check into the Escrow Account; and (c) Jernigan shall pay or cause to be paid the remaining unpaid portion of the Settlement Amount, which, subject to the $8,000,000 payment required by the preceding sentence, in no event shall be more than $4,000,000, to be deposited into the Escrow Account by no later than thirty (30) calendar days prior to the Final Approval Hearing.

2.2 The payments, as described above, constitute the only payment to be made by or on behalf of the Released Defendants' Persons in connection with this Settlement. All fees, costs, and expenses incurred by or on behalf of Lead Plaintiff and the Class associated with the Settlement—including, but not limited to, Taxes, Tax Expenses, administrative costs, costs of providing Notice to Class Members, any award of attorneys' fees and expenses of Lead Counsel, and any deduction or withholding required by applicable law in respect of amounts distributed from the Settlement Fund (including any interest, penalties, additions to tax, or additional amounts imposed thereon)—shall be paid from the Settlement Fund. In no event shall the Released Defendants' Persons bear any additional responsibility for such fees, costs, or expenses.

b. The Escrow Agent

2.3 The Escrow Agent will invest the Settlement Fund created pursuant to ¶2.1 hereof only in 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 will reinvest the proceeds of these instruments as they mature in similar instruments at their then-current market rates. All costs and risks related to the investment of the Settlement Fund in accordance with the guidelines set forth in this paragraph shall be borne by the Settlement Fund, and the Released Defendants' Persons, their counsel, and their insurers shall have no responsibility for, interest in, or liability

whatsoever with respect to the funds held in the Escrow Account, including with respect to investment decisions or the actions of the Escrow Agent, or any transactions executed by the Escrow Agent.

2.4 The Escrow Agent shall not disburse the Settlement Fund except as provided by: (i) the Stipulation; (ii) an order of the Court; or (iii) prior written agreement of Defendants' Counsel.

2.5 Subject to further order(s) and/or directions as may be made by the Court, or as provided in the Stipulation, the Escrow Agent is authorized to execute such transactions on behalf of the Class Members as are consistent with the terms of the Stipulation. The Released Defendants' Persons shall have no responsibility for, interest in, or liability whatsoever with respect to, the actions of the Escrow Agent, or any transaction executed by the Escrow Agent.

2.6 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 or returned pursuant to the Stipulation and/or further order(s) of the Court.

2.7 Prior to the Effective Date, Lead Counsel, without further approval from Defendants or order of the Court, may pay from the Settlement Fund for the actual costs of notice and related administration expenses, including reasonable costs and expenses actually incurred in connection with providing notice of the Settlement by mail, publication, and other means, locating potential Class Members, assisting with the submission of Claims, processing Proof of Claim and Release forms, administering the Settlement, and paying escrow taxes, fees and costs, if any ("Notice and Administration Expenses").

2.8 In the event that the Settlement is not consummated, all funds held by the Escrow Agent, including the Settlement Amount and any interest proceeds earned on the investment of the Settlement Amount, shall be returned by the Escrow Agent to the Defendants or their insurance carriers; provided, however, money paid or costs incurred for Notice and Administration Expenses, including any related fees, shall not be returned or repaid to Defendants, their insurance carriers, or any other person or entity who or which funded the Settlement Amount.

c. Taxes

2.9 The Settling Parties agree as follows:

(a) The Settling Parties and the Escrow Agent agree that the Settlement Fund is intended to be and should be treated as being at all times a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1 and agree to take any and all actions necessary or advisable to establish and maintain the status of the Settlement Fund as a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1. In addition, the Escrow Agent, shall timely make such elections as necessary or advisable to carry out the provisions of this ¶2.9, including the "relation-back election" (as defined in Treas. Reg. §1.468B-1(j)(2)) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such Treasury regulations promulgated under §1.468B of the Internal Revenue Code of 1986, as amended (the "Code"). It shall be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation in order for the Settlement Fund to qualify as a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1for 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.

(b) For the purpose of §1.468B of the Code and the Treasury regulations promulgated thereunder, the Escrow Agent shall be designated as the "administrator" of the

Settlement Fund. The Escrow Agent shall timely and properly prepare and 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)). Such returns (as well as the election described in ¶2.9(a) hereof) shall be consistent with this ¶2.9 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 ¶2.10 hereof.

2.10 All: (i) Taxes (including any estimated Taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon the Released Defendants' Persons with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a "qualified settlement fund" for federal or state income tax purposes; and (ii) expenses and costs incurred in connection with the operation and implementation of ¶2.9 (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 ¶2.9) ("Tax Expenses"), shall be paid out of the Settlement Fund. In no event shall the Released Defendants' Persons have any responsibility for or liability with respect to the Taxes or the Tax Expenses. 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 deduct and withhold from any distribution to Authorized Claimants any funds necessary to pay such amounts, including for 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(1)(2)); Released Defendants' Persons are not responsible for nor shall they have any liability for

any deduction or withholding required under applicable law with respect thereto (including any interest, penalties, additions to tax or additional amounts imposed thereon). The Settling Parties hereto 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 ¶2.9.

2.11 For avoidance of doubt, Released Defendants' Persons are not responsible for Taxes, Tax Expenses, any deduction or withholding required by applicable law in respect of amounts distributed from the Settlement Fund (including any interest, penalties, additions to tax or additional amounts imposed thereon), or Notice and Administration Expenses, nor shall they be liable for any claims with respect thereto.

d. Termination of Settlement

2.12 In the event that the Stipulation is not approved, or is terminated, canceled, or otherwise fails to become effective for any reason, including, without limitation, in the event the Order and Final Judgment is reversed, vacated, altered following any appeal taken therefrom, or is successfully collaterally attacked, or does not otherwise become Final, then the Settlement Fund (including accrued interest and income), less Notice and Administration Expenses, Taxes or Tax Expenses incurred or due in connection with the Settlement provided for herein, shall be refunded in accordance with the instructions to be provided by Defendants' Counsel no later than ten (10) business days following the termination event or as otherwise agreed upon in writing by Defendants' Counsel. Upon such termination, the Settling Parties shall revert to their litigation positions as they existed on December 9, 2024, this Stipulation shall be a nullity, and none of its terms shall be effective or enforceable, and the fact and terms of the Settlement shall not be admissible in any trial or otherwise used against any Settling Party.

3. Preliminary Approval Order and Final Approval Hearing

3.1 Promptly after execution of this Stipulation, Lead Plaintiff shall submit the Stipulation together with its exhibits (the "Exhibits") with the Court and shall move for an entry of an order hereto (the "Preliminary Approval Order"), substantially in the form and content of Exhibit A attached hereto requesting, *inter alia*, the preliminary approval of the Settlement set forth in the Stipulation, and approval for the mailing or emailing of a Notice and the Proof of Claim and Release form, substantially in the forms of Exhibits A-1 and A-2 attached hereto, and publication of a Summary Notice, substantially in the form of Exhibit A-3 attached hereto. Defendants will not oppose the motion. The Notice shall include the general terms of the Settlement set forth in this Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application (defined in ¶6.1 below), and the date of the Settlement Hearing (which will be set by the Court in the Preliminary Approval Order).

3.2 Lead Plaintiff will request that the Court hold the Final Approval Hearing and finally approve the Settlement of the Litigation as set forth herein. At or after the Final Approval Hearing, Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fee and Expense Application.

3.3 Lead Counsel shall request that, after the Notice and Summary Notice to the Class is given and not earlier than ninety (90) calendar days after the later of the dates on which the appropriate Federal and State officials are provided with notice, at Defendants' expense, pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. §1715 et seq. ("CAFA"), the Court hold the Settlement Hearing and approve the Settlement of the Litigation as set forth herein. At or after the Settlement Hearing, Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fee and Expense Application (defined in ¶6.1 below).

3.4 Within five (5) business days following preliminary approval of the Settlement by the Court, Defendants shall, at no cost to the Escrow Account, Lead Counsel, or the Claims Administrator, provide or cause to be provided to Lead Counsel and the Claims Administrator the stockholder register from the Company's transfer agent in electronic format containing the names, addresses, and email addresses, where available, of all record holders of the Company's common stock as of September 11, 2020.

4. Releases

4.1 Upon the Effective Date, as defined in ¶1.9 hereof, the Released Plaintiff's Persons, including, but not limited to, each Class Member (regardless of whether he, she, or it executes and delivers a Claim or shares in the Net Settlement Fund), shall be deemed to have, and by operation of the Order and Final Judgment, shall have, fully, finally, and forever resolved, waived, settled, released, relinquished, discharged, and dismissed with prejudice any and all Released Plaintiff's Claims (including, without limitation, Unknown Claims), as well as any claims arising out of, relating to, or in connection with, the defense, settlement, or resolution of the Litigation or the Released Plaintiff's Claims, against the Released Defendants' Persons. This release does not include claims relating to the enforcement of the Settlement or any previously filed shareholder derivative or ERISA claims, nor does it cover claims of any person or entity that submits an effective request for exclusion from the Class.

4.2 Upon the Effective Date, the Released Plaintiff's Persons are forever barred and enjoined from commencing, instituting, asserting, maintaining, enforcing, prosecuting, or continuing to prosecute any action or proceeding in any forum (including, but not limited to, any state or federal court of law or equity, any arbitral forum, any tribunal, administrative forum, or the court of any foreign jurisdiction, or any other forum of any kind), any of the Released Plaintiff's Claims (including, without limitation, Unknown Claims), as well as any claims arising out of,

relating to, or in connection with, the defense, settlement or resolution of the Litigation or the Released Plaintiff's Claims, against any or all of the Released Defendants' Persons. Claims to enforce the terms of this Stipulation are not released.

4.3 Any Proof of Claim and Release form that is executed by Class Members shall release all Released Plaintiff's Claims against the Released Defendants' Persons and shall be substantially in the form contained in Exhibit A-2 attached hereto.

4.4 Upon the Effective Date, each of the Released Defendants' Persons shall be deemed to have, and by operation of the Order and Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Released Plaintiff's Persons, Lead Counsel and the Class from all Released Defendants' Claims, and shall forever be enjoined from prosecuting such claims, except for claims relating to the enforcement of the Settlement.

4.5 For the avoidance of doubt, nothing in this Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

5. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of Settlement Fund

5.1 The Claims Administrator, subject to such supervision and direction of the Court and/or Lead Counsel as may be necessary or as circumstances may require, shall administer and calculate the claims submitted by Class Members and shall oversee distribution of the Net Settlement Fund to Authorized Claimants. The Defendants did not have any involvement in the selection of the Claims Administrator, nor will Defendants have any involvement in the claims administration process, or the Plan of Allocation of the Settlement proceeds. The Plan of Allocation will be proposed solely by Lead Plaintiff, subject to Court approval. With the exception that Defendants shall be responsible for providing any required notice under CAFA, the Released Defendants' Persons and Defendants' Counsel shall have no responsibility, liability or obligation

whatsoever with respect to the administration of the Settlement or the actions or decisions of the Claims Administrator, and shall have no liability whatsoever to the Released Plaintiff's Persons and/or Lead Counsel, in connection with such administration, including, but not limited to: (i) any act, omission, or determination by Lead Counsel, the Escrow Agent, and/or the Claims Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement or otherwise; (ii) the management or investment of the Settlement Fund or the Net Settlement Fund, or the distribution of the Net Settlement Fund; (iii) the Plan of Allocation; (iv) the determination, administration, calculation, or payment of any Claims asserted against the Settlement Fund; (v) any losses suffered by, or fluctuations in value of, the Settlement Fund; or (vi) the payment or withholding of any Taxes, expenses, and/or costs incurred with the taxation of the Settlement Fund or the filing of any federal, state, or local returns. The Released Defendants' Persons and Defendants' Counsel shall have no involvement in reviewing or challenging Claims.

5.2 The Settlement Fund shall be applied as follows:

(a) to pay all Notice and Administration Expenses;

(b) to pay the Taxes and Tax Expenses;

(c) to pay Lead Counsel's attorneys' fees and expenses with interest thereon (the "Fee and Expense Award") and, if requested, Lead Plaintiff's time and expenses pursuant to 15 U.S.C. §78u-4(a)(4), if and to the extent awarded by the Court; and

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

5.3 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as

may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to Authorized Claimants, subject to and in accordance with the following:

(a) Each Class Member shall be required to submit a Proof of Claim and Release form, substantially in a form approved by the Court, supported by such documents as are designated therein, including proof of the transactions claimed, or such other documents or proof as the Claims Administrator, in its discretion, may deem acceptable.

