

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

STIPULATION OF SETTLEMENT

This Stipulation of Settlement, dated June 21, 2019 (the “Stipulation”), is made and entered into by and among the following Settling Parties to the above-captioned litigation (the “Litigation”): (i) the Court-appointed Lead Plaintiff Jesse Campbell, (“Lead Plaintiff” or “Plaintiff”), by and through his counsel of record in the Litigation; and (ii) Transgenomic, Inc., its post-merger entity Precipio, Inc. (“New Precipio”) (collectively with Transgenomic, Inc., “Transgenomic” or the “Company”), and Transgenomic’s former President, Chief Executive Officer, Interim Chief Financial Officer and Secretary, and Director Paul Kinnon (“Kinnon”) (collectively with Transgenomic, the “Defendants”), by and through their counsel of record in the Litigation. The Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge, relinquish, release, waive, dismiss with prejudice, and settle the Released Claims (defined below), upon and subject to the terms and conditions hereof and subject to the approval of the United States District Court for the District of Nebraska (the “Court”).

THE LITIGATION

This is an action on behalf of a putative class of all Persons who purchased, sold, or held Transgenomic common stock during the period from and including April 12, 2017, the record date for Transgenomic’s special stockholder meeting regarding the merger between Transgenomic and Precipio Diagnostics, LLC (“Precipio”) and certain of its subsidiaries (the “Merger”), through and including June 30, 2017, the date the Merger closed. On October 12, 2016, Transgenomic issued a press release announcing execution of the Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which a wholly-owned subsidiary of Transgenomic would merge with and into Precipio, with Precipio as the surviving entity and, following the Merger, Transgenomic would change its name to Precipio Inc. On February 3, 2017, Transgenomic filed with the SEC a Preliminary Proxy Statement on Schedule 14A. On May 12, 2017, Transgenomic filed with the

SEC the Definitive Proxy Statement on Schedule 14A (the “Proxy”). Transgenomic also issued additional supplemental disclosures to the Proxy dated May 25, 2017 to try to moot the litigation (the “Supplemental Disclosures”).

On February 17, 2017, Plaintiff filed his initial complaint in this matter (the “Initial Complaint”). The Initial Complaint alleged claims for violations of §§14(a) and 20(a) of the Securities Exchange Act of 1934 (the “1934 Act”) and SEC Rule 14a-9 promulgated thereunder. In addition to the Defendants identified herein, the Initial Complaint named as defendants Robert M. Patzig, Mya Thomae, Michael A. Luther, and Doit L. Koppler, II—the remaining members of Transgenomic’s board of directors.

On March 27, 2017, Plaintiff sent Defendants a request for discovery. On April 27, 2017, Plaintiff and Defendants entered into a discovery agreement where defendants would produce non-public documents related to the Merger. On May 10, 2017, Plaintiff and Defendants entered into a confidentiality agreement to govern discovery. On May 12, 2017, Defendants produced the documents to Plaintiff pursuant to the discovery agreement.

On May 15, 2017, the Court filed an Order to Show Cause. After negotiation, on May 30, 2017, the then-existing parties agreed to a stipulation requiring that, *inter alia*, the time for Defendants to answer or otherwise respond to the Complaint is extended to thirty (30) days after the Court files an order appointing a lead plaintiff and approving lead plaintiff’s selection of lead counsel and lead plaintiff’s filing of an amended complaint, if any, which stipulation the Court signed on May 31, 2017.

On May 25, 2017, Plaintiff’s counsel issued a notice to investors informing them of the right to seek appointment as lead plaintiff by July 24, 2017. On July 24, 2017, Plaintiff filed a motion seeking appointment as lead plaintiff pursuant to the Private Securities Litigation Reform

Act of 1995 (“PSLRA”), 15 U.S.C. §§78u-4(a)(3)(B), and seeking approval of his selection of Monteverde & Associates PC as Lead Counsel and Kinsey Rowe Becker & Kistler, LLP as Liaison Counsel. On August 9, 2017, the Court granted Plaintiff’s motion, appointed Plaintiff as Lead Plaintiff, and approved his selection of Counsel.

On August 25, 2017, Lead Plaintiff filed an Amended Complaint for Violations of §§14(a) and 20(a) of the Securities Exchange Act of 1934 (the “Amended Complaint”). The Amended Complaint dropped Robert M. Patzig, Mya Thomae, Michael A. Luther, and Doit L. Koppler, II as defendants. As noted, however, the Amended Complaint continued to allege claims on behalf of Transgenomic stockholders for violations of §§14(a) and 20(a) of the 1934 Act and SEC Rule 14a-9 promulgated thereunder.

