

Frontier Communications Corp. Securities Litigation

COURT: United States District Court for the District of Connecticut
CASE NUMBER: 1:17-cv-1617
CLASS PERIOD: 04/25/2016 - 10/31/2017
CASE LEADERS: Katherine M. Sinderson, Jesse L. Jensen
CASE TEAM: Kate Aufses

Notice Regarding Hearing Via Zoom

The Settlement Hearing scheduled for **May 10, 2022 at 12:00 P.M.** will be conducted via Zoom.

The public may join the Settlement Hearing by video conference through the Zoom application at:

<https://www.zoomgov.com/j/1608181980?pwd=UmxCNFU2YIM2UVIhM0NJQU1XbkM4UT09>.

The public may also access the proceedings by telephone at **1-646-828-7666**.

Meeting ID: 1608181980

Meeting Password: 076313

Please note: Persons granted remote access to proceedings are reminded of the general prohibition against photographing, recording, screenshots, streaming, and rebroadcasting in any form, of court proceedings. The Judicial Conference of the United States, which governs the practices of the federal courts, has prohibited it. Violation of these prohibitions may result in sanctions, including removal of court issued media credentials, restricted entry to future hearings, denial of entry to future hearings, or any other sanctions deemed necessary by the court.

Lead Plaintiffs Have Settled the Action for \$15.5 Million

The Court-appointed lead plaintiffs Arkansas Teacher Retirement System and Carlos Lagomarsino (collectively, "Lead Plaintiffs"), on behalf of themselves and the Settlement Class (as defined below), have reached a proposed settlement of this Action for \$15,500,000 in cash that, if approved, will resolve all claims in the Action (the "Settlement").

If you are a member of the Settlement Class, you are subject to the Settlement and you may be eligible for a payment from the Settlement, unless you timely and validly request to be excluded. The Settlement Class consists of:

all persons and entities who purchased or otherwise acquired shares of publicly traded common stock and Mandatory Convertible Preferred Stock of Frontier Communications Corporation between April 25, 2016 and October 31, 2017, inclusive (the "Class Period"), and who allegedly damaged thereby.

Excluded from the Settlement Class: (i) Defendants and all Former Defendants; (ii) the Immediate Family Members of any Individual Defendant or any Former Defendant; (iii) any person who was an Officer, director, or partner of Frontier or any Former Defendant during the Class Period and any of their Immediate Family Members; (iv) any parent, subsidiary, or affiliate of Frontier or any Former Defendant; (v) any firm, trust, corporation, or other entity

in which any Defendant, any Former Defendant, or any other excluded person or entity has, or had during the Class Period, a controlling interest; and (vi) the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded persons or entities. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in the Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Litigation Expenses (the "Notice").

Please read the Notice to fully understand your rights and options. Copies of the Notice and Proof of Claim and Release Form (the "Claim Form") are available on the Case Documents section of this page.

You may also visit the Settlement website maintained by the Claims Administrator, www.frontiercommunicationssecuritieslitigation.com, for more information about the proposed Settlement.

Payments to eligible claimants will be made only if the Court approves the Settlement and a Plan of Allocation, only after any appeals are resolved, and after the completion of all claims processing. Please be patient, as this process will take some time to complete.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:

SUBMIT A CLAIM FORM POSTMARKED (IF MAILED), OR ONLINE, NO LATER THAN JUNE 15, 2022.

This is the only way to be eligible to receive a payment from the Net Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶ 38 of the Notice) that you have against Defendants and the other Defendants' Releasees (defined in ¶ 39 of the Notice), so it is in your interest to submit a Claim Form.

EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN APRIL 19, 2022.

If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that may allow you to ever be part of any other lawsuit against Defendants or Defendants' Releasees concerning the Released Plaintiffs' Claims.

OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN APRIL 19, 2022.

If you do not like the proposed Settlement, the proposed Plan of Allocation, and/or the requested attorneys' fees and Litigation Expenses, you may object by writing to the Court and explaining why you do not like them. You

cannot object unless you are a member of the Settlement Class and do not exclude yourself from the Settlement Class.

GO TO A HEARING ON MAY 10, 2022 AT 12:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN APRIL 19, 2022.

Filing a written objection and notice of intention to appear by **April 19, 2022**, allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. By Order of the Court, the **May 10, 2022** hearing will be conducted by video conference (see ¶¶ 63-64 of the Notice). If you submit a written objection, you may (but you do not have to) participate in the hearing and, at the discretion of the Court, speak to the Court about your objection.

DO NOTHING.