(b) All Proof of Claim and Release forms must be submitted within ninety (90) calendar days after the mailing of the Notice, or such other time as may be set by the Court. Any Class Member who fails to submit a valid Claim by such date shall be forever barred from receiving any payment pursuant to this Stipulation, but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Order and Final Judgment, to be entered in the Litigation and the releases provided for herein and therein, and will be barred from bringing any action against the Released Defendants' Persons concerning the Released Plaintiff's Claims in the event that the Effective Date occurs with respect to the Settlement. A Proof of Claim and Release form shall be deemed to have been submitted when posted, if received with a postmark indicated on the envelope and if mailed by first-class mail and addressed in accordance with the instructions thereon. In all other cases, the Proof of Claim and Release form shall be deemed to have been submitted when actually received by the Claims Administrator. Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the obligation) to accept for processing late-submitted claims so long as the distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed thereby. No Person shall have any claim against Lead Plaintiff, Lead Counsel, or the Claims Administrator by reason of the decision to exercise or not exercise such discretion.

(c) Each Proof of Claim and Release form shall be submitted to and reviewed by the Claims Administrator, under the supervision of Lead Counsel, who shall determine in accordance with this Stipulation and the approved Plan of Allocation the extent, if any, to which each claim shall be allowed, subject to review by the Court pursuant to subparagraph (d) below.

(d) Proof of Claim and Release forms that do not meet the submission requirements may be rejected. Prior to rejection of a Proof of Claim and Release form, the Claims Administrator shall communicate with the claimant to attempt to remedy the curable deficiencies. The Claims Administrator, under the supervision of Lead Counsel, shall notify, in a timely fashion and in writing, all claimants whose Proof of Claim and Release forms it proposes to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of subparagraph (e) below.

(e) If any claimant whose claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within twenty (20) days after the date of mailing of the notice required in subparagraph (d) above, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection, along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved, Lead Counsel shall thereafter present the request for review to the Court.

(f) Each Class Member who has not been excluded from the Class shall be deemed to have submitted to the jurisdiction of the Court with respect to the Released Plaintiff's Claims, including, but not limited to, all releases provided for herein and in the Judgment (such that they will be permanently barred and enjoined from bringing any action, claim, or other

proceeding of any kind against the Released Defendants' Persons with respect to the Released Plaintiff's Claims in the event that the Effective Date occurs with respect to the Settlement) and, to the extent applicable, any Proof of Claim and Release form submitted by such claimant, which will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to the claimant's status as a Class Member and the validity and amount of the claimant's Claim. In connection with processing the Proof of Claim and Release forms, no discovery shall be allowed on the merits of the Litigation or the Settlement. All proceedings with respect to the administration, processing and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court, but shall not, in any event, delay or affect the finality of the Judgment. All Class Members, Authorized Claimants, and parties to this Settlement expressly waive trial by jury (to the extent any such right may exist) and any right of appeal or review with respect to such determinations.

(g) The Claims Administrator shall calculate the claims of Authorized Claimants in accordance with the Plan of Allocation. Following the Effective Date, the Claims Administrator shall send to each Authorized Claimant his, her or its *pro rata* share of the Net Settlement Fund. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than $10.00.

5.4 The Released Defendants' Persons shall have no responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the Net Settlement Fund, the Plan of Allocation, the determination, administration, or calculation of Claims, the payment or withholding of Taxes or Tax Expenses, or any losses incurred in connection therewith.

5.5 No Person shall have any claim of any kind against the Released Defendants' Persons, Defendants' Counsel, Lead Plaintiff, Lead Counsel, the Claims Administrator, or any other Person designated by Lead Counsel based on determinations or distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

5.6 Defendants shall not have a reversionary interest in the Net Settlement Fund unless the Settlement is not consummated. The Net Settlement Fund shall be distributed to the Authorized Claimants in accordance with the Plan of Allocation set forth in the Notice and approved by the Court. The Claims Administrator will make reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions. If there is any balance remaining in the Net Settlement Fund after a reasonable period of time after the initial distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), Lead Counsel, shall, if feasible, reallocate on a *pro rata* basis among Authorized Claimants who negotiated the checks sent to them in the initial distribution and who would receive a minimum of $10.00. These reallocations shall be repeated until the balance remaining in the Net Settlement Fund is *de minimis* and any remainder shall thereafter be donated to an appropriate non-profit organization selected by Lead Counsel.

5.7 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation, including, but not limited to, any adjustments to an Authorized Claimant's claim set forth therein, is not a part of this Stipulation and is 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, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel the Stipulation or affect the finality of the Court's Order and Final Judgment,

approving the Stipulation and the Settlement set forth therein, or any other orders entered pursuant to the Stipulation.

5.8 Class Members and Defendants shall be bound by the terms of this Stipulation, irrespective of whether the Court disapproves or modifies the Plan of Allocation. The time to appeal from approval of the Settlement shall commence upon the Court's entry of the Order and Final Judgment, regardless of whether a Plan of Allocation has been approved.

6. Lead Counsel's Attorneys' Fees and Expenses

6.1 Lead Counsel may submit an application or applications (the "Fee and Expense Application") for: (a) an award of attorneys' fees; (b) payment of expenses in connection with prosecuting the Litigation; and (c) any interest on such attorneys' fees and expenses at the same rate and for the same periods as earned by the Settlement Fund (until paid). Any and all such fees, expenses, and charges awarded by the Court shall be payable solely out of the Settlement Fund. In addition, Lead Plaintiff may include a request for reimbursement of Lead Plaintiff's reasonable time and expenses incurred in representing the Class from the Settlement Fund pursuant to 15 U.S.C. §78u-4(a)(4). Lead Counsel reserves the right to make additional applications for fees and expenses incurred.

6.2 The amount of attorneys' fees and expenses awarded by the Court (the Fee and Expense Award) is within the sole discretion of the Court. The Fee and Expense Award, shall be paid to Lead Counsel from the Settlement Fund, as ordered, immediately upon execution of an order awarding such fees and expenses, notwithstanding the existence of any timely filed objection thereto, any appeal or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof. Defendants shall take no position with respect to the Fee and Expense Application.

6.3 In the event that the Effective Date does not occur, or the Order and Final Judgment, or Fee and Expense Award is reversed or modified, or the Stipulation is canceled or terminated for

any other reason, and such reversal, modification, cancellation or termination becomes final and not subject to review, and in the event that the Fee and Expense Award has been paid to any extent, then such of Lead Counsel who have received any portion of the Fee and Expense Award shall within ten (10) business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, refund to the Settlement Fund such fees and expenses previously paid to them from the Settlement Fund plus the interest earned thereon at the same rate as earned on the Settlement Fund consistent with such reversal or modification.

6.4 The procedure for and the allowance or disallowance by the Court of the Fee and Expense Application, or Lead Plaintiff's expenses to be paid out of the Settlement Fund, are not part of the Settlement, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to the Fee and Expense Application or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Settlement, or affect or delay the finality of the Order and Final Judgment approving this Stipulation and the Settlement of the Litigation.

6.5 Any fees and expenses awarded by the Court shall be paid solely from the Settlement Fund. No Released Defendants' Persons shall have any responsibility for any payment of any kind apart from payment of the Settlement Fund pursuant to ¶2.1.

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

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

(a) the Court has entered the Preliminary Approval Order, as required by ¶3.1 hereof;

(b) the Settlement Amount has been deposited in the Escrow Account, as required by ¶2.1 hereof;

(c) the Court has approved the Settlement, following notice to the Class Members and the Final Approval Hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure;

(d) no party has exercised its right to terminate the Settlement;

(e) the Court has entered the Order and Final Judgment, in the form of Exhibit B attached hereto;

(f) entry of an order by the Court dismissing the Action with prejudice, and such order has become Final; and

(g) the Order and Final Judgment has become Final, as defined in ¶1.13 hereof.

7.2 If any of the conditions specified above in ¶7.1 are not met, then this Stipulation shall be canceled and terminated subject to ¶7.4, unless the Settling Parties or their respective counsel mutually agree in writing to proceed with this Stipulation.

7.3 Defendants shall have the right (but not the obligation), in their sole discretion, to terminate this Settlement and declare this Stipulation null and avoid and of no force and effect if the Settlement does not become final for any reason, including, but not limited to, if a particular confidential threshold of Excluded Persons is reached, provided, however, that Lead Counsel shall have the opportunity to seek and obtain retractions of any request for exclusion from the Class until the deadline for such retractions has passed as set forth in the Parties' separate Supplemental Agreement (the "Supplemental Agreement") describing the procedure and threshold, which shall be binding as if set forth herein. The Supplemental Agreement will not be filed with the Court unless a dispute arises as to its terms, or as otherwise ordered by the Court, nor shall the

Supplemental Agreement or any of its terms otherwise be disclosed unless ordered by the Court. If the Court requires that the Supplemental Agreement be filed, the Parties shall request that it be submitted *in camera* or filed under seal, but such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the Court so as to preserve the confidentiality of the Supplemental Agreement, particularly the confidential threshold. In the event of a valid termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect, with the exception of the provisions of ¶¶8.1 and 9.4. Except as otherwise provided herein, in the event the Settlement is terminated in accordance herewith or the Effective Date fails to occur for any reason, then the Parties shall be deemed to have reverted to their respective status as of December 9, 2024. In such event, the fact and terms of the Settlement shall not be admissible in any trial or otherwise used against any Settling Party, except as otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and any related orders had not been entered, and any portion of the Settlement Amount previously paid by or on behalf of Defendants, together with any interest earned thereon (and, if applicable, re-payment of any attorneys' Fee and Expense Award referred to in ¶6.1 herein), less any Taxes due with respect to such income, and less costs of administration and notice actually incurred and paid or payable from the Settlement Amount, shall be returned to the Defendants or their insurance carriers as directed in writing by Defendants' Counsel, within ten (10) business days from the date of the event causing such termination.

7.4 If, for any reason, the Effective Date of this Stipulation does not occur, or if this Stipulation is in any way canceled, terminated or fails to become Final in accordance with its terms: (a) all Settling Parties shall be restored to their respective positions in the Litigation as of December 9, 2024; (b) the existence of or the provisions contained in this Stipulation shall not be

deemed to prejudice in any way the respective claims, defenses, or positions of Lead Plaintiff or Defendants with respect to the Litigation, including, but not limited to, the right to object to or oppose any order or judgment or proposed order or judgment arising from any proposed settlement of claims by Lead Plaintiff and any of the Defendants; (c) all releases delivered in connection with this Stipulation shall be null and void, except as otherwise provided for in this Stipulation; (d) the Settlement Fund, paid by the Company to the Escrow Agent, shall be refunded and returned less any taxes and notice related expenses paid or incurred; (e) all negotiations, proceedings, documents prepared, and statements made in connection herewith, including this Stipulation and the provisions contained herein, shall be without prejudice to the Settling Parties, shall not be deemed or construed to be an admission, a presumption, or a concession by a Settling Party of any fault, liability, or wrongdoing as to any facts, claims, defenses, acts, matters, or propositions that have been or might have been alleged or asserted in the Litigation or any other action or proceeding or each thereof; and (f) the existence of or the propositions contained in this Stipulation shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any Person in the Litigation or in any other action or proceeding.

7.5 This is not a claims-made settlement. As of the Effective Date, Released Defendants' Persons or entities funding the Settlement on the Defendants' behalf, shall not have any right to the return of the Settlement Fund or any portion thereof for any reason. Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶7.1 hereof are not met, then this Stipulation shall be cancelled and terminated subject to ¶7.4 hereof unless Lead Counsel and Defendants' Counsel mutually agree in writing to proceed with the Settlement.

8. No Admission of Wrongdoing

8.1 Defendants' execution of the Term Sheet and this Stipulation does not constitute an admission, presumption, or concession by any Released Defendants' Persons: (i) of any wrongdoing, violation of law, or liability whatsoever; or (ii) that recovery could be had in any amount should the Action not be settled. Defendants deny any wrongdoing and liability and maintain that their conduct at all times was legal and proper. Neither this Stipulation, nor any term hereof, may be offered into evidence in any proceeding or used in any manner as an admission, presumption, concession, or implication of liability or fault on the part of any of the Defendants or any other Person.

8.2 Lead Plaintiff's execution of the Term Sheet and this Stipulation does not constitute an admission, presumption, or concession by Lead Plaintiff: (i) of the lack of any wrongdoing, violation of law, or liability on behalf of any Defendant whatsoever; or (ii) that recovery could not be had should the Action not be settled. Neither this Stipulation, nor any term hereof, may be offered or received into evidence in any proceeding or used in any manner as an admission, presumption, or concession by Lead Plaintiff that Defendants have not engaged in any wrongdoing or that their conduct was at all times legal and proper.

