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**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

Richard Di Donato, Individually and On
Behalf of All Others Similarly Situated,

Plaintiff,

v.

Insys Therapeutics, Inc.; Michael L. Babich;
Darryl S. Baker; and John N. Kapoor,

Defendants.

No. 16-cv-00302-NVW

CLASS ACTION

**EXHIBIT TO REPLY
MEMORANDUM OF POINTS
AND AUTHORITIES IN
FURTHER SUPPORT OF
(I) CLASS REPRESENTATIVE'S
MOTION FOR FINAL
APPROVAL OF SETTLEMENT
WITH DEFENDANT JOHN N.
KAPOOR AND PLAN OF
ALLOCATION; AND (II) CLASS
COUNSEL'S MOTION FOR AN
AWARD OF ATTORNEYS' FEES**

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Exhibit 1	Supplemental Declaration of Eric Schachter Regarding: (A) Mailing of Settlement Notices for Kapoor Settlement; (B) Updates to Website and Toll-Free Telephone Hotline; and (C) Report on Claims Received to Date
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EXHIBIT 1

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**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

Richard Di Donato, Individually and On
Behalf of All Others Similarly Situated,

Plaintiff,

v.

Insys Therapeutics, Inc.; Michael L. Babich;
Darryl S. Baker; and John N. Kapoor,

Defendants.

No. 16-cv-00302-NVW

CLASS ACTION

**SUPPLEMENTAL
DECLARATION OF ERIC
SCHACHTER REGARDING:
(A) MAILING OF SETTLEMENT
NOTICES FOR KAPOOR
SETTLEMENT; (B) UPDATES TO
WEBSITE AND TOLL-FREE
TELEPHONE HELPLINE; AND
(C) REPORT ON CLAIMS
RECEIVED TO DATE**

1 I, Eric Schachter, declare as follows:

2 1. I am a Vice President of A.B. Data, Ltd.’s Class Action Administration
3 Company (“A.B. Data”), whose Corporate Office is located in Milwaukee, Wisconsin. I
4 am over 21 years of age, and I am not a party to the above-captioned litigation
5 (“Action”).¹ I have personal knowledge of the facts set forth herein and, if called as a
6 witness, could and would testify competently thereto.

7 2. I submit this Declaration as a supplement to the previously filed Declaration
8 of Eric Schachter Regarding: (A) Mailing of Settlement Notices for Kapoor Settlement;
9 (B) Updates to Website and Toll-Free Telephone Helpline; (C) Posting of Settlement
10 Notice and Claim Form on Website; and (D) Publication of Summary Settlement Notice,
11 dated September 10, 2020 (Doc. 411-2) (“Initial Mailing Declaration”).

12 **CONTINUED DISSEMINATION OF SETTLEMENT NOTICES**
13 **FOR THE KAPOOR SETTLEMENT**

14 3. Since the execution of the Initial Mailing Declaration, A.B. Data has mailed
15 1,410 additional Settlement Postcard Notices and 7 additional Settlement Notices in
16 response to requests from potential Class Members and Nominees. Accordingly, as of
17 October 7, 2020, A.B. Data has mailed a total of 31,315 Settlement Postcard Notice and
18 4,209 Settlement Notices to potential Class Members and Nominees. In addition, the
19 Settlement Notice for the Kapoor Settlement and Claim Form have been downloaded 218
20 times and 354 times from the website, respectively.

21 4. To date, A.B. Data has also re-mailed 240 Postcard Settlement Notices to
22 persons whose original mailings were returned by the U.S. Postal Service as undeliverable
23 and for whom updated addresses were obtained through a third party vendor.

24 **UPDATES TO WEBSITE AND TOLL-FREE TELEPHONE HELPLINE**

25 5. A.B. Data continues to maintain a toll-free telephone number, (866) 905-
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27 ¹ Unless otherwise defined herein, all capitalized terms shall have the meanings set
28 forth in the Stipulation and Agreement of Settlement Between Lead Plaintiff and
Defendant John N. Kapoor, dated July 1, 2020 (Doc. 371-1).

1 8102, and dedicated website, www.InsysRXSecuritiesLitigation.com, for the Action. On
2 September 11, 2020, A.B. Data posted to the website copies of the papers filed in support
3 of Class Representative's motion for final approval of Settlement with Defendant Kapoor
4 and approval of the Plan of Allocation, and Class Counsel's motion for an award of
5 attorneys' fees. On October 6, 2020, A.B. Data posted to the website the Court's October
6 5, 2020 Order (Doc. 421), along with a notice on the home page of the website, informing
7 Class Members that the October 15, 2020 Settlement Fairness Hearing at 9:30 a.m. will
8 be held telephonically and advising of the telephone access information for participating
9 in the Settlement Fairness Hearing. A. B. Data will continue operating, maintaining and,
10 as appropriate, updating the website and toll-free telephone number until the conclusion
11 of the administration.

12 **REPORT ON CLAIMS RECEIVED TO DATE**

13 6. The Settlement notices and Claim Form informed Class Members that if
14 they wished to be potentially eligible to receive a distribution from the Settlement with
15 Defendant Kapoor they must submit a Claim Form to A.B. Data, with supporting
16 documentation, postmarked (if mailed), or received online, no later than October 10,
17 2020. The Settlement notices and Claim Form also informed Class Members that if they
18 already submitted a Claim Form in connection with the Settlement with Defendant Baker,
19 they did not need to resubmit their Claim Form and their previously submitted Claim
20 Form would also be processed for the Kapoor Settlement.

21 7. As of October 7, 2020, A.B. Data has received approximately 5,278
22 Claims² for the Baker and Kapoor Settlements. Of the Claims received, approximately
23 4,849 Claims were filed electronically and approximately 429 Claims were submitted by
24 mail or via the online Claim portal. Based on our preliminary review, the 5,278 Claims
25 received as of October 7, 2020 represent approximately 24,923,300 shares of Insys
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27 ² This number is preliminary and subject to change, and is not intended to be
28 construed as a final timely Claim count.

1 Therapeutics, Inc. common stock that were damaged as a result of the alleged fraud (*i.e.*,
2 shares which calculate to a Recognized Loss Amount under the Plan of Allocation) and
3 these approximately 24,923,300 shares calculate to approximately \$122,986,462 in losses
4 pursuant to the Plan of Allocation. These numbers are preliminarily and unaudited, as
5 A.B. Data is still analyzing the Claims received through October 7, 2020 and expects
6 additional Claims will be received.

7 8. Over the coming months, A.B. Data will be conducting a thorough review
8 of the Claims received for deficiencies, and providing claimants with an opportunity to
9 correct any such deficiencies. A.B. Data will also conduct thorough quality control and
10 quality assurance processes and perform fraud prevention reviews as part of its normal
11 claims processing procedures in order to ensure the validity and accuracy of the Claims.
12 In connection with Class Counsel's motion for distribution of the Settlement proceeds to
13 be filed after A.B. Data has thoroughly reviewed the Claims received, A.B. Data will
14 provide the Court with the results of this administration, including the total number of
15 Claims received and the total losses represented by those Claims under the Plan of
16 Allocation.

17 I declare under penalty of perjury under the laws of the United States of America
18 that the foregoing is true and correct.

19 Executed this 8th day of October 2020.

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23 _____
24 Eric Schachter
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