After another motion for extension, Defendants filed a Motion to Dismiss on October 10, 2017 (the “Motion to Dismiss”). In the Motion to Dismiss, Defendants argued that under Fed. R. Civ. P. 12(b)(6), the Amended Complaint failed to state a claim upon which relief could be granted and should be dismissed with prejudice. On November 10, 2017, Lead Plaintiff filed a Memorandum of Law in Opposition to Defendants’ Motion to Dismiss the Amended Complaint. On November 22, 2017, Defendants filed a Reply Memorandum of Law in Support of Defendants’ Motion to Dismiss the Amended Complaint.

On May 3, 2018, this Court granted Defendants’ Motion to Dismiss, denied Lead Plaintiff’s request for leave to amend, and entered a judgment dismissing the Action.

On May 31, 2018, Lead Plaintiff filed a Notice of Appeal in this Court. On June 4, 2018, the case was docketed with the Eighth Circuit Court of Appeals and a briefing schedule was set. On July 16, 2018, Lead Plaintiff filed his opening appellate brief with the Eighth Circuit. On August 24, 2018, Defendants filed their opposition brief. On September 7, 2018, Lead Plaintiff

filed his reply brief. Oral argument was held before Judges Duane Benton, C. Arlen Beam, and Ralph R. Erickson on November 15, 2018 and the case was submitted.

On March 1, 2019, the Eighth Circuit issued an opinion reversing the decision of this Court to dismiss Lead Plaintiff's Complaint and remanding the case to this Court for further proceedings. On March 26, 2019, the Eight Circuit issued a formal mandate. On April 9, 2019, Defendants filed an answer. On April 10, 2019, the Court entered a scheduling order setting a Rule 26 meeting report deadline for May 10, 2019, which was subsequently extended to May 24, 2019.

The parties have engaged in arm's length negotiations for several weeks after Defendants answered the complaint. As a result, on May 10, 2019, the Parties reached an agreement in principle to settle the Action. On May 22, 2019, Lead Plaintiff filed a Notice of Settlement with the Court stating that "the parties have reached a settlement in principle in the Action."

DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

This Stipulation constitutes a compromise of matters that are in dispute between the parties. Each of the Defendants have denied and continue to deny any wrongdoing by 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 expressly deny that Lead Plaintiff has asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever and maintain that their conduct was at all times proper and in compliance with all applicable provisions of law. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Litigation.

This Stipulation shall in no event be construed or deemed to be evidence of an admission or concession on the part of any Defendant, or any Released Persons (defined below), with respect to any claim or of any fault, liability, wrongdoing, negligence, omission, or damage whatsoever,

or any infirmity in the defenses that Defendants have asserted. Defendants' decision to settle the Litigation is based on the conclusion that further conduct of the Litigation could be protracted and expensive, that it is desirable that the Litigation be fully and finally settled and that it would be beneficial to avoid the uncertainty and risks inherent in any litigation.

CLAIMS OF LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

Lead Plaintiff and Lead Counsel believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports those claims. Lead Plaintiff and Lead Counsel, however, recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial, potential post-trial proceedings sought by Defendants, and any additional appeals. Lead Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, as well as the difficulties and delays inherent in any litigation. Lead Plaintiff and Lead Counsel also are mindful of the inherent problems of proof and possible defenses to the violations asserted in the Litigation. Lead Plaintiff and Lead Counsel believe that the Settlement set forth in this Stipulation confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiff and Lead Counsel have determined that the Settlement set forth in this Stipulation is in the best interests of the Class, and that the Settlement provided for herein is fair, reasonable and adequate.

TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Lead Plaintiff (for himself and on behalf of the Class Members (as defined below)) and the Defendants, by and through their respective counsel of record, that, subject to the approval of the Court, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure and the PSLRA, the Litigation and the Released Claims shall be finally, fully and forever resolved, discharged,

relinquished, released, waived, settled, and dismissed with prejudice, upon and subject to the terms and conditions of the Stipulation, as follows:

1. Definitions

As used in the Stipulation the following terms have the meanings specified below:

1.1 “Authorized Claimant” means any Class Member whose claim for recovery has been allowed pursuant to the terms of the Plan of Allocation ultimately approved by the Court.

1.2 “Claim Form” or “Proof of Claim Form” or “Proof of Claim and Release” means the form, substantially in the form attached hereto as Exhibit A-2.

1.3 “Claimant” means a person or entity who or which submits a Claim Form to the Claims Administrator.

1.4 “Claims Administrator” means the firm of _____.