8.3 This Stipulation, whether or not consummated, and any negotiations, discussions, or proceedings in connection herewith shall not be:

(a) offered against any of the Released Defendants' Persons as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any of the Released Defendants' Persons of the truth of any fact alleged by the Class Members, the validity of any claim that has been or could have been asserted in the Litigation, the deficiency of any defense that has been or could have been asserted in the Litigation, or of any liability, negligence, fault, or wrongdoing of the Released Defendants' Persons;

(b) offered against any of the Released Defendants' Persons as evidence of a presumption, concession, admission of any fault, misrepresentation, or omission with respect to any statement or written document approved or made by any of the Released Defendants' Persons;

(c) offered against any of the Released Defendants' Persons as evidence of a presumption, concession, or admissibility of any liability, negligent, fault, or wrongdoing, or in any way referred to for any other reason as against any of the parties to the Stipulation, in any other civil, criminal, or administrative action or proceeding other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; provided, however, that Released Defendants' Persons may file the Stipulation and/or the Order and Final 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. In addition, nothing contained in this paragraph shall prevent this Stipulation (or any agreement or order relating thereto) from being used, offered, or received in evidence in: (i) any insurance coverage litigation; or (ii) any proceeding to approve, enforce, or otherwise effectuate the Stipulation (or any agreement or order relating thereto) or the Order and Final Judgment, or to enforce or effectuate provisions of this Settlement, the Order and Final Judgment, or the Proof of Claim and Release forms as to the Released Defendants' Persons; or

(d) construed against the Released Defendants' Persons as an admission, presumption, or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial.

9. Miscellaneous Provisions

9.1 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 the Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation expeditiously.

9.2 This Stipulation, the Exhibits attached hereto, and the Supplemental Agreement constitute the entire agreement between the Settling Parties as to the subject matter hereof and supersede any prior or contemporaneous written or oral agreements or understandings between the Settling Parties. No representations, warranties, or inducements have been made to any party concerning the Stipulation, or its Exhibits or the Supplemental Agreement, other than the representations, warranties, and covenants contained and memorialized in such documents.

9.3 The Settling Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. The Settlement compromises all claims that were contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. Pursuant to 15 U.S.C. §78u-4(c)(1), the Settling Parties agree and the Order and Final 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 Federal Rule of Civil Procedure 11. In all events, Lead Plaintiff and Lead Counsel and Defendants and Defendants' Counsel shall not make any accusations of wrongful or actionable conduct by any Party concerning the prosecution, defense, and resolution of the Litigation, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged. 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.

9.4 Except as otherwise provided for herein, all agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Stipulation.

9.5 This Stipulation shall be construed and interpreted to effectuate the intent of the Settling Parties, which is to resolve completely those claims and disputes, including in this Litigation, and as more fully described herein. If any provision of this Stipulation shall be determined to be invalid, void, or illegal, the Settling Parties agree to use their best efforts to amend such provision in a manner that would permit its enforcement.

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

9.7 The Stipulation may not be terminated, modified, or amended, except by an agreement in writing signed by the Settling Parties or their respective counsel.

9.8 Lead Plaintiff and Lead Counsel represent and warrant that none of Lead Plaintiff's claims or causes of action referred to in this Litigation or this Stipulation has been assigned, encumbered, or in any manner transferred in whole or in part.

9.9 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.

9.10 All notices, requests, demands, claims, and other communications hereunder shall be in writing and shall be deemed duly given: (i) when delivered to the recipient; (ii) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid); or (iii) seven (7) business days after being mailed to the recipient by certified or registered mail, return receipt requested, and postage prepaid, and addressed to the intended recipient as set forth below:

If to Lead Plaintiff or to Lead Counsel:

Ellen Gusakoff Stewart
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
elleng@rgrdlaw.com

If to Defendants or to Defendants' Counsel:

Matthew L. DiRisio
Winston & Strawn LLP
200 Park Ave
New York, NY 10166
mdirisio@winston.com

9.11 The Stipulation may be executed in one or more counterparts. 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. Signatures sent by facsimile or PDF via email shall be deemed originals.

9.12 This Stipulation shall be binding upon, and inure to the benefit of, the heirs, successors and assigns of the Settling Parties.

9.13 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and the Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

9.14 The waiver by one party of any breach of this Stipulation by any other party shall not be deemed a waiver by any other party or a waiver of any other prior or subsequent breach of this Stipulation.

9.15 Pending approval of the Court of the Stipulation and its Exhibits, all proceedings in this Litigation shall be stayed and all Class Members shall be barred and enjoined from prosecuting any of the Released Plaintiff's Claims against any of the Released Defendants' Persons.

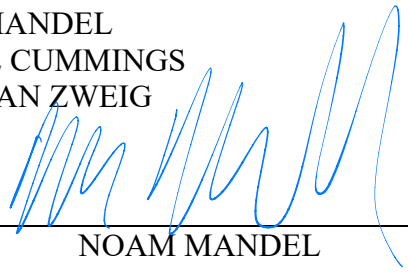
9.16 The Stipulation and the Exhibits attached hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of New York without giving effect to that State's choice-of-law principles, except to the extent that federal law requires that federal law govern.

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

9.18 This Stipulation shall not be construed more strictly against one party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations between the Settling Parties and each of the Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

IN WITNESS WHEREOF, the Parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys, dated February 7, 2025.

ROBBINS GELLER RUDMAN
& DOWD LLP
CHAD JOHNSON
NOAM MANDEL
DESIREE CUMMINGS
JONATHAN ZWEIG



NOAM MANDEL

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noam@rgrdlaw.com
dcummings@rgrdlaw.com
jzweig@rgrdlaw.com

Lead Counsel for Class

WINSTON & STRAWN LLP
MATTHEW L. DIRISIO
JAMES P. SMITH

MATTHEW L. DIRISIO

200 Park Avenue
New York, NY 10166
Telephone: (212) 294-6700
mdirisio@winston.com
jpsmith@winston.com

Counsel for Defendants Jernigan Capital, Inc., John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	Master File No. 1:20-cv-09575-JLR-KHP
	CLASS ACTION
This Document Relates To: ALL ACTIONS.	[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF SETTLEMENT PURSUANT TO FED. CIV. P. 23(e)(1) AND PERMITTING NOTICE TO THE CLASS EXHIBIT A

WHEREAS, the above-captioned action is pending before this Court (the "Litigation");

WHEREAS, Lead Plaintiff has made a motion pursuant to Federal Rule of Civil Procedure 23(e) for an order preliminarily approving the Settlement of this Litigation, in accordance with a Stipulation of Settlement, dated February 7, 2025 (the "Stipulation"), which, together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed Settlement of the Litigation between the Settling Parties and for dismissal of the Litigation with prejudice upon, and subject to, the terms and conditions set forth therein;

WHEREAS, the Settling Parties having consented to the entry of this Order;

WHEREAS, unless otherwise defined, all terms used herein have the same meanings as set forth in the Stipulation; and

WHEREAS, the Court having read and considered (1) the motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith, and (2) the Stipulation and the Exhibits annexed thereto;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. Pursuant to Rule 23(e)(1)(B)(i) of the Federal Rules of Civil Procedure, the Court has reviewed the Stipulation and does hereby preliminarily approve the Stipulation and Settlement set forth therein as fair, reasonable, and adequate, subject to further consideration at the Settlement Hearing described below.

2. The Court preliminarily finds that the proposed Settlement should be approved as: (i) it is the result of serious, extensive arm's-length and non-collusive negotiations between experienced counsel overseen by an experienced mediator; (ii) it falls within a range of reasonableness warranting final approval; (iii) it has no obvious deficiencies; (iv) eliminates the risks to the Parties of continued litigation; and (v) it warrants notice of the proposed Settlement to

the Class Members and further consideration of the Settlement at the fairness hearing described below.

3. A hearing shall be held before this Court on _____, 2025, at _____ _.m. ET (the "Settlement Hearing"), at the United States District Court for the Southern District of New York, in Courtroom 20B at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, to: (a) determine whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class and should be approved by the Court; (b) determine whether a Judgment as defined in ¶1.16 of the Stipulation should be entered, dismissing the Complaint with prejudice, and to determine whether the release by the Released Plaintiff's Persons of the Released Defendants' Persons as set forth in the Stipulation should be ordered, along with a permanent injunction barring efforts to bring any Released Plaintiff's Claims extinguished by the Settlement; (c) determine whether the proposed Plan of Allocation should be approved; (d) determine the amount of attorneys' fees, costs, charges, and expenses that should be awarded to Lead Counsel out of the Settlement Fund; (e) determine any award to Lead Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4); (f) hear any objections by Class Members to the Settlement, Plan of Allocation, an award to Lead Plaintiff, or to the award of attorneys' fees and expenses; and (g) consider such other matters the Court deems appropriate. The Court may adjourn or change the date and time of the Settlement Hearing without further notice to the Class, and may approve the proposed Settlement with such modifications as the Settling Parties may agree to, if appropriate, without further notice to the Class.

4. The Court approves the form, substance, and requirements of the Notice of Pendency and Proposed Settlement of Class Action ("Notice") and Proof of Claim and Release form, substantially in the forms annexed to the Stipulation as Exhibits A-1 and A-2, respectively.

5. The Court approves the form of the Summary Notice of Pendency and Proposed Settlement of Class Action ("Summary Notice"), substantially in the form annexed to the Stipulation as Exhibit A-3.

6. The firm of Verita Global (the "Claims Administrator") is hereby appointed to supervise and administer the notice procedure as well as the processing of Claims as more fully set forth below.

7. Within five (5) business days after entry of this order preliminarily approving the Settlement, Defendants shall, at no cost to the Escrow Account, Lead Counsel, or the Claims Administrator, provide or cause to be provided to Lead Counsel and the Claims Administrator the stockholder register from the Company's transfer agent in electronic format containing the names, addresses, and email addresses, where available, of all record holders of the Company's common stock as of September 11, 2020. This information will be kept confidential and not used for any purpose other than to provide the notice contemplated by this Order.

8. Not later than _____, 2025 (the "Notice Date") (a date twenty-one (21) calendar days after entry by the Court of this Order), the Claims Administrator shall cause a copy of the Notice and Proof of Claim and Release form, substantially in the forms annexed to the Stipulation as Exhibits A-1 and A-2 respectively, to be mailed by First-Class Mail (or email where email addresses are available) to all Class Members who can be identified with reasonable effort and for the Notice and Proof of Claim and Release form to be posted on the case-designated website, www.JerniganSecuritiesSettlement.com. For all Notices and Proof of Claim and Release forms returned as undeliverable, the Claims Administrator shall use its best efforts to locate updated addresses.

9. Not later than _____, 2025 (a date seven (7) calendar days after the Notice Date), the Claims Administrator shall cause the Summary Notice to be published once in *The Wall Street Journal*, and once over a national newswire service.

10. At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel shall serve on Defendants' Counsel and file with the Court proof, by affidavit or declaration, of such mailing, emailing, and publishing.

11. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the acquisition of Jernigan's outstanding common stock by affiliates of NexPoint Advisors, L.P. (the "Transaction"), whose shares were sold for $17.30 in the Transaction, inclusive, as record owners but not as beneficial owners. Such nominee purchasers are directed, within seven (7) calendar days of their receipt of the Notice and Proof of Claim and Release form, to either forward copies of such documents to their beneficial owners or to provide the Claims Administrator with lists of the names and addresses, or email addresses, of the beneficial owners, and the Claims Administrator is ordered to send the Notice and Proof of Claim and Release promptly to such identified beneficial owners. Nominee purchasers who elect to send the Notice and Proof of Claim and Release to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Additional copies of the Notice and Proof of Claim and Release form shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners, and such record holders shall be reimbursed from the Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of sending the Notice and Proof of Claim and Release form to beneficial owners. Reasonable out-of-pocket

expenses actually incurred in connection with the foregoing includes up to $0.03 for providing names, addresses, and email addresses to the Claims Administrator per record; up to a maximum of $0.03 per Notice and Proof of Claim and Release form mailed by the nominee, plus postage at the rate used by the Claims Administrator; or $0.03 per Notice and Proof of Claim and Release form sent by email. Any disputes with respect to the reasonableness or documentation of expenses incurred shall be subject to review by the Court.

12. The Court finds that the form and content of the notice program described herein and the methods set forth herein for notifying the Class of the Settlement and its terms and conditions, the Fee and Expense Application, and the Plan of Allocation meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995, due process, and any other applicable laws and rules, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all Persons entitled thereto.

