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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 DARRYL S.
BAKER AND PLAN OF
ALLOCATION; AND (II) CLASS
COUNSEL'S MOTION FOR
REIMBURSEMENT OF
LITIGATION EXPENSES**

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Exhibit 1	Supplemental Declaration of Eric Schachter Regarding: (A) Mailing of Settlement Notices for Baker 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 BAKER
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 my previously filed
8 declaration, the Declaration of Eric Schachter Regarding: (A) Mailing of Settlement
9 Notices for Baker Settlement; (B) Updates to Website and Toll-Free Telephone Helpline;
10 (C) Posting of Settlement Notice and Claim Form on Website; and (D) Publication of
11 Summary Settlement Notice dated August 19, 2020 (Doc. 407-2) (“Initial Mailing
12 Declaration”).

13 **CONTINUED DISSEMINATION OF SETTLEMENT NOTICES**

14 3. Since the execution of my Initial Mailing Declaration, A.B. Data has mailed
15 1,372 additional Settlement Postcard Notices and 10 additional Settlement Notices in
16 response to requests from potential Class Members and Nominees. Accordingly, as of
17 September 15, 2020, A.B. Data has mailed a total of 31,265 Settlement Postcard Notice
18 and 4,202 Settlement Notices to potential Class Members and Nominees.

19 4. In addition, to date, A.B. Data has re-mailed 189 Postcard Settlement
20 Notices to persons whose original mailings were returned by the U.S. Postal Service as
21 undeliverable and for whom updated addresses were obtained through a third party
22 vendor.

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

24 5. A.B. Data continues to maintain a toll-free telephone number, (866) 905-
25 8102, and dedicated website, www.InsysRXSecuritiesLitigation.com, for the Action. On
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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 Darryl S. Baker dated May 22, 2020 (Doc. 341-1).

1 August 20, 2020, A.B. Data posted to the website copies of the papers filed in support of
2 Class Representative's motion for final approval of Settlement with Defendant Baker and
3 approval of the Plan of Allocation, and Class Counsel's motion for reimbursement of
4 litigation expenses. On September 16, 2020, A.B. Data posted to the website the Court's
5 September 14, 2020 Order (Doc. 413), along with a notice on the home page of the
6 website, informing Class Members that the September 23, 2020 Settlement Fairness
7 Hearing at 1:30 p.m. will be held telephonically and advising of the telephone access
8 information for participating in the Settlement Fairness Hearing. A. B. Data will continue
9 operating, maintaining and, as appropriate, updating the website and toll-free telephone
10 number until the conclusion of the administration.

11 **REPORT ON CLAIMS RECEIVED TO DATE**

12 6. The Settlement notices and Claim Form informed potential Class Members
13 that if they wished to be eligible to receive a distribution from the Settlement they must
14 submit a Claim Form to A.B. Data, with supporting documentation, postmarked (if
15 mailed), or received online, no later than September 12, 2020.

16 7. As of September 15, 2020, A.B. Data has received approximately 1,553
17 Claims.² Of the Claims received, approximately 1,178 Claims were filed electronically
18 and approximately 375 Claims were submitted by mail or via the online Claim portal.
19 Based on our preliminary review, the Claims received represent approximately
20 10,484,418 shares of Insys Therapeutics, Inc. common stock that were damaged as a
21 result of the alleged fraud (*i.e.*, shares which calculate to a Recognized Loss Amount
22 under the Plan of Allocation) and approximately \$53,479,536.90 in losses pursuant to the
23 Plan of Allocation. These numbers are preliminarily and unaudited, as A.B. Data is still
24 analyzing the Claims received through September 15, 2020 and expects additional Claims
25 will be received. The Claims received for the Settlement with Defendant Baker will also
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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 be processed in connection with the settlements reached with defendants John N. Kapoor
2 and Michael L. Babich.

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

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

14 Executed this 16th day of September 2020.

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