1.5 “Class” means: all Persons who purchased, sold or held Transgenomic common stock during the period from and including April 12, 2017, the record date for Transgenomic’s special stockholder meeting regarding the Merger, through and including June 30, 2017, the date the Merger closed. Excluded from the Class are (i) Defendants; (ii) members of the immediate families of each Defendant; (iii) Transgenomic’s subsidiaries and affiliates; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal representatives, heirs, successors, administrators, executors, and assigns of each Defendant. Also excluded from the Class are those Persons who properly exclude themselves by timely and validly requesting exclusion from the Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action to be sent to Class Members pursuant to the Preliminary Approval Order.

1.6 “Class Member” or “Member of the Class” means any Person who falls within the definition of the Class as set forth in ¶1.5 of the Stipulation.

1.7 “Corporate Defendant” means Transgenomic.

1.8 “Court” means the United States District Court for the District of Nebraska.

1.9 “Defendants” means Transgenomic, New Precipio, and Kinnon.

1.10 “Defendants’ Counsel” means the undersigned counsel for Defendants.

1.11 “Defendants’ Insurance Claims” means any or all of Defendants’ claims and rights existing at any point in time, whether known or unknown, to seek insurance coverage or any other relief or finding of liability from any insurer in connection with or related to this Settlement or the subject matter of the Litigation.

1.12 “Effective Date” means the first date by which all of the events and conditions specified in ¶7.1 of the Stipulation have been met and have occurred.

1.13 “Escrow Account” means the account described in ¶2.1 through ¶2.4 hereof.

1.14 “Escrow Agent” means Monteverde & Associates PC or its successor(s).

1.15 “Final” means when the last of the following with respect to the Order and Final Judgment, substantially in the form of Exhibit D 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 from the Order and Final Judgment 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 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. 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 of the Settlement Fund. 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.

1.16 "Final Approval Hearing" means the hearing to determine whether the proposed Settlement embodied by this Stipulation is fair, reasonable, and adequate to the Class, and whether the Court should: (1) enter the Order and Final Judgment approving the proposed Settlement; (2) approve the Plan of Allocation of settlement proceeds; and (3) assess Lead Counsel's petition for attorneys' fees and expenses to Lead Plaintiff's Counsel and Lead Plaintiff's request for payment of time and expenses.

1.17 "Kinnon" means Transgenomic's former President, Chief Executive Officer, Interim Chief Financial Officer, Secretary, and Director Paul Kinnon.

1.18 "Lead Counsel" means Monteverde & Associates PC.

1.19 "Lead Plaintiff" means Jesse Campbell.

1.20 "Liaison Counsel" means Kinsey Rowe Becker & Kistler, LLP or its successor(s).

1.21 "Litigation" means the above-captioned action, *Campbell v. Transgenomic, Inc., et al.*, Civil No. 4:17-cv-03021 in the United States District Court for the District of Nebraska.

1.22 "Merger" means the merger involving Transgenomic and Precipio that was consummated on June 30, 2017.

1.23 "Notice" means the Notice of Pendency and Proposed Settlement of Class Action defined in ¶3.1 hereof.

1.24 “Notice and Administration Costs” means the costs defined in ¶2.8 hereof.

1.25 “Order and Final Judgment” means the judgment to be rendered by the Court, in the form attached hereto as Exhibit D.

1.26 “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.

1.27 “Plaintiff’s Counsel” means any counsel who have appeared for Lead Plaintiff in the Litigation, specifically: Monteverde & Associates PC and Kinsey Rowe Becker & Kistler, LLP; or their successors. No other law firm is included within the definition of Plaintiff’s Counsel.

1.28 “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, costs, 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, as well as Exhibit A-2 hereto, is not part of the Stipulation, and Defendants and their Related Parties shall have no responsibility or liability with respect thereto.

1.29 “Preliminary Approval Order” means the order described in ¶3.1 hereof, substantially in the form attached hereto as Exhibit C.

1.30 “Related Parties” means, with respect to each Defendant, any and all of their

related parties, including, without limitation, any and all of their past or present parents (direct or indirect), subsidiaries (direct or indirect), affiliates, predecessors, or successors, as well as any and all of its or their current or former officers, directors, employees, associates, members of their immediate families, agents or other persons acting on their behalf, investment banks, including, but not limited to, Craig-Hallum Capital Group LLC, attorneys, advisors, financial advisors, publicists, independent certified public accountants, auditors, accountants, assigns, creditors, administrators, heirs, estates, or legal representatives. “Related Parties” also means any insurers of Defendants, but solely in the context of, and in respect to, any Released Claims that could be asserted directly against such insurers by Lead Plaintiff, or each and all of the Class Members or anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns.