13. All fees, costs, and expenses incurred in identifying and notifying Class Members shall be paid from the Settlement Fund and in no event shall any of the Released Defendants' Persons bear any responsibility, liability, or obligation for such fees, costs, or expenses. Notwithstanding the foregoing, Defendants shall be responsible for the costs and expenses of providing to Lead Counsel and/or the Claims Administrator the stockholder register from the Company's transfer agent in electronic format containing the names, addresses, and email addresses, where available, of all record holders of the Company's common stock as of September 11, 2020 for purposes of mailing notice to the Class pursuant to the Stipulation, as set forth in paragraph 7 herein.

14. All Class Members (except Persons who validly and timely request exclusion in response to the Notice being provided pursuant to this Order) shall be bound by all determinations and judgments in the Litigation concerning the Settlement (including, but not limited to, the releases provided for therein) whether favorable or unfavorable to the Class, regardless of whether such Persons seek or obtain by any means (including, without limitation, by submitting a Proof of Claim and Release or any similar document) any distribution from the Settlement Fund or the Net Settlement Fund.

15. Class Members who wish to participate in the Settlement shall complete and submit a Proof of Claim and Release in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim and Release must be postmarked or submitted electronically no later than _____, 2025 (a date ninety (90) calendar days from the Notice Date). Any Class Member who does not submit a Proof of Claim and Release within the time provided shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court, but shall in all other respects be bound by the terms of the Stipulation and any final judgment entered by the Court. Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the obligation) to accept late-submitted Claims for processing by the Claims Administrator so long as distribution of the Net Settlement Fund is not materially delayed thereby. No Person shall have any claim against Lead Plaintiff, Lead Counsel, or the Claims Administrator by reason of the decision to exercise such discretion whether to accept late-submitted Claims.

16. The Proof of Claim and Release submitted by each Class Member must: (i) be properly completed, signed, and submitted in a timely manner in accordance with the preceding paragraph; (ii) be accompanied by adequate supporting documentation for the transactions

reported in it, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation deemed adequate by the Claims Administrator or Lead Counsel; (iii) be complete and contain no deletions or modifications of any of the printed matter contained therein; and (iv) be signed under penalty of perjury. Any Person executing the Proof of Claim and Release that is acting in a representative capacity must include a certification of his or her current authority to act on behalf of the claimant. As part of the Proof of Claim and Release, each claimant shall submit to the jurisdiction of the Court with respect to the Claim submitted.

17. Any Class Member may enter an appearance in the Litigation, at his, her, their, or its own expense, individually or through counsel of his, her, their, or its own choice. If any Class Member does not enter an appearance, they will be represented by Lead Counsel.

18. Any Class Member who wishes to exclude himself, herself, themselves, or itself from the Class must request exclusion in writing within the time and in the manner set forth in the Notice. Any such Person must submit to the Claims Administrator a signed request for exclusion ("Exclusion Request") such that it is postmarked no later than _____, 2025 (a date that is twenty-one (21) calendar days prior to the Settlement Hearing). An Exclusion Request must be signed and provide: (i) the name, address, and telephone number of the Person requesting exclusion; (ii) a list identifying the dates and the number of shares of Jernigan common stock that the Person purchased whose shares were sold for $17.30 in the Transaction; and (iii) a statement that the Person "requests exclusion from the Class in the Jernigan Securities Settlement." The Exclusion Request shall not be effective unless it provides the required information and is made within the time stated above, or is otherwise accepted by the Court. All Persons who submit valid and timely Exclusion Requests in the manner set forth in this paragraph and the Notice shall have

no rights under the Stipulation or Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or any final judgment. Unless otherwise ordered by the Court, any Class Member who fails to timely and validly request exclusion from the Class in compliance with this paragraph shall be deemed to have waived his, her, their, or its right to be excluded from the Class, shall be barred from requesting exclusion from the Class, and shall be bound by the Stipulation or any final judgment, including, but not limited to, the releases contained therein.

19. Lead Counsel shall provide or cause to be provided to Defendants' Counsel copies of all Exclusion Requests, whether timely and proper or not, and any written revocation of any Exclusion Requests, as expeditiously as possible, but in no event later than five (5) calendar days of receipt thereof, and not later than fourteen (14) calendar days before the Settlement Hearing.

20. Any Class Member who or which does not request exclusion from the Class may appear at the Settlement Hearing and object if he, she, they, or it has any reason why the proposed Settlement of the Litigation should not be approved as fair, reasonable and adequate, why a judgment should not be entered thereon, why the Plan of Allocation should not be approved, or why attorneys' fees, together with costs, charges and expenses should not be awarded to Lead Counsel or to Lead Plaintiff; provided that any such Class Member files objections and copies of any papers and briefs with the Clerk of the United States District Court for the Southern District of New York and mails copies thereof by first-class mail to Robbins Geller Rudman & Dowd LLP, Ellen Gusikoff Stewart, 655 West Broadway, Suite 1900, San Diego, CA 92101 and Winston & Strawn LLP, Matthew L. DiRisio, 200 Park Avenue, New York, NY 10166, so that they are received no later than _____, 2025 (a date that is twenty-one (21) calendar days prior to the Settlement Hearing). Any Class Member who does not make his, her, their, or its objection in the

manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed Settlement as incorporated in the Stipulation, to the Plan of Allocation, to the award of fees, costs, charges, and expenses to Lead Counsel or to the award to Lead Plaintiff, unless otherwise ordered by the Court. Attendance at the Settlement Hearing is not necessary. However, Persons wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Allocation, and/or the application for an award of fees, costs, charges and expenses are required to indicate in their written objection their intention to appear at the Settlement Hearing and to include in their written objections the identity of any witnesses they may call to testify and copies of any exhibits they intend to introduce into evidence at the Settlement Hearing. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

21. Any objections, filings, and other submissions by an objecting Class Member must: (i) state the name, address, and telephone number of the Person objecting and must be signed by the objector, even if the objector is represented by counsel; (ii) contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention and whether the objections apply only to the objector, a specific subset of the Class, or to the entire Class; (iii) include documents sufficient to prove membership in the Class, including evidence of the objecting Class Member's shares of Jernigan common stock held as of September 11, 2020, the record date, and sold in the Transaction, including the number of shares; and (iv) identify all settlements to which the objector and/or its counsel has filed an objection in the past three (3) years. The Court will consider a Class Member's objection only if the Class Member has complied with the above requirements.

22. Any Class Member who or which does not object to the Settlement, the Plan of Allocation, or the application for an award of attorneys' fees, costs, charges and expenses in the manner prescribed herein and in the Notice shall be deemed to have waived such objection, and shall forever be foreclosed from making any objection to the fairness, adequacy, or reasonableness of the proposed Settlement, this Order and the Judgment to be entered approving the Settlement, the Plan of Allocation, and/or the application by Lead Counsel for an award of attorneys' fees together with costs, charges and expenses.

23. 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.

24. All papers in support of the Settlement, Plan of Allocation, and any application by Lead Counsel for an award of attorneys' fees, costs, charges and expenses shall be filed and served no later than _____, 2025 (a date that is thirty-five (35) calendar days prior to the Settlement Hearing), any opposition papers thereto shall be filed and served no later than _____, 2025 (a date that is twenty one (21) calendar days prior to the Settlement Hearing), and any reply papers shall be filed and served no later than _____, 2025 (a date that is seven (7) calendar days prior to the Settlement Hearing).

25. The Released Defendants' Persons shall have no responsibility or liability for the Plan of Allocation or any application for attorneys' fees, costs, charges or expenses submitted by Lead Counsel, and such matters will be considered by the Court separately from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating solely to the Plan of Allocation or any application for attorneys' fees or expenses or award to Lead Plaintiff, or any appeal from any order relating solely thereto or reversal or modification thereof, shall not

operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment and the settlement of the Litigation.

26. At or after the Settlement Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel, and any application for attorneys' fees, costs, charges and expenses, should be approved. The Court reserves the right to enter the Judgment finally approving the Settlement regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and/or costs, charges and expenses or an award to Lead Plaintiff.

27. All reasonable expenses incurred in identifying and notifying Class Members as well as administering the Settlement Fund shall be paid as set forth in the Stipulation. In the event the Court does not approve the Settlement, or the Settlement otherwise fails to become effective, neither Lead Counsel nor the Claims Administrator shall have any obligation to repay any amounts actually and properly incurred or disbursed pursuant to ¶¶2.7, 2.9, or 2.11 of the Stipulation.

28. This Order and the Stipulation (including any of their respective terms or provisions), any of the negotiations, discussions, proceedings connected with them, and any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement or this Order, may not be construed as an admission, concession, or presumption by the Released Defendants' Persons of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind, as a waiver by any of the Settling Parties of any arguments, defenses, or claims he, she, or it may have in the event the Stipulation is terminated; and may not be offered or received in evidence (or otherwise used by any Person in the Litigation, or in any other action or proceeding, whether civil, criminal, or administrative, in any court, administrative agency, arbitration, or other tribunal), except in connection with any proceeding to enforce the terms of the Stipulation or this Order.

29. All proceedings in the Litigation are stayed until further order of this Court, except as may be necessary to implement the Settlement or comply with the terms of the Stipulation. Pending final determination of whether the Settlement should be approved, neither Lead Plaintiff nor any Class Member, either directly, representatively, or in any other capacity, shall commence or prosecute any of the Released Plaintiff's Claims against any of the Released Defendants' Persons in any action or proceeding in any court or tribunal.

30. The Court reserves the right to alter the time or the date of the Settlement Hearing or to hold the hearing via video or telephone without further notice to Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Class.

31. If the Stipulation or Settlement fails to become Effective as defined in the Stipulation or is terminated, then, in any such event, the Stipulation, including any amendment(s) thereto (except as expressly provided in the Stipulation, and this Order) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence in this Litigation or used in any other actions or proceedings for any purpose, by any person or entity against any of the Settling Parties. In any such event, the Settling Parties shall be deemed to have reverted to their respective litigation positions as of December 9, 2024.

IT IS SO ORDERED.

DATED: _____

_____
THE HONORABLE JENNIFER L. ROCHON
UNITED STATES DISTRICT JUDGE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	Master File No. 1:20-cv-09575-JLR-KHP CLASS ACTION
This Document Relates To: ALL ACTIONS.	NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION EXHIBIT A-1

TO: ALL HOLDERS OF JERNIGAN CAPITAL, INC. ("JERNIGAN" OR THE "COMPANY") COMMON STOCK AS OF SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE GOING-PRIVATE TRANSACTION WHEREBY AFFILIATES OF NEXPOINT ADVISORS, L.P. ACQUIRED JERNIGAN'S OUTSTANDING PUBLICLY TRADED COMMON STOCK FOR $17.30 PER SHARE IN CASH (THE "TRANSACTION"), WHOSE SHARES WERE SOLD FOR $17.30 IN THE TRANSACTION (THE "CLASS").

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT JUNK MAIL, AN ADVERTISEMENT, OR SOLICITATION FROM A LAWYER.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM" OR "CLAIM FORM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE _____, 2025**.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc. or any other Defendant in the litigation or their counsel. All questions should be directed to the Claims Administrator or Lead Counsel (*see* page __ below).

This Notice of Pendency and Proposed Settlement of Class Action ("Notice") has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the "Court"). The purpose of this Notice is to inform you of the $12,000,000.00 settlement (the "Settlement") reached in the above-captioned class action lawsuit (the "Action" or "Litigation"); your rights with respect to the Settlement; and the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and the Plan of Allocation, as well as the application for fees and expenses by Lead Counsel and Lead Plaintiff, as set forth in the Stipulation of Settlement dated February 7, 2025 (the "Stipulation"), by and among lead plaintiff John R. Erickson ("Lead Plaintiff"), on behalf of himself and the Class (as defined above); and defendants Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc. ("Jernigan" or the "Company"), John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen (referred to collectively as the "Defendants"), by their respective counsel.[1] This Notice describes what steps you may take in relation to the Settlement and the Action.

[1] All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement, dated February 7, 2025 ("Stipulation"), which, along with other important documents, is available on the website,

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action as to the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the proposed Settlement of the Action and of your rights in connection therewith. Defendants have: (i) denied all claims and wrongdoing asserted in the Action and any liability arising out of the conduct alleged therein; and (ii) asserted various defenses. No trial has yet occurred in this Action and no findings of fact, fault, or liability have been made as to any of the parties.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	Submitting a claim is the only way to be potentially eligible to receive a payment from the Net Settlement Fund. **Proofs of Claim must be postmarked or submitted online on or before _____, 2025.**
EXCLUDE YOURSELF	If you exclude yourself from the Class, you will not be eligible to receive any payment from the Net Settlement Fund. This is the only option that potentially allows you to ever be part of any other lawsuit against any of the Defendants or any other Released Defendants' Persons concerning the Released Plaintiff's Claims. **Exclusions must be postmarked on or before _____, 2025.**
OBJECT	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense requests unless you are a Class Member and do not exclude yourself from the Class. **Objections must be *received* by the Court and counsel on or before _____, 2025. If you submit a written objection, you may (but do not have to) attend the hearing.**
GO TO THE HEARING ON _____, 2025	You may ask to speak in Court about the fairness of the Settlement. **Requests to speak must be *received* by the Court and counsel on or before _____, 2025**. If you submit a written objection, you may (but you do not have to) attend the hearing.

www.JerniganSecuritiesSettlement.com. All singular forms of nouns and pronouns include the plural and vice versa.

