

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

In re ITC HOLDINGS CORPORATION  
SHAREHOLDER LITIGATION

---

Lead Case No. 2016-151852-CB

Hon. James M. Alexander

This Document Relates To:

ALL ACTIONS.

---

CORRECTED ORDER PRELIMINARILY  
APPROVING SETTLEMENT AND  
PROVIDING FOR NOTICE AND  
SETTLEMENT HEARING

**ATTORNEYS FOR PLAINTIFFS**

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

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

---

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

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

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

IT IS HEREBY ORDERED this 1 day of June, 2017, that:

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

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

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

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

6. A hearing (the “Settlement Hearing”) shall be held on September 25, 2017, at 8:30 a.m., before the Oakland County, Michigan Circuit Court, located at 1200 North Telegraph Road, Pontiac, Michigan 48341, to:

(a) determine whether the Settlement should be approved by the Court as fair, reasonable and adequate;

(b) determine if the Judgment should be entered pursuant to the Stipulation;

(c) determine whether the Plan of Allocation set forth in the Notice should be approved as fair, reasonable and adequate;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18. Any Settlement Class Member who objects to the Settlement, the Final Judgment to be entered in the Litigation, the Plan of Allocation and/or Lead Counsel's application for attorneys' fees and expenses, or who otherwise wishes to be heard or seek to intervene, may appear in person or by such member's attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown, no person shall be heard and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless not later than August 15, 2017, such person files with the Court and serves upon counsel listed below by First-Class U.S. mail: (i) a written notice of intention to appear; (ii) a statement of such person's objections to any matters before the Court; (iii) documentary proof of the number of shares of ITC common stock held by the objecting person between and including February 9, 2016 and October 14, 2016; and (iv) the grounds for such objections and the reasons that such person desires to appear and be heard as well as all documents or writings such person desires the Court to consider. Such filings shall be served upon the following counsel by First-Class U.S. mail on or before the date of filing with the Court:

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

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

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

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

20. Any potential member of the Settlement Class may exclude themselves from the Settlement Class by submitting a written request for exclusion (the "Request for Exclusion") by First-Class U.S. Mail postmarked no later than August 15, 2017, to the address designated in the Notice. A Request for Exclusion must include: (i) the name and mailing address of the person or entity seeking exclusion from the Settlement Class; (ii) a statement attesting to the fact that such person or entity is a member of the Settlement Class; and (iii) a statement that the person or entity wishes to be excluded from the Settlement Class. All individuals or entities who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall not be bound by the Settlement or any judgment entered thereon.

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

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

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

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

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

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

DATED: 6/1/2017

/s/James M. Alexander  
\_\_\_\_\_  
THE HONORABLE JAMES M. ALEXANDER  
AM

Approved as to form:

DATED: June 1, 2017

THE MILLER LAW FIRM, P.C.  
MARC L. NEWMAN (P51393)  
M. RYAN JARNAGIN (P76838)  
RICHARD L. BRAUN (P26408)

/s/ Marc L. Newman  
MARC L. NEWMAN

950 W. University Drive, Suite 300  
Rochester, MI 48307  
Telephone: 248/841-2200  
248/652-2852 (fax)

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

Attorneys for Plaintiff

JONES DAY  
LOUIS P. GABEL (P80365)

/s/ Louis P. Gabel (w/consent)  
LOUIS P. GABEL

150 W. Jefferson, Suite 2100  
Detroit, MI 48226-4438  
(313) 230-7955

JONES DAY  
ERIC LANDAU (appearing pro hac vice)  
TRAVIS BIFFAR (appearing pro hac vice)  
3161 Michelson Drive, Suite 800  
Irvine, CA 92612  
(949) 851-3939

Attorneys for Defendants Albert Ernst,  
Christopher H. Franklin, Edward G. Jepsen,  
Dave R. Lopez, Hazel R. O'Leary, Thomas G.  
Stephens, G. Bennett Stewart III, and Lee C.  
Stewart

DYKEMA GOSSETT PLLC  
LORI MCALLISTER (P39501)  
ANDREW KOLOZSVARY (P68885)

*Lori McAllister (w/consent)*

---

LORI MCALLISTER

201 Townsend Street, Suite 900  
Lansing, MI 48933  
(517) 374-9150

SIMPSON THACHER & BARTLETT LLP  
PETER E. KAZANOFF (admitted pro hac vice)  
CRAIG S. WALDMAN (admitted pro hac vice)  
425 Lexington Avenue  
New York, NY 10017  
(212) 455-2000

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