1.31 “Released Claims” means any and all claims that have been asserted, could have been asserted, or could be asserted in the future in this Litigation; and any and all claims, actions, potential actions, demands, losses, rights, causes of action, controversies, costs, damages, liabilities, obligations, judgments, suits, matters and issues of any nature for any remedy, known or unknown, suspected or unsuspected, accrued or unaccrued, whether class, individual, or otherwise, arising under the laws, regulations, or common law of the United States of America, any state or political subdivision thereof, or any foreign country or jurisdiction, in law, in contract, or in equity, and regardless of legal theory, and including claims for indemnification, contribution, or otherwise denominated, that have been asserted, could have been asserted, or could be asserted in the future, by Lead Plaintiff or any Class Member, whether class or individual in nature, in his, her or its capacity as a purchaser, seller or holder of Transgenomic stock, that

have arisen from, could have arisen, or relate in any manner to, in whole or in part, the allegations, conduct, facts, events, transactions, acts, occurrences, statements, representations, omissions or any other matter related to, or arising out of, the Merger, the Proxy and the Supplemental Disclosures thereto, the projections and investor presentations referenced in the Amended Complaint, or to the purchase, sale, or holding of Transgenomic's common stock in the period from and including April 12, 2017 through and including June 30, 2017, or set forth, referred to, or alleged in the Litigation. Released Claims includes Unknown Claims as defined in ¶1.42 hereof. Notwithstanding any other provision to the contrary herein, Released Claims shall not include Defendants' Insurance Claims. 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.

1.32 "Released Persons" means each and all of the Defendants and each and all of their Related Parties.

1.33 "Settled Defendants' Released Claims" means any and all claims, actions, potential actions, demands, losses, rights, causes of action, controversies, costs, damages, liabilities, obligations, judgments, suits, matters and issues of any nature for any remedy, known or unknown, suspected or unsuspected, accrued or unaccrued, whether class, individual, or otherwise, arising under the laws, regulations, or common law of the United States of America, any state or political subdivision thereof, or any foreign country or jurisdiction, in law, in contract, or in equity, and regardless of legal theory, and including claims for indemnification, contribution, or otherwise denominated, that have been asserted, could have been asserted, or could be asserted in the future by the Released Persons or any of them against Lead Plaintiff, Class Members, or Plaintiff's Counsel, that arise out of or relate in any way to the institution,

prosecution, or settlement of the claims against the Released Persons, except for claims related to the enforcement of the Settlement. In all events, Lead Plaintiff, Plaintiff's Counsel, and all Class Members shall have no liability or responsibility for Defendants' Insurance Claims.

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

1.35 "Settlement Amount" means the principal amount of One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000.00), to be paid by the Company pursuant to ¶2.1 and ¶2.2 of this Stipulation. Neither Defendants nor their Related Parties shall have any obligation whatsoever to pay any amount over and above the principal amount of One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000.00). Such amount is to be paid as consideration for full and complete settlement of all the Released Claims.

1.36 "Settlement Fund" means the Settlement Amount plus all interest and accretions thereto after being transferred 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.

1.37 "Settling Parties" means, collectively, each of the Defendants and Lead Plaintiff on behalf of himself and each of the Class Members.

1.38 "Stipulation" means this Stipulation of Settlement, including the recitals and Exhibits thereto.

1.39 "Taxes" means all taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund as described in ¶2.9.

1.40 "Tax Expenses" means expenses and costs incurred in connection with the calculation and payment of taxes or the preparation of tax returns and related documents, including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs relating to filing (or failing to file) the returns described in ¶2.9.

1.41 “Transgenomic” or the “Company” means Transgenomic, Inc. and its post-merger entity, Precipio, Inc. (“New Precipio”).

1.42 “Unknown Claims” means (i) any of the Released Claims which Lead Plaintiff or any Class Member, or any of their agents or attorneys, does not know or suspect to exist in such Person’s favor at the time of the release of the Released Claims, and (ii) any of the Settled Defendants’ Released Claims that the Released Persons do not know or suspect to exist in his, her or its favor at the time of the release of the Settled Defendants’ Released Claims, which, in the case of both (i) and (ii), if known by such Person, might have affected such Person’s decision with respect to this Settlement, including, without limitation, such Person’s decision not to object to this Settlement or not to exclude himself, herself or itself from the Class. Unknown Claims include those Released 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 Claims and the Settled Defendants’ Released Claims, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released 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, the provisions, rights, and benefits of 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.

Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Order and Final 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. Lead Plaintiff, Class Members and the Released Persons may hereafter discover facts in addition to or different from those which such party now knows or believes to be true with respect to the subject matter of the Released Claims and the Settled Defendants' Released Claims, but Lead Plaintiff and Defendants shall expressly, and each Class Member and Released Persons, upon the Effective Date, shall be deemed to have, and by operation of the Order and Final Judgment shall have fully, finally, and forever settled and released any and all Released Claims, or the Settled Defendants' Released Claims, as the case may be, 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 that is negligent, reckless, 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, whether or not previously or currently asserted in any action. Lead Plaintiff and Defendants acknowledge, and the Class Members and Released Persons shall be deemed by operation of the Order and Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

2. The Settlement

a. The Settlement Fund

2.1 In consideration of the terms of this Stipulation, Transgenomic shall pay or cause to be paid the Settlement Amount into the Escrow Account, no later than twenty (20) business days after the later of: (i) entry of the Preliminary Approval Order, as defined in ¶3.1 herein; and (ii) the provision to counsel for Defendants of payment instructions and a W-9 form providing the tax identification number for the Escrow Agent. The Escrow Agent shall deposit the Settlement Amount, plus any accrued interest, in a segregated escrow account maintained by the

Escrow Agent.

2.2 The deposit of the Settlement Amount is the only payment to be made by or on behalf of Defendants in connection with this Settlement. Kinnon does not have and should not be suggested to have any payment liability. As set forth below, 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 and costs of providing notice of the Settlement to the Class Members, any award of attorneys' fees and expenses of Plaintiff's Counsel, and any award to Lead Plaintiff made by the Court pursuant to the PSLRA for reasonable time and expenses, shall be paid from the Settlement Fund, and in no event shall Defendants or their Related Parties bear any responsibility for any such fees, costs or expenses.

2.3 The payment of the Settlement Amount shall be made by Transgenomic only. Transgenomic's obligation to pay the Settlement Amount shall not be conditional upon any payment from or on behalf of any of Transgenomic's insurers.

b. The Escrow Agent

2.4 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 neither Defendants nor their Related Parties shall have any responsibility for, interest in, or liability whatsoever with respect to the funds held in the Escrow Account, including with respect to investment decisions, distribution of the Settlement Fund, or the actions of the Escrow Agent, or any transactions

executed by the Escrow Agent.

2.5 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 counsel for Defendants.

2.6 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 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.

2.7 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.

2.8 The Escrow Agent may pay from the Settlement Fund the costs and expenses reasonably and actually incurred in connection with providing notice to Members of the Class, mailing the Notice and Proof of Claim and Release and publishing notice (such amount shall include, without limitation, the actual costs of publication, printing and mailing the Notice, and reimbursement to nominee owners for forwarding notice to their beneficial owners), soliciting Class claims, assisting with the filing of claims, administering and distributing the Net Settlement Fund to Authorized Claimants, processing Proofs of Claim and Releases, and paying escrow fees and costs, if any, and the administrative expenses incurred and fees charged by the Claims Administrator in connection with providing notice and processing the submitted claims (“Notice and Administration Costs”) up to the sum of \$150,000.00. In the event that the Settlement does

not become final, any money paid or incurred for the above purposes, including any related fees, shall not be returned or repaid to Transgenomic or its insurers. Prior to the Effective Date, all Notice and Administration Costs in excess of \$150,000 shall be paid from the Settlement Fund subject to prior approval of the Court. After the Effective Date, all such Notice and Administration Costs may be paid as incurred, without approval of Defendants or further order of the Court.

c. Taxes

2.9 (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. 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 for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

(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 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 as

defined in ¶1.39 hereof (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 ¶2.9(c) hereof.

(c) 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 Defendants or their Related Parties 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) Tax Expenses, and costs incurred in connection with the operation and implementation of this ¶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 this ¶2.9), shall be paid out of the Settlement Fund. In no event shall Defendants or their Related Parties 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 withhold from distribution to Authorized Claimants any funds necessary to pay such amount, including 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)); neither Defendants nor their Related Parties are responsible therefor nor shall they have any liability with respect thereto and shall have no responsibility or liability for the acts or omissions of Lead Counsel or their agents with respect to the payment of Taxes, as described herein. 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 this ¶2.9.