DO NOTHING	If you do nothing, you will receive no payment. You will, however, still be a member of the Class, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Defendants' Persons about Released Plaintiff's Claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

Pursuant to the Settlement described herein, a $12 million settlement fund has been established (the "Settlement Amount"). The Settlement Amount and any interest earned thereon is the "Settlement Fund." The Settlement Fund, less: (i) any Taxes and Tax Expenses; (ii) any Notice and Administration Expenses; and (iii) any attorneys' fees and expenses awarded by the Court to Lead Counsel and Lead Plaintiff (the "Net Settlement Fund"), will be evenly divided between the Class, and distributed to Class Members in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is set forth on pages ___ below. Based on Lead Counsel's estimate of the number of Jernigan shares that were allegedly damaged, the average distribution in the Action is approximately $0.78 per share of common stock, before deduction of any taxes on the income earned on the Settlement Fund, Notice and Administration Expenses, and the attorneys' fees and expenses as determined by the Court. **Class Members should note, however, that the foregoing average recovery per share is only an estimate**. Class Members may receive more or less than this estimated amount, and a Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that Class Member's claims as compared to the total claims of all Class Members, as applicable, who submit acceptable Proofs of Claim. *See* Plan of Allocation, set forth and discussed at pages ____ below for more information on the calculation of your claim.

Statement of Potential Outcome of Case

The Settling Parties disagree on both liability and damages and do not agree on the average amount of damages per share of Jernigan common stock, if any, that would be recoverable if the Class prevailed on each claim alleged. Defendants deny that they are liable to the Class and deny that the Class has suffered any damages.

Statement of Attorneys' Fees and Expenses Sought

Since the Action was filed, Lead Counsel has expended considerable time and effort in the prosecution of the Action on a wholly contingent basis and has advanced the expenses of the Action in the expectation that if it was successful in obtaining a recovery for the Class, it would be paid from such recovery. Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed 33⅓ of the Settlement Amount, plus expenses not to exceed $225,000, plus interest

earned on both amounts at the same rate as earned by the Settlement Fund. In addition, Lead Plaintiff may request an award not to exceed $10,000 pursuant to 15 U.S.C. §78u-4(a)(4) in connection with his representation of the Class. If the amounts requested are approved by the Court, the average cost per allegedly damaged Jernigan share will be approximately $0.78 per common share. Any fees and expenses awarded by the Court, or any award to Lead Plaintiff, shall be paid solely from the Settlement Fund.

Further Information

For further information regarding the Action, this Notice, or to review the Stipulation of Settlement, please contact the Claims Administrator toll-free at 1-833-419-4863, via email at info@JerniganSecuritiesSettlement.com, or visit the website www.JerniganSecuritiesSettlement.com.

You may also contact a representative of counsel for the Class:

Shareholder Relations Department, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, settlementinfo@rgrdlaw.com.

Please Do Not Call the Court or Defendants with Questions About the Settlement.

Reasons for the Settlement

Lead Plaintiff's principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial, and likely appeals, a process that could last several years into the future.

Defendants have denied, and continue to deny, each and all of the claims and allegations asserted against them in the Litigation. For the Defendants, who have denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the costs, burdens, and uncertainty inherent in any litigation, especially in complex cases such as this Litigation. Defendants have concluded that further continuation of this Litigation could be protracted and unnecessarily costly.

BASIC INFORMATION

1. Why did I get this Notice package?

The Court directed that this Notice be mailed to you because you, someone in your family, or an investment account for which you serve as a custodian, may have held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and sold shares for $17.30 in the Transaction.

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights in connection with the Settlement, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Litigation is the United States District Court for the Southern District of New York, and the case is entitled *In re Jernigan Capital, Inc. Securities Litigation*, Civil Action No. 1:20-cv-09575-JLR-KHP. The case has been assigned to the Honorable Jennifer L. Rochon. The person representing the Class is the Lead Plaintiff, and the entities and individuals he sued and who have now settled are the Defendants.

2. What is this lawsuit about?

This is a securities class action currently pending before the Honorable Jennifer L. Rochon in the United States District for the Southern District of New York (the "Court"). The initial complaint in the Litigation was filed on November 13, 2020. On February 5, 2021, the Court appointed John R. Erickson as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP as Lead Counsel.

On April 6, 2021, Lead Plaintiff filed the operative amended complaint (the "Complaint"), alleging violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934. More specifically, Lead Plaintiff alleged that shareholders of Jernigan common stock voted on the Transaction pursuant to a materially false and misleading Proxy. Lead Plaintiff alleged that the Proxy misrepresented the nature of the Transaction and failed to disclose material information concerning the role Extra Space Storage Inc. ("Extra Space"), a leader in the self-storage REIT industry, played in the Transaction. Lead Plaintiff also alleged that the Proxy's statement that one reason for the merger was "the limited interest other REITs operating in the self-storage sector would likely have in acquiring the Company's portfolio" was false and misleading because Extra Space was participating directly in the Transaction by providing $300 million – representing approximately one third of the purchase price. Lead Plaintiff also alleged that the $17.30 per share that Jernigan shareholders received in the Transaction represented inadequate consideration.

On June 30, 2021, Defendants moved to dismiss the Complaint. On July 30, 2021, Lead Plaintiff filed his opposition to Defendants' motion to dismiss. On August 20, 2021, Defendants filed their reply brief in further support of their motion to dismiss. On May 20, 2022, the Court held oral argument on Defendants' motion to dismiss. On August 1, 2022, the Court denied Defendants' motion to dismiss. On September 7, 2022, Defendants answered the Complaint. Thereafter, the parties commenced discovery, collectively propounding over 45 requests for the production of documents.

On December 15, 2022, Lead Plaintiff moved for class certification under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and contemporaneously produced documents in response to Defendants' discovery requests. On January 27, 2023, Defendants' Counsel deposed Lead Plaintiff's expert. On February 9, 2023, Defendants' Counsel deposed Lead Plaintiff. On February 22, 2023, Defendants filed their opposition to Lead Plaintiff's motion for class

certification. On March 29, 2023, Lead Counsel deposed Defendants' expert. On April 21, 2023, Lead Plaintiff filed his reply brief in further support of class certification. On June 9, 2023, the Court held oral argument on Lead Plaintiff's motion for class certification. On June 12, 2023, Magistrate Judge Katharine H. Parker issued a report and recommendation (the "Report & Recommendation") recommending that Lead Plaintiff's motion for class certification be granted. On September 14, 2023, the Court adopted the Report & Recommendation in full and certified the class. On September 28, 2023, Defendants filed a petition seeking permission, under Federal Rule of Civil Procedure 23(f), to appeal from the Court's September 14, 2023 class certification order (the "Rule 23(f) petition"). On October 10, 2023, Lead Plaintiff filed his opposition to Defendants' Rule 23(f) petition. On February 21, 2024, the U.S. Court of Appeals for the Second Circuit denied Defendants' Rule 23(f) petition.

Lead Plaintiff, through Lead Counsel, pursued extensive discovery concerning the claims against each of the Defendants and the events at issue in the Action. During the period from 2022 to 2024, Lead Plaintiff served Defendants with discovery requests, which resulted in the production of over 35,000 documents totaling over 290,000 pages. Lead Plaintiff also served subpoenas on nine non-parties, who produced over 87,000 additional documents. These productions were the result of extensive negotiations, and Lead Counsel participated in numerous conferences to resolve discovery disputes and to ensure that the Class had access to all relevant materials.

As part of the discovery process, Lead Counsel also carefully reviewed and engaged with Defendants' Counsel on privilege issues, including Defendants' assertions of privilege over documents produced by a third party and Defendants' privilege log which asserted privilege over thousands of documents. Lead Counsel also participated in numerous substantive discussions with Lead Plaintiff's expert regarding the evidentiary record and damages.

During the course of the Litigation, the Settling Parties engaged the services of Greg Danilow of Phillips ADR, a highly qualified mediator experienced in securities litigation (the "Mediator"). In connection with this engagement, the Settling Parties participated in a full-day mediation session before the Mediator, and exchanged opening and reply mediation statements and exhibits, which addressed the parties' respective positions on liability and potential damages. On September 25, 2024, the Mediator made a Mediator's proposal. In response to the Mediator's proposal, the Settling Parties reached an agreement in principle on October 7, 2024 to settle the Action for Twelve Million Dollars in cash ($12,000,000.00). On October 11, 2024, the Settling Parties informed the Court of the settlement in principle of the Action. After further negotiations, the Settling Parties executed a term sheet on December 10, 2024. Following additonal negotiation, the Settling Parties executed the Stipulation on February 7, 2025, and moved for preliminary approval of the proposed Settlement. The motion was granted on ____, 2025, and this Notice is being provided pursuant to the Preliminary Approval Order.

Defendants have denied, and continue to deny, the Complaint's allegations and that they violated the federal securities laws in any respect. Defendants contend that they made no false or

misleading statements, and they made full and accurate disclosures of all information required to be disclosed by law.

THE COURT HAS NOT DETERMINED WHETHER DEFENDANTS ARE LIABLE TO LEAD PLAINTIFF OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THE ACTION OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PROPOSED SETTLEMENT OF THE ACTION AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

3. Why is there a settlement? What if there were no settlement?

The Court has not decided in favor of the Defendants or the Class. Instead, both sides agreed to the Settlement to avoid the costs and risks of further litigation, including trial and post-trial appeals. Lead Plaintiff agreed to the Settlement in order to ensure that Class Members will receive compensation, and because Lead Plaintiff (advised by Lead Counsel) considered the Settlement Amount to be a favorable recovery compared to the risk-adjusted possibility of recovery after trial and any appeals, in light of Defendants' legal argument that the statements at issue were not actionable at all by the Class, and Defendants' factual arguments that they were complying with all applicable securities laws and that the Class did not suffer any damages. Lead Plaintiff and Lead Counsel believe the Settlement is in the best interest of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

WHO IS IN THE SETTLEMENT

4. How do I know if I am a member of the Class?

The Court directed that everyone who fits this description is a Class Member: all holders of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, whose shares were sold for $17.30 in the Transaction, except those Persons and entities that are excluded. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members have or had a controlling interest. Also excluded from the Class are those Persons who timely and validly exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish to be eligible to participate in the distribution of the proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before **_____, 2025**.

5. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-833-419-4863, via email at info@JerniganSecuritiesSettlement.com, or you can fill out and return, via mail or online, the Proof of Claim enclosed with this Notice package to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Plaintiff's Claims (defined below) and dismissal of the Action, Defendants have agreed to pay (or cause to be paid) $12 million in cash to be distributed after taxes, tax expenses, notice and claims administration expenses, and approved attorneys' fees and expenses, *pro rata*, to Class Members who send in a valid Proof of Claim pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

7. How much will my payment be?

At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement. Your actual recovery will be a proportion of the Net Settlement Fund determined by your claim as compared to the total claims of all eligible Class Members who submit acceptable Proofs of Claim. You may receive more than the estimated average amount provided below depending on the number of claims submitted. If 100% of shares outstanding on the record date submit a claim, each share's average distribution under the Settlement will be approximately $0.78 per share, before deduction of any Taxes on any income earned on the Settlement Amount, Tax Expenses, Notice and Administration Expenses, the attorneys' fees and expenses, and the expenses of Lead Plaintiff (if requested), as determined by the Court. *See* the Plan of Allocation, as set forth at pages ____ below for more information on your claim. The Settlement Fund less Taxes, Notice and Administration Expenses, any award of attorneys' fees and expenses, and Lead Plaintiff's expenses ("Net Settlement Fund") will be distributed to Class Members who submit valid, timely Proofs of Claim ("Authorized Claimants") on a pro rata basis. However, no distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than $10.00.

Defendants do not agree with the characterization that any damages were suffered by Lead Plaintiff or the Class.