If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

The Litigation

The claims arise from Frontier's acquisition of millions of customers from Verizon in April 2016, for over \$10.5 billion. Prior to the acquisition, Frontier consistently represented that it was ready to complete the acquisition as planned, and repeatedly told investors after the acquisition had closed that integration had been successful. Moreover, Frontier represented that the costs to integrate the newly acquired assets would be approximately \$450 million. Contrary to these statements, Frontier knew prior to the acquisition that numerous gaps remained in its integration preparations, and that the cost to properly integrate the newly acquired customers would be far higher.

When defendants ultimately revealed Frontier's failure to integrate the customers acquired from Verizon – including unpaid bills, lost customers and nearly \$1 billion in integration and capital expenditures related to the acquisition – the price of Frontier securities fell precipitously, wiping out over **\$2 billion** in the value of those investments.

Sections 11 and 12 of the Securities Act hold companies, senior executives and directors, and underwriters liable for false statements contained within offering documents issued in connection with public offerings of securities. Frontier garnered approximately \$2.75 billion through multiple securities offerings during the Class Period, but misrepresented its readiness for the CTF integration in its offering documents. Likewise, Frontier's continuing representations concerning the ongoing "success" of its integration progress during the Class Period gives rise to securities fraud claims under Section 10(b) of the Securities Exchange Act.

On January 18, 2018, Judge Victor A. Bolden of the District Court for the District of Connecticut entered an Order appointing the Arkansas Teacher Retirement System and Carlos Lagomarsino as Lead Plaintiffs and BLB&G as Lead Counsel for the investor class.

Pursuant to the court's scheduling order, Lead Plaintiffs filed an Amended Complaint on April 30, 2018. Defendants' motions to dismiss the Complaint were filed on June 29, 2018. Lead Plaintiffs' filed their opposition to Defendants' motions to dismiss on August 28, 2018, and Defendants' filed their reply to Plaintiffs' opposition on October 12, 2018.

By order dated March 8, 2019, the Court granted Defendants' motions to dismiss in their entirety, but afforded Plaintiffs the opportunity to move for leave to amend the Consolidated Amended Complaint. On May 10, 2019, Plaintiffs filed their motion for leave to amend the complaint and their Proposed Amended Complaint, which addresses the deficiencies that the Court identified in its ruling. Defendants filed their opposition to our motion for leave to amend on July 15, 2019. Plaintiffs filed their reply in further support of motion to amend on August 12, 2019. On September 29, 2020, the Second Circuit Court of Appeals denied our motion to lift the automatic bankruptcy stay as to the one remaining individual defendant, Frontier's former CEO, Defendant McCarthy. As a result, our appeal remains stayed pending the completion of Frontier's bankruptcy proceedings

Case Documents

- Frontier - Proof of Claim and Release Form
- Frontier - Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for an Award of Attorneys' Fees and Litigation Expenses
- May 5, 2022 - Lead Plaintiffs' Memorandum of Law in Opposition to Objector Catherine L. Scott's Motion to Lift Discovery Stay
- May 3, 2022 - Reply Memorandum of Law in Further Support of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- May 3, 2022 - Reply Memorandum of Law in Further Support of Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocat
- May 3, 2022 - Supplemental Declaration of Jack Ewashko Regarding (A) Mailing of the Notice and Claim Form; and (B) Report on Requests for Exclusion R
- May 3, 2022 - [Proposed] Judgment Approving Class Action Settlement
- May 3, 2022 - [Proposed] Order Approving Plan of Allocation of Net Settlement Fund
- May 3, 2022 - [Proposed] Order Awarding Attorneys' Fees and Litigation Expenses

- April 5, 2022 - Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation
- April 5, 2022 - Memorandum of Law in Support of Lead Plaintiffs' Motion for Final Approval of Class Action Settlement and Plan of Allocation
- April 5, 2022 - Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- April 5, 2022 - Memorandum of Law in Support of Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- April 5, 2022 - Declaration of Katherine M. Sinderson in Support of: (A) Lead Plaintiffs' Motion for Final Approval of Settlement and Plan of Allocation; and (B) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses
- Frontier - January 18, 2022 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- Frontier - December 23, 2021 - Stipulation and Agreement of Settlement
- May 10, 2019 - Plaintiffs' Memorandum of Law in Support of the Motion for Leave to Amend the Consolidated Class Action Complaint
- May 10, 2019 - [Proposed] Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws
- April 30, 2018 - Consolidated Class Action Complaint for Violations of the Federal Securities Laws
- January 18, 2018 - Ruling and Order on Motions to Consolidate, Appoint Lead Plaintiff, and Approve Lead Counsel