(d) Neither Defendants nor their Related Parties are responsible for Taxes, Tax Expenses, or Notice and Administration Costs, nor shall they be liable for any claims with respect thereto.

d. Termination of Settlement

2.10 In the event that the Stipulation is not approved, or is terminated pursuant to ¶7.3 or ¶7.4, or is canceled, or fails to become effective for any reason, including, without limitation, in the event the Order and Final Judgment is reversed or vacated following any appeal taken therefrom, or is successfully collaterally attacked, the Settlement Fund (including accrued interest and income), less Notice and Administration Costs actually paid, incurred, or due and owing pursuant to ¶2.8, Taxes or Tax Expenses paid in connection with the Settlement provided for herein, incurred or due and owing, shall be refunded in accordance with the instructions to be provided by counsel for Defendants no later than ten (10) business days from the termination event or as otherwise agreed upon in writing by counsel for Defendants. At the request of Defendants' counsel, the Escrow Agent or its designees shall apply for any tax refund owed on the amounts in the Escrow Account or pay the proceeds, after any deduction of any fees or expenses incurred in connection with such application(s), of such refund to the Person(s) that made the deposits or as otherwise directed.

3. Preliminary Approval Order and Final Approval Hearing

3.1 Promptly after execution of the Stipulation, Lead Plaintiff shall submit the Stipulation together with its Exhibits to the Court and Lead Counsel shall apply for entry of an order, substantially in the form and content of Exhibit C attached hereto (the "Preliminary

Approval Order”), requesting, inter alia, the preliminary approval of the Settlement set forth in the Stipulation, approval for the mailing of the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”) and the Proof of Claim and Release, substantially in the forms of Exhibits A-1 and A-2 attached hereto, and approval of the publication of a Summary Notice, substantially in the form of Exhibit B attached hereto, or such other substantially similar form agreed to by the Settling Parties.

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.

4. Preliminary Approval Order and Final Approval Hearing

4.1 Upon the Effective Date, as defined in ¶1.12 hereof, Lead Plaintiff, and each and all of the Class Members and anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns, shall be deemed to have, and by operation of the Order and Final Judgment shall have, fully, finally, and forever resolved, discharged, relinquished, released, waived, settled, and dismissed with prejudice any and all Released Claims (including, without limitation, Unknown Claims), as well as any and all claims arising out of, relating to, or in connection with, the defense, settlement, or resolution of the Litigation or the Released Claims, against each and all of the Released Persons, regardless of whether a Class Member executes and delivers a Proof of Claim and Release, except that claims relating to the enforcement of the Settlement shall not be released.

4.2 Upon the Effective Date, as defined in ¶1.12 hereof, without further action by anyone, Lead Plaintiff, each and all of the Class Members, and anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns, are and shall be forever barred and enjoined from commencing, instituting, asserting, maintaining, enforcing, aiding, 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 and all of the Released Claims (including, without limitation, Unknown Claims), as well as any and all claims arising out of, relating to, or in connection with, the defense, settlement or resolution of the Litigation or the Released Claims, against each and all of the Released Persons, regardless of whether such Class Member executes and delivers a Proof of Claim and Release, except that claims relating to the enforcement of the Settlement shall not be released.

4.3 Upon the Effective Date, Lead Plaintiff and each and every Class Member, for themselves and for any Person claiming now or in the future through or on behalf of them, shall covenant or be deemed to have covenanted not to sue any Released Persons with respect to any and all Released Claims, except to enforce the terms and conditions contained in this Stipulation or the Order and Final Judgment.

4.4 The Proof of Claim and Release to be executed by Class Members shall release any and all Released Claims against each and all of the Released Persons and shall be substantially in the form contained in Exhibit A-2 attached hereto.

4.5 Upon the Effective Date, as defined in ¶1.12 hereof, without further action by anyone, each and all of the Released 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 Lead Plaintiff, each and all of the Class Members, and Plaintiff's Counsel from all Settled Defendants' Released Claims, and shall forever be enjoined from prosecuting such claims, except for claims relating to the enforcement of the Settlement.

4.6 In accordance with the PSLRA as codified at 15 U.S.C. §78u-4(f)(7)(A), (a) all obligations to any Class Member of any Released Person arising out of the Litigation are discharged, and (b) any and all claims for contribution arising out of the Litigation or any of the Released Claims (i) by any person or entity against any of the Released Persons, and (ii) by any of the Released Persons against any person or entity, other than as set out in 15 U.S.C. §78u-4(f)(7)(A)(ii), are hereby permanently barred, extinguished, discharged, satisfied and unenforceable.

4.7 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 (defined below) to Authorized Claimants. Except for the Company's obligation to pay or cause payment of the Settlement Amount as set forth herein, Defendants and their Related Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the 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.