Payments shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Counsel, Lead Plaintiff, the Claims Administrator, Defendants or the Released Defendants' Persons, or any Person designated by Lead Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, or further order(s) of the Court. No Class Member shall have any claim against Defendants for any Released Plaintiff's Claims. All Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

8. How can I get a payment?

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.JerniganSecuritiesSettlement.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and **mail it to the Claims Administrator at the address provided in the Proof of Claim or submit it online at www.JerniganSecuritiesSettlement.com so that it is postmarked or received no later than _____, 2025**.

9. When would I get my payment?

The Court will hold a Settlement Hearing on _____, 2025, at ___, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

10. What am I giving up to get a payment or to stay in the Class?

Unless you timely and validly exclude yourself, you are staying in the Class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or the Released Defendants' Persons about the "Released Plaintiff's Claims" (as defined below) in the Action. It also means that all of the Court's orders will apply to you and legally bind you. If you remain a Class Member, and if the Settlement is approved, you will give up all "Released Plaintiff's Claims" (as defined below), including "Unknown Claims" (as defined below), against the "Released Defendants' Persons" (as defined below):

- "Immediate Family Member(s)" means children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-

law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, and any persons (other than a tenant or employee) sharing the household.

- "Released Defendants' Claims" means all claims (including, but not limited to, Unknown Claims (as defined below)), and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, by the Released Defendants' Persons against the Released Plaintiff's Persons. This release does not include claims relating to the enforcement of the Settlement.

- "Released Defendants' Persons" means Defendants, NexPoint Advisors, L.P. and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

- "Released Plaintiff's Claims" means all claims, demands, losses, rights, and causes of action of every nature and description, whether known or unknown, and whether arising under federal, state, common, foreign or other applicable law, rule, or regulation, that the Released Plaintiff's Persons: (i) asserted in any complaint filed in the Action; or (ii) could have asserted or could in the future assert in any court or other forum, directly, derivatively, or in any other capacity, that: (a) arise out of or relate to any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in any complaint filed in the Action; and (b) arise from or relate to the sale of Jernigan common stock in the Transaction. This release does not cover, include, or release: (i) any previously filed shareholder derivative or ERISA claims; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims of any person or entity that submitted an effective request for exclusion from the Class. "Released Plaintiff's Claims" include "Unknown Claims" as defined below. For the avoidance of doubt, nothing in the Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

- "Released Plaintiff's Persons" means Lead Plaintiff and the other members of the Class, on behalf of themselves and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

- "Unknown Claims" means any of the Released Plaintiff's Claims which Released Plaintiff's Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Persons, and any of the Released Defendants' Claims that the Released Defendants' Persons do not know or suspect to exist in his, her or its favor at the time of the release of Released Plaintiff's Persons, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement with and release of the Released Defendants' Persons or Released Plaintiff's Persons, or might have affected his, her, or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Plaintiff's Claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Plaintiff's Claims and the Released Defendants' Claims, upon the Effective Date, the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Order and Final Judgment, shall have, expressly waived to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or pinciple of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

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

  The Settling Parties shall expressly waive, and the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all 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. The Released Plaintiff's Persons and the Released Defendants' Persons acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to, or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Plaintiff's Claims or Released Defendants' Claims, but: (a) the Released Plaintiff's Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Released Plaintiff's Person shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff's Claims against the Released Defendants' Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which 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, legal theories, or authorities; and (b) the Defendants shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Defendants' Claims against the Released Plaintiff's Persons, 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 which 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, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff's Persons and Released Defendants' Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

EXCLUDING YOURSELF FROM THE CLASS

If you want to keep the right to potentially sue the Released Defendants' Persons on your own about the claims being released by the Settlement, then you must take steps to remove yourself from the Settlement. This is called excluding yourself – or is sometimes referred to as "opting out." If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in the Action, you may want to consult an attorney and discuss whether any

individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

11. How do I get out of the Class and the proposed Settlement?

To exclude yourself from the Class and the Settlement, you must send a signed and dated letter by mail stating that you "request exclusion from the Class in the *Jernigan Securities Settlement*." Your letter must include information about your shares of Jernigan common stock that were held as of September 11, 2020, the record date, and the shares you sold in the Transaction, including the number of shares. In addition, you must include your name, address, telephone number, and in the case of entities, the name and telephone number of the appropriate contact person, and your signature. You must submit your exclusion request so that it is **postmarked no later than _____, 2025** to:

Jernigan Securities Settlement
Claims Administrator
c/o Gilardi, a Verita Global company
P.O. Box 301135
Los Angeles, CA 90030-1135

You cannot exclude yourself by phone or by e-mail. If you make a proper request for exclusion, you will not receive a payment from the Settlement, and you cannot object to the Settlement. If you make a proper request for exclusion, you will not be legally bound by anything that happens in the Action.

12. If I do not exclude myself, can I sue the Defendants and the other Released Defendants' Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights you may potentially have to sue Defendants and the other Released Defendants' Persons for any and all Released Plaintiff's Claims. If you have a pending lawsuit against the Released Defendants' Persons, speak to your lawyer in that case immediately. You must exclude yourself from the Class in this Action to continue your own lawsuit. Remember, the exclusion deadline is _____, 2025.

13. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you will not get money from the proposed Settlement. If you exclude yourself, you should not send in a Proof of Claim to ask for any money.

WHO REPRESENTS THE CLASS

14. Who are the lawyers in this case?

The Court ordered that the law firm of Robbins Geller Rudman & Dowd LLP represent the Class Members, including you. These lawyers are called Lead Counsel.

15. How will the lawyers be paid?

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed 33⅓% of the Settlement Amount and for expenses, costs, and charges in an amount not to exceed $225,000, in connection with the Action, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. In addition, Lead Plaintiff may seek up to $10,000 for his time and expenses incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

OBJECTING TO THE SETTLEMENT

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

16. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you may object to the proposed Settlement, the proposed Plan of Allocation, and/or the fee and expense applications of Lead Counsel or Lead Plaintiff. For any objection to be considered, you must file a written statement with the Clerk of the Court and send a copy to Lead Counsel and Defendants' Counsel at the addresses listed below so that it is **received by _____, 2025**. Any objection must: (i) state the name, address, and telephone number of the Person objecting and must be signed by the objector, even if the objector is represented by counsel; (ii) contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention and whether the objections apply only to the objector, a specific subset of the Class, or to the entire Class; (iii) include documents sufficient to prove membership in the Class, including evidence of the objecting Class Member's shares of Jernigan common stock held as of September 11, 2020, the record date, and sold in the Transaction, including the number of shares; and (iv) identify all settlements to which the objector and/or its counsel has filed an objection in the past three (3) years. Attendance at the Settlement Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence.

CLERK OF THE COURT	LEAD COUNSEL	DEFENDANTS' COUNSEL
UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK Clerk of the Court Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, NY 10007-1312	ROBBINS GELLER RUDMAN & DOWD LLP Ellen Gusikoff Stewart 655 West Broadway Suite 1900 San Diego, CA 92101	WINSTON & STRAWN LLP Matthew L. DiRisio 200 Park Avenue New York, NY 10166

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

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

The Court will hold a Settlement Hearing at ____ **_.m. ET, on _____, 2025**, in the Courtroom of the Honorable Jennifer L. Rochon in the United States District for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Lead Counsel and Lead Plaintiff. After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. **In order to determine whether the date and time of the Settlement Hearing has changed, or whether Class Members must or may participate by phone or video, it is important that you monitor the Court's docket and the Settlement website, www.JerniganSecuritiesSettlement.com, before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date and time of the hearing or updates regarding in-person, telephonic or video conference appearances at the hearing, will be posted to the Settlement website, www.JerniganSecuritiesSettlement.com. Also, if the Court requires or allows Class Members to participate in the Settlement Hearing by telephone or video conference, the phone number for accessing the telephonic conference or the website for accessing the video conference will be posted to the Settlement website, www.JerniganSecuritiesSettlement.com**. If you want to attend the hearing, either in person or telephonically, if permitted, you should check the Settlement website, www.JerniganSecuritiesSettlement.com, or contact Lead Counsel beforehand to be sure that the date and/or time has not changed.

18. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

19. May I speak at the hearing?

If you object to the Settlement, the Plan of Allocation, and/or the fee and expense applications, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 16 above) a statement saying that it is your "Notice of Intention to Appear in the ***Jernigan Securities Settlement***." Persons who intend to object to the Settlement, the Plan of Allocation, and/or any attorneys' fees and expenses to be awarded to Lead Counsel or Lead Plaintiff and desire to present evidence at the Settlement Hearing, must include in their written objections the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be ***received*** **no later than _____, 2025**, and addressed to the Clerk of Court, Lead Counsel, and Defendants' Counsel, at the addresses listed above in question 16.

You cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

20. What happens if I do nothing?

If you do nothing, you will not receive any money from this Settlement. In addition, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants and/or the Released Defendants' Persons about the Released Plaintiff's Claims in the Action.

GETTING MORE INFORMATION

21. How do I get more information?

For even more detailed information concerning the matters involved in the Action, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-833-419-4863 or via email at info@JerniganSecuritiesSettlement.com. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court, and to the other Settlement related papers filed in the Litigation, which are posted on the Settlement website at www.JerniganSecuritiesSettlement.com, and which may be inspected at the Office of the Clerk of the United States District Court for the Southern

District of New York, during regular business hours. For a fee, all papers filed in the Litigation are also available at www.pacer.gov.

THE PROPOSED PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

22. How will my claim be calculated?

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or may approve another plan of allocation, without further notice to Class Members.

As discussed above, the Settlement provides $12 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund." If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to Authorized Claimants – *i.e.*, Class Members who submit a valid Proof of Claim to the Claim Administrator – in accordance with this proposed Plan of Allocation ("Plan of Allocation" or "Plan") or such other plan of allocation as the Court may approve. Given that the currently pending claims in the Litigation challenge statements made in the Proxy related to that vote, this proposed Plan of Allocation aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation. Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, www.JerniganSecuritiesSettlement.com. The objective of the Plan of Allocation is to distribute the Net Settlement Fund proceeds equitably among Class Members based on their respective alleged economic losses resulting from the Action. The Plan of Allocation is not a formal damages analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making *pro rata* allocations of the Net Settlement Fund.

Section 14(a) Claims

Claims under Section 14(a) of the Exchange Act of 1934 are asserted with regard to Defendants' alleged negligent preparation, review, and dissemination of the allegedly false and misleading Proxy Statement. Lead Plaintiff alleges that members of the Class were deprived of

their right to be presented with accurate proxy materials while asked to vote on Jernigan's proposed take-private transaction. In order to have a compensable loss in this Settlement under Section 14(a) of the Exchange Act of 1934, a claimant must have: (i) held Jernigan common stock as September 11, 2020; and (ii) sold shares in the Transaction.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

As discussed above, the Settlement provides $12 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund."

If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to Authorized Claimants – *i.e.*, Class Members who submit a valid Proof of Claim to the Claim Administrator – in accordance with this proposed Plan of Allocation ("Plan of Allocation" or "Plan") or such other plan of allocation as the Court may approve.

Only those stockholders holding Jernigan common stock as of September 11, 2020 were considered record holders entitled to vote on the Transaction. Given that the currently pending claims in the Litigation challenge statements made in the Proxy related to that vote, this proposed Plan of Allocation aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation.

For holders of Jernigan common stock as of the September 11, 2020 record date for the special meeting of shareholders held on October 26, 2020, who and still held their respective shares as of the close of trading on November 5, 2020,[2] the "Recognized Loss Amount" shall be equal to the Net Settlement Fund divided by the total number of shares represented by valid Claims submitted by Authorized Claimants.

Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, www.JerniganSecuritiesSettlement.com.

The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who have legal standing to bring the claims currently asserted in the Litigation (as described above). The Plan of Allocation is not a formal damages analysis, and the

[2] November 5, 2020 was the last day the Company's shares traded prior to the closing of the Transaction.

calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial.

Pursuant to the Settlement described herein, the Settlement Amount is $12 million. Lead Plaintiff estimates that approximately 15,387,070 shares of Jernigan common stock are in the Class. A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by its claim as compared to the total claims of all eligible Class Members who submit acceptable Proofs of Claim.

A Class Member may receive more than the estimated average amount provided below depending on the number of claims submitted. If 100% of shares outstanding on the record date and exchanged in the Transaction submit a claim, each share's average distribution under the Settlement will be approximately $0.78 per share, before deduction of any Taxes on any income earned on the Settlement Amount, Tax Expenses, Notice and Administration Expenses, the attorneys' fees and expenses, the expenses of Lead Plaintiff (if any), as determined by the Court.

The Net Settlement Fund will be distributed to Authorized Claimants on a pro rata basis. However, no distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than $10.00.

Payments shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Counsel, Lead Plaintiff, the Claims Administrator, Released Defendants' Persons, or any Person designated by Lead Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, or further order(s) of the Court.