5.2 The Settlement Fund shall be applied as follows:

(a) to pay all Notice and Administration Costs;

(b) to pay the Taxes and Tax Expenses;

(c) to pay Plaintiff's Counsel's attorneys' fees and expenses with interest thereon (the "Fee and Expense Award"), if and to the extent awarded by the Court, and 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, 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 Proofs of Claim and Releases must be submitted by the date specified in the Notice unless such period is extended by Court order. Any Class Member who fails to submit a Proof of Claim and Release by such date, or timely submits a Proof of Claim and Release that is ultimately and finally disallowed or rejected by the Claims Administrator, 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 will be barred from bringing any action against the Released Persons concerning the Released Claims. A Proof of Claim and Release 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 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 shall be submitted to and reviewed by the Claims Administrator, 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 (e) below;

(d) Proofs of Claim and Releases that do not meet the submission requirements may be rejected;

(e) Prior to rejection of a Proof of Claim and Release, the Claims Administrator shall communicate with the Claimant in order to attempt to remedy the curable deficiencies. The Claims Administrator shall notify, in a timely fashion and in writing, all Claimants whose Proofs of Claim and Releases 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 (f) below;

(f) 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 (e) 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;

(g) Each Claimant who submits a Proof of Claim and Release shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's claim, including, but not limited to, all releases provided for herein and in the Order and Final Judgment, and the claim 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 Proofs of Claim and Releases, no discovery shall be allowed on the merits of the Litigation or the Settlement; and

(h) 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 Except for the Company's obligation to pay or cause payment of the Settlement Amount as set forth herein, Defendants and their Related Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the investment or distribution of the 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 Defendants, their Related Parties, or counsel for Defendants with respect to the matters set forth in this Section 5.

5.6 No Person shall have any claim against Lead Plaintiff, the Escrow Agent, Plaintiff's Counsel, Defendants or any Released Persons or their counsel, or any claims administrator based on distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court.

5.7 Defendants shall not have a reversionary interest in the Net Settlement Fund. 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 the Federal Judicial Center Foundation.

5.8 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund, 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.

5.9 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; and (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, charges and costs awarded by the Court shall be payable solely out of the Settlement Fund. In addition, Lead Plaintiff may seek payment from the Settlement Fund pursuant to 15 U.S.C. §78u-4(a)(4) for time and expenses incurred in representing the Class. Lead Counsel reserve the right to make additional applications for fees and expenses incurred, to be paid out of the Settlement Fund.

6.2 The Fee and Expense Award and any time and expense award for Lead Plaintiff, as awarded by the Court, shall be paid to Lead Counsel and Lead Plaintiff 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. Lead Counsel may

thereafter allocate the attorneys' fees among other Plaintiff's Counsel, if any, in a manner which they, in good faith, believe reflects the contributions of Plaintiff's Counsel to the initiation, prosecution, and resolution of the Litigation. Released Persons shall have no responsibility for, or liability whatsoever with respect to, the Fee and Expense Award or its allocation.

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 Plaintiff's Counsel who have received any portion of the Fee and Expense Award shall within ten (10) business days from receiving notice from the 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. Any refunds required pursuant to this ¶6.3 shall be the several obligations of Plaintiff's Counsel receiving fees or expenses to make appropriate refunds or repayments to the Settlement Fund. Each such Plaintiff's Counsel's law firm receiving fees and expenses, as a condition of receiving such fees and expenses, on behalf of itself and each partner and/or shareholder of it, agrees that the law firm and its partners and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the provisions of this paragraph.

6.4 The procedure for and the allowance or disallowance by the Court of the Fee and Expense Application, or Lead Plaintiff's time and 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, and any

determination by the Court regarding the Fee and Expense Application or Lead Plaintiff's expenses shall not impact the finality, validity, and enforceability of the Settlement, this Stipulation, or the releases contained herein. Any order or proceeding relating to the Fee and Expense Application or Lead Plaintiff's expenses 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 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 Stipulation shall be conditioned on the occurrence of all of the following events:

(a) Execution of this Stipulation and such other documents as may be required to obtain final Court approval of the Stipulation in a form satisfactory to the Settling Parties;

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

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

(d) the Defendants have not exercised their option to terminate the Stipulation pursuant to ¶7.4 hereof;

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

(f) the Court has entered the Order and Final Judgment in the form of Exhibit D attached hereto; and

(g) the Order and Final Judgment has become Final, as defined in ¶1.15 hereof.

7.2 This is not a claims-made settlement. As of the Effective Date, no Defendant or other Person shall 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 ¶7.5 hereof unless Lead Counsel and counsel for Defendants mutually agree in writing to proceed with the Settlement.