No Class Member shall have any claim against Defendants for any Released Plaintiff's Claims. All Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and sold in the Transaction for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you held such common stock; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within seven (7) days mail the Notice and Proof of Claim directly to the beneficial owners of the common stock referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and

addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Reasonable out-of-pocket expenses actually incurred in connection with the foregoing includes up to $0.03 for providing names, addresses, and email addresses to the Claims Administrator per record, up to a maximum of $0.03 per Notice and Claim Form emailed or mailed by you, plus postage at the rate used by the Clams Administrator. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator at:

Jernigan Securities Settlement
Claims Administrator
c/o Gilardi, a Verita Global company
P.O. Box 301135
Los Angeles, CA 90030-1135
Online Submissions: www.JerniganSecuritiesSettlement.com

DATED: _____

_____
BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	:	Master File No. 1:20-cv-09575-JLR-KHP
	:	CLASS ACTION
This Document Relates To:	:	PROOF OF CLAIM AND RELEASE
ALL ACTIONS.	:	EXHIBIT A-2

I. GENERAL INSTRUCTIONS

1. To recover as a Class Member based on your claims in the action titled *In re Jernigan Capital, Inc. Securities Litigation*, Civil Action No. 1:20-cv-09575-JLR-KHP (S.D.N.Y.) (the "Action"), you must complete and, on page __ hereof, sign this Proof of Claim and Release form ("Claim Form" or "Proof of Claim"). If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim, postmarked or received by the date shown below, 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.[1]

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

3. YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED CLAIM FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, NO LATER THAN _____, 2025, TO THE COURT-APPOINTED CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Jernigan Securities Settlement
Claims Administrator
c/o Gilardi, a Verita Global company
P.O. Box 301135
Los Angeles, CA 90030-1135
Online Submissions: www.JerniganSecuritiesSettlement.com

4. Do not mail or deliver your Proof of Claim to the Court, the parties to the Litigation, or their counsel. Submit your Proof of Claim form only to the Claims Administrator at the address

[1] This Claim Form incorporates by reference the definitions in the Stipulation of Settlement ("Stipulation"), which can be viewed and/or obtained at www.JerniganSecuritiesSettlement.com.

set forth above. If you are NOT a Class Member, as defined in the Notice of Pendency and Proposed Settlement of Class Action ("Notice"), DO NOT submit a Proof of Claim.

5. If you are a Class Member and you do not validly and timely request exclusion, you will be bound by the terms of any judgment entered in the Action, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

6. It is important that you completely read and understand the Notice that accompanies this Proof of Claim, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the proposed Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Proof of Claim. By signing and submitting this Proof of Claim, you will be certifying that you have read and that you understand the Notice, including the terms of the releases described therein and provided for herein.

II. CLAIMANT IDENTIFICATION

You are a member of the Class if you: held shares of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and your shares were sold for $17.30 in the Transaction. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs,

successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members have or had a controlling interest. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class in accordance with the requirements set forth in the Notice.

Use Part I of this form entitled "Claimant Identification" to identify each holder of record ("nominee"), if different from the beneficial holder of the common stock which form the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL HOLDER(S) OR THE LEGAL REPRESENTATIVE OF HOLDER(S) OF THE JERNIGAN COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

All joint purchasers, or acquirers, must sign this Claim Form. Executors, administrators, guardians, conservators, and trustees must complete and sign this Claim Form on behalf of persons represented by them and their authority must accompany this Claim Form and their titles or capacities must be stated. The last four digits of the Social Security Number (or full Taxpayer Identification Number) and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

If you are acting in a representative capacity on behalf of a member of the Class (for example, as an executor, administrator, trustee, or other representative), you must submit evidence of your current authority to act on behalf of that member of the Class. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.

One Claim Form should be submitted for each separate legal entity. Separate Claim Forms should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity, including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (*e.g.*, a corporation with multiple brokerage accounts should include all transactions made in all accounts on one 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. All such claimants MUST also submit a manually signed paper Claim Form listing all their transactions whether or not they also submit electronic copies. If you wish to submit your Claim Form electronically, you must contact the Claims Administrator at www.JerniganSecuritiesSettlement.com to obtain the required file layout. Any file not in accordance with the required electronic filing format will be subject to rejection. Only one Claim Form should be submitted for each separate legal entity (*see* above) and the ***complete*** name of the beneficial owner(s) of the securities must be entered where called for. Distribution payments must be made by check or electronic payment payable to the Authorized Claimant (beneficial account owner). The third-party filer shall not be the payee of any distribution payment check or electronic distribution payment. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written

acknowledgement of receipt and acceptance of electronically submitted data. Do not assume that your file has been received until you receive this notification.

III. CLAIM FORM

Use Part II of this form entitled "Holdings in Jernigan Common Stock" to state the number of shares of Jernigan common stock you held as of September 11, 2020 and to state the number of shares that were sold for $17.30 in the Transaction.

You must provide copies of broker information or other documentation of your holdings in Jernigan common stock as attachments to your claim. If any such documents are not in your possession, please obtain a copy or equivalent documents from your broker because these documents are necessary to prove and process your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All claimants MUST submit a manually signed paper Proof of Claim whether or not they also submit electronic copies. If you wish to submit your claim electronically, you must contact the Claims Administrator at info@JerniganSecuritiesSettlement.com to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK,

In re Jernigan Capital, Inc. Securities Litigation,

Civil Action No. 1:20-cv-009575-JLR-KHP (S.D.N.Y.)

PROOF OF CLAIM AND RELEASE

Must Be Postmarked (if Mailed) or Received

(if Submitted Online) No Later Than:

_____, 2025

Please Type or Print

REMEMBER TO ATTACH COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR HOLDINGS IN JERNIGAN COMMON STOCK. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.

PART I: CLAIMANT IDENTIFICATION

Last Name | M.I. | First Name

Last Name (Co-Beneficial Owner) | M.I. | First Name (Co-Beneficial Owner)

○ IRA ○ Joint Tenancy ○ Employee ○ Individual ○ Other_____ (specify)

Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA

Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)

Account#/Fund# (Not Necessary for Individual Filers)

LAST 4 DIGITS OF SOCIAL SECURITY NUMBER | or | Taxpayer Identification Number

Telephone Number (Primary Daytime) | Telephone Number (Alternate)

Email Address

MAILING INFORMATION

Address

Address

City | State | Zip Code

Foreign Province | Foreign Postal Code | Foreign Country Name/Abbreviation

PART II. HOLDINGS IN JERNIGAN COMMON STOCK

A. Number of shares of Jernigan common stock you held as of September 11, 2020:

Proof Enclosed? ○ Y ○ N

B. Number of shares of Jernigan common stock you sold for $17.30 in the Transaction:

Proof Enclosed? ○ Y ○ N

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE___. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Claim Form under the terms of the Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern District of New York with respect to my (our) claim as a member of the Class and for purposes of enforcing the releases set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of the Stipulation and any judgment that may be entered in the Action, including the releases and the covenants set forth herein. 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 Jernigan common stock during the relevant period and know of no other Person having done so on my (our) behalf.

V. RELEASES

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release from the "Released Plaintiff's Claims" (as defined below) each and all of the "Released Defendants' Persons" (as defined below).

2. "Released Defendants' Claims" means all claims (including, but not limited to, Unknown Claims as defined below), and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, by the Released Defendants' Persons against the Released Plaintiff's Persons. This release does not include claims relating to the enforcement of the Settlement.

3. "Released Defendants' Persons" means Defendants, NexPoint Advisors, L.P. and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

4. "Released Plaintiff's Claims" means all claims, demands, losses, rights, and causes of action of every nature and description, whether known or unknown, and whether arising under federal, state, common, foreign or other applicable law, rule, or regulation, that the Released Plaintiff's Persons: (i) asserted in any complaint filed in the Action; or (ii) could have asserted or could in the future assert in any court or other forum, directly, derivatively, or in any other capacity, that: (a) arise out of or relate to any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in any complaint filed in the Action; and (b) arise from or relate to the sale of Jernigan common stock in the Transaction. This release does not cover, include, or release: (i) any previously filed shareholder derivative or ERISA claims; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims of any Person that submitted an effective request for exclusion from the Class. "Released Plaintiff's Claims" include "Unknown Claims" as defined below. For the avoidance of doubt, nothing in the Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

5. "Unknown Claims" means any of the Released Plaintiff's Claims which Released Plaintiff's Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Persons, and any of the Released Defendants' Claims that the Released Defendants' Persons do not know or suspect to exist in his, her or its favor at the time of the release of Released Plaintiff's Persons, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement with and release of the Released Defendants' Persons or Released Plaintiff's Persons, or might have affected his, her, or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released

Plaintiff's Claims in which some or all of the facts comprising the claim may be suspected, or even undisclosed or hidden. With respect to any and all Released Plaintiff's Claims and the Released Defendants' Claims, upon the Effective Date, the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Order and Final Judgment, shall have, expressly waived to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law or any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Settling Parties shall expressly waive, and the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all 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. The Released Plaintiff's Persons and the Released Defendants' Persons acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to, or different from, those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Plaintiff's Claims or Released Defendants' Claims, but: (a) the Released Plaintiff's Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Released Plaintiff's

Person shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff's Claims against the Released Defendants' Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which 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, legal theories, or authorities; and (b) the Defendants shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Defendants' Claims against the Released Plaintiff's Persons, 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 which 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, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff's Persons and Released Defendants' Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

6. 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.

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

8. I (We) hereby warrant and represent that I (we) have included information (including supporting documentation) about the number of shares of Jernigan common stock held by me (us) on the Record Date and the number of shares of Jernigan common stock sold in the Transaction.

9. I (We) hereby warrant and represent that I am (we are) not a Defendant or other person excluded from the Class.

10. I (We) 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 _____ in _____
(Month/Year) (City/State/Country)

_____
(Sign your name here)

_____
(Type or print your name here)

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

_____
(Sign your name here)

_____
(Type or print your name here)

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

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

Reminder Checklist:

1. Please sign 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, if available.
4. **Do not send** originals of certificates.
5. Keep a copy of your claim form and all supporting documentation for your records.
6. If you desire an acknowledgment of receipt of your claim form please send it Certified Mail, Return Receipt Requested.
7. If you move, please send your new address to the address below.
8. **Do not use red pen or highlighter** on the Proof of Claim and Release form or supporting documentation.

THIS CLAIM FORM MUST BE SUBMITTED ONLINE OR MAILED NO LATER THAN _____, 2025, ADDRESSED AS FOLLOWS:

Jernigan Securities Settlement
Claims Administrator
c/o Gilardi, a Verita Global company
P.O. Box 301135
Los Angeles, CA 90030-1135
Online Submissions: www.JerniganSecuritiesSettlement.com

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	:	Master File No. 1:20-cv-09575-JLR-KHP CLASS ACTION
This Document Relates To: ALL ACTIONS.	:	SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION EXHIBIT A-3

TO: ALL HOLDERS OF JERNIGAN CAPITAL, INC. ("JERNIGAN" OR THE "COMPANY") COMMON STOCK AS OF SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE GOING-PRIVATE TRANSACTION WHEREBY AFFILIATES OF NEXPOINT ADVISORS, L.P. ACQUIRED JERNIGAN'S OUTSTANDING PUBLICLY TRADED COMMON STOCK FOR $17.30 PER SHARE IN CASH (THE "TRANSACTION"), WHOSE SHARES WERE SOLD FOR $17.30 IN THE TRANSACTION (THE "CLASS").

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT JUNK MAIL, AN ADVERTISEMENT, OR SOLICITATION FROM A LAWYER.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE _____, 2025**.

YOU ARE HEREBY NOTIFIED that a hearing will be held on _____, 2025, at __:__ __.m. ET, before the Honorable Jennifer L. Rochon, in the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, to determine whether: (1) the proposed settlement (the "Settlement") of the above-captioned action, as set forth in the Stipulation of Settlement ("Stipulation")[1] for $12,000,000 in cash should be approved by the Court as fair, reasonable, and adequate; (2) the Judgment as provided under the Stipulation should be entered with prejudice; (3) 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 ("Notice"), which is discussed below), and, if so, in what amount; (4) to award Lead Plaintiff for representing the Class out of the

[1] The Stipulation can be viewed and/or obtained at www.JerniganSecuritiesSettlement.com. All capitalized terms used herein and not otherwise defined shall have the same meaning as ascribed to them in the Stipulation.

Settlement Fund and, if so, in what amount; and (5) the Plan of Allocation should be approved by the Court as fair, reasonable, and adequate.

IF YOU HELD JERNIGAN COMMON STOCK ON SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE TRANSACTION, AND SOLD SHARES IN THE TRANSACTION, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION, INCLUDING THE RELEASE AND EXTINGUISHMENT OF CLAIMS YOU MAY POSSESS RELATING TO YOUR HOLDINGS OF JERNIGAN COMMON STOCK.

To share in the distribution of the Net Settlement Fund, you must establish your rights by submitting a Proof of Claim and Release form ("Proof of Claim") by mail (**postmarked no later than _____, 2025**) or electronically (**no later than _____, 2025**). Your failure to submit your Proof of Claim by _____, 2025, will subject your claim to rejection and preclude you from receiving any of the recovery in connection with the Settlement. If you are a member of the Class and do not request exclusion therefrom as instructed, you will be bound by the Settlement and any judgment and release entered in the Action, including, but not limited to, the Judgment, whether or not you submit a Proof of Claim.

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), and a Proof of Claim, 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.JerniganSecuritiesSettlement.com, or by writing to:

Jernigan Securities Settlement
Claims Administrator
c/o Gilardi, a Verita Global company
P.O. Box 301135
Los Angeles, CA 90030-1135

Inquiries should NOT be directed to Defendants, the Court, or the Clerk of the Court. Inquiries, other than requests for the Notice or for a Proof of Claim, may be made to:

Lead Counsel:

ROBBINS GELLER RUDMAN & DOWD LLP
Ellen Gusikoff Stewart
655 West Broadway
Suite 1900
San Diego, CA 92101

IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A REQUEST FOR EXCLUSION SUCH THAT IT IS **POSTMARKED BY _____, 2025**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE. ALL MEMBERS OF THE CLASS WHO HAVE NOT REQUESTED EXCLUSION FROM THE CLASS WILL BE BOUND BY THE SETTLEMENT EVEN IF THEY DO NOT SUBMIT A TIMELY PROOF OF CLAIM.

IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE SETTLEMENT, THE PLAN OF ALLOCATION, AND THE REQUEST BY LEAD COUNSEL FOR AN AWARD OF ATTORNEYS' FEES AND EXPENSES, AND/OR THE AWARD TO LEAD PLAINTIFF FOR REPRESENTING THE CLASS. ANY OBJECTIONS MUST BE FILED WITH THE COURT AND SENT TO LEAD COUNSEL AND DEFENDANTS' COUNSEL **BY _____, 2025**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC. SECURITIES LITIGATION	:	Master File No. 1:20-cv-09575-JLR-KHP CLASS ACTION
This Document Relates To: ALL ACTIONS.	:	[PROPOSED] FINAL JUDGMENT APPROVING CLASS ACTION SETTLEMENT EXHIBIT B

WHEREAS, the Court is advised that the Parties,[1] through their counsel, have agreed, subject to Court approval following notice to the Class and a hearing, to settle the above-captioned action, *In re Jernigan Capital, Inc. Securities Litigation*, No. 1:20-cv-09575-JLR-KHP, upon the terms and conditions set forth in the Stipulation of Settlement, dated February 7, 2025 (the "Stipulation" or "Settlement");

WHEREAS, on the ____ day of _____, 2025, this Court held a hearing to determine: (i) whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation are fair, reasonable, and adequate to the Class and should be approved by the Court; (ii) whether a Final Judgment, as provided in ¶1.13 of the Stipulation, should be entered; (iii) whether the proposed Plan of Allocation should be approved; (iv) whether and in what amount to award Lead Counsel fees and costs, charges, and expenses; and (v) whether and in what amount to award Lead Plaintiff his costs and expenses in representing the Class;

WHEREAS, the Court has considered all matters submitted to it at the hearing and otherwise;

WHEREAS, it appears that a notice of the hearing, substantially in the form approved by the Court on _____, 2025 (the "Notice"), was provided to all individuals and entities, reasonably identifiable, who: held Jernigan common stock on September 11, 2020, the record date for the Transaction, and sold shares for $17.30 in the transaction (the "Class"), as shown by the records provided to and compiled by the Claims Administrator in connection with its providing of the

[1] As used herein, the term "Parties" means: (a) Lead Plaintiff John R. Erickson; and (b) Defendants Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc., John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen.

Notice, at the respective addresses set forth in such records, and that a Summary Notice of the hearing, substantially in the form approved by the Court on _____, 2025, was published pursuant to the Order Granting Preliminary Approval Pursuant to Fed. Civ. P. 23(e)(1) and Permitting Notice to the Class ("Preliminary Approval Order") as set forth in the Declaration of _____, and the Supplemental Declaration of _____;

WHEREAS, the Court has considered and determined the fairness and reasonableness of the award of attorneys' fees and costs, charges, and expenses requested by Lead Counsel and the request for an award pursuant to 15 U.S.C. §78u-4(a)(4) in connection with Lead Plaintiff's representation of the Class; and

WHEREAS, all capitalized terms not otherwise defined herein having the meanings set forth and defined in the Stipulation.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Court has jurisdiction over the subject matter of this Action and over all of the Parties and all Class Members for purposes of the Settlement.

2. This Judgment incorporates and makes a part hereof the Stipulation filed with the Court on _____ 2025.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby approves the Settlement set forth in the Stipulation and finds that:

(a) in light of the benefits to the Class and the complexity and expense of further litigation, the Stipulation and the Settlement described therein, are, in all respects, fair, reasonable, and adequate and in the best interest of the Class;

(b) Lead Plaintiff and Lead Counsel have adequately represented the Class;

(c) there was no collusion in connection with the Stipulation;

(d) the Stipulation was the product of informed, arm's-length negotiations among competent, able counsel;

(e) the relief provided for the Class is adequate, having taken into account: (i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the Class, including the method of processing Class Members' Claims; (iii) the terms of any proposed award of attorneys' fees, including timing of payment; (iv) the proposed award to Lead Plaintiff for his representation of the Class; and (v) any agreement required to be identified under Rule 23(e)(3) of the Federal Rules of Civil Procedure;

(f) the proposed Plan of Allocation treats Class Members equitably relative to each other; and

(g) the record is sufficiently developed and complete for the Parties to have adequately evaluated and considered their positions.

4. Accordingly, the Court authorizes and directs implementation and performance of all the terms and provisions of the Stipulation, as well as the terms and provisions hereof. Except as to any individual claim of those Persons who have validly and timely requested exclusion from the Class (identified in Exhibit 1 attached hereto), the Court hereby dismisses the Action and all Released Plaintiff's Claims with prejudice. The Parties are to bear their own costs, except as and to the extent provided in the Stipulation and herein.

5. The releases as set forth in ¶4 of the Stipulation (the "Releases"), together with the definitions contained in ¶¶1.1-1.37 relating thereto, are expressly incorporated herein in all respects. The Releases are effective as of the Effective Date.

6. Upon the Effective Date, Lead Plaintiff shall, and each and every Released Plaintiffs' Persons, including, but not limited to, Class Members (regardless of whether he, she, or it executes and delivers a Proof of Claim and Release Claim form or shares in the Net Settlement Fund), shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever waived, released, relinquished, discharged, and dismissed with prejudice each and every one of the Released Plaintiff's Claims (including, without limitation, Unknown Claims) against each and every one of the Released Defendants' Persons with prejudice, and shall forever be barred and enjoined from asserting, commencing, instituting, prosecuting, continuing to prosecute, or maintaining in any court of law or equity, arbitration tribunal, or administrative forum any and all of the Released Plaintiff's Claims against any and all of the Released Defendants' Persons, whether or not such Released Plaintiffs' Persons execute and deliver the Proof of Claim and Release or share in the Net Settlement Fund. Lead Plaintiff and each Released Plaintiff Person are bound by this Judgment, including, without limitation, the release of claims as set forth in ¶1.29 of the Stipulation. The Released Plaintiff's Claims are hereby compromised, settled, released, discharged, and dismissed as against the Released Defendants' Persons on the merits and with prejudice by virtue of the proceedings herein and this Judgment. Released Plaintiff's Claims expressly exclude: (i) any claims related to the enforcement of the Settlement; (ii) any previously filed shareholder derivative or ERISA claims; or (iii) any claims of any Person that submitted an effective request for exclusion from the Class, as identified in Exhibit 1 hereto.

7. Upon the Effective Date, each of the Released Defendants' Persons shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Defendants' Claims (including, without limitations,

Unknown Claims) against Lead Plaintiff, the Class, and Lead Counsel. Claims to enforce the terms of the Stipulation are not released.

8. The dissemination of the Notice and the publication of the Summary Notice were implemented in accordance with the Preliminary Approval Order.

9. The form and manner of the notice provided to the Class is hereby determined to have been the best notice practicable under the circumstances, including individual notice to Class Members who could be identified through reasonable effort, and to have been given in full compliance with each of the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995 ("PSLRA"), due process, and all other applicable laws and rules, and it is further determined that all members of the Class are bound by this Judgment. No Class Member is relieved from the terms of the Settlement, including the Releases provided for therein, based upon the contention or proof that such Class Member failed to receive actual or adequate notice. A full opportunity has been offered to Class Members to object to the proposed Settlement and to participate in the hearing thereon. The Court further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. §1715, were fully discharged and that the statutory waiting period has elapsed. Thus, it is hereby determined that all members of the Class are bound by this Order and Final Judgment [except those persons listed on Exhibit 1 to this Judgment].

10. [There have been no objections to the Settlement.] [*In the event objections are filed*: The Court has considered each of the objections to the Settlement submitted in the Action pursuant to Rule 23(e)(5) of the Federal Rules of Civil Procedure. The Court finds and concludes that each of the objections is without merit, and they are hereby overruled.]

11. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding any attorneys' fee, expense application, or awards to Lead Plaintiff shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment. Separate orders shall be entered regarding approval of the Plan of Allocation, Lead Counsel's application for an award of attorneys' fees and expenses, and Lead Plaintiff's request for an award pursuant to 15 U.S.C. §78u-4(a)(4).

12. Any appeal or any challenge affecting solely the approval of: (a) the Plan of Allocation submitted by Lead Counsel; (b) this Court's approval regarding any attorneys' fee and expense applications; and/or (c) this Court's approval regarding any award pursuant to 15 U.S.C. §78u-4(a)(4), shall in no way disturb or affect the finality of the other provisions of this Judgment nor the Effective Date of the Settlement.

13. Neither this Judgment, the Term Sheet, the Stipulation nor the Settlement contained therein (whether or not consummated), including the exhibits thereto and the Plan of Allocation, the Settling Parties' mediation, the communications and/or discussions leading to the execution of the Term Sheet and the Stipulation, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement (including any arguments proffered in connection therewith): (a) is, or may be deemed or construed to be, or may be used as an admission, presumption, or concession of, or evidence of, the validity of any Released Plaintiff's Claim, Released Defendants' Claim or of any liability, negligence, fault, or other wrongdoing of the Released Defendants' Persons; or (b) is, or may be deemed or construed to be, or may be used as an admission, presumption, or concession of, or evidence of, any fault or omission of the Released Defendants' Persons in any civil, criminal, or administrative proceeding in any court,

administrative agency, or other tribunal. Defendants, Plaintiffs, Class Members, Released Plaintiff's Persons, and/or Released Defendants' Persons may file the Stipulation and/or this Judgment in any other action in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, injunction, good faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14. The Court finds that Defendants have satisfied their financial obligations under the Stipulation by paying or causing to be paid $12,000,000.00 to the Settlement Fund.

15. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over Defendants, Lead Plaintiff, and Class Members for all matters relating to the administration, interpretation, effectuation, or enforcement of the Stipulation and this Judgment, including administering and distributing Settlement proceeds to the Class Members.

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

17. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation, or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to Defendants, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and may not be introduced as evidence or reflected in any action or proceeding by any person or entity. In such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation, and the Parties shall revert to their respective positions in the Action as of December 9, 2024, as provided in the Stipulation.

18. The Parties are hereby authorized, without further approval of the Court, to unanimously agree to and adopt in writing amendments, modifications, and expansions of the Stipulation, provided that such amendments, modifications, and expansions of the Stipulation are not materially inconsistent with this Judgment, and do not materially limit the rights of the Class Members under the Stipulation.

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

20. This Action and all of the claims asserted against Defendants in the Action by Lead Plaintiff and the other Class Members and all Released Plaintiff's Claims are hereby dismissed with prejudice. The Parties are to bear their own costs, except as otherwise provided in the Stipulation.

21. There is no reason for delay in the entry of this Judgment and the Court expressly directs immediate entry of this Judgment by the Clerk of the Court.

IT IS SO ORDERED.

DATED: _____

_____
THE HONORABLE JENNIFER L. ROCHON
UNITED STATES DISTRICT JUDGE