7.3 The Settling Parties shall have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so (“Termination Notice”) to all other parties hereto within thirty (30) days of:

(a) the Court’s declining to enter a Preliminary Approval Order substantively identical to the Preliminary Approval Order submitted by the parties in any respect that the terminating Party reasonably and in good faith believes is materially adverse to it;

(b) the Court’s refusal to approve this Stipulation or any material part of it that the terminating Party reasonably and in good faith believes is materially adverse to it;

(c) the Court’s declining to enter the Order and Final Judgment, or a substantively identical document in any respect that the terminating Party reasonably and in good faith believes is materially adverse to it;

(d) the Order and Final Judgment being modified or reversed by the Eighth Circuit Court of Appeals or the Supreme Court in any manner that results in a document that is not

substantively identical to the document submitted by the parties that the terminating Party reasonably and in good faith believes is materially adverse to it;

(e) as otherwise set forth in the Settling Parties' Side Agreement, as provided below; or

(f) the Effective Date not otherwise occurring. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation, or Exhibit A-2, or the amount of any attorneys' fees, costs, expenses, and interest awarded by the Court to Lead Counsel, Liaison Counsel, Lead Plaintiff or Plaintiff's Counsel, shall constitute grounds for cancellation or termination of the Settlement.

7.4 Notwithstanding any other provision or paragraph of this Stipulation, Defendants shall have the option (which option is to be exercised by the Company) to terminate the Settlement in the event that a portion of the Class, equal or greater than the portion specified in the separate side agreement between Lead Counsel and Defendants' counsel (the "Side Agreement") delivers timely and valid requests for exclusion from the Class. The Side Agreement, which is being executed concurrently herewith, will not be filed with the Court unless requested by the Court or unless a dispute among the Settling Parties concerning its interpretation or application arises, and in that event, the Settling Parties will use their reasonable best efforts to file the Side Agreement for the Court's in camera review and/or under seal.

7.5 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Settling Parties shall not forfeit or waive any factual or legal defense or contention in the Litigation and shall be restored to their respective positions in the Litigation as of May 10, 2019. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶2.7, 2.10, 6.3, 7.5-7.6,

8.1- 8.4, and 10.4-10.5 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation, or Exhibit A-2, or the amount of any attorneys' fees, costs, expenses, and interest awarded by the Court to Plaintiff's Counsel shall constitute grounds for cancellation or termination of the Stipulation.

7.6 If the Effective Date does not occur, or if the Stipulation is terminated pursuant to its terms, neither Lead Plaintiff nor Plaintiff's Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Settlement Fund for the Notice and Administration Costs of the Settlement pursuant to ¶2.8 hereof. In addition, any expenses already incurred and properly chargeable to the Settlement Fund for the Notice and Administration Costs of the Settlement pursuant to ¶2.8 hereof at the time of such termination or cancellation, but which have not been paid, shall be paid by the Escrow Agent in accordance with the terms of the Stipulation prior to the balance being refunded in accordance with ¶2.10 hereof.

8. No Admission of Wrongdoing

8.1 Defendants' execution of this Stipulation does not constitute an admission by any Defendant or their Related Parties: (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 expressly deny that Lead Plaintiff have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, damages, wrongdoing and liability and maintain that their conduct at all times was legal and proper.

8.2 Lead Plaintiff's execution of this Stipulation does not constitute an admission 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.

8.3 Neither the Stipulation nor the Settlement, whether or not they are consummated, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement:

(a) shall be offered against any of the Defendants or Released Persons as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Persons with respect to the truth of any fact alleged by Lead Plaintiff, the validity of any claim that was or could have been asserted, or the deficiency of any defense that has been or could have been asserted in this Litigation or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Released Persons or in any way referred to for any other reason as against any of the Released Persons, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(b) shall be offered against Lead Plaintiff, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by Lead Plaintiff that any of their claims are without merit, that any of the Released Persons had meritorious defenses, or that damages recoverable in this Litigation would not have exceeded the Settlement Amount or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against Lead Plaintiff, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; or

(c) shall be construed against any of the Released Persons or Lead Plaintiff 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.

8.4 Any Settling Party may file this Stipulation and/or the Order and Final Judgment in any action that may be brought to enforce the terms of the Stipulation or the Order and Final Judgment and specifically such documents may be filed by Defendants or their Related Parties in any subsequent insurance coverage litigation.

9. Stipulation to Certification of the Class for Settlement Purposes Only

9.1 The Settling Parties agree that certification of the Class, for settlement purposes only, is appropriate in the Litigation. For purposes of this Settlement only, the Class comprises all Members of the Class, as defined in ¶1.5 above. Nothing in this Stipulation shall serve in any fashion, either directly or indirectly, as evidence or support for certification of a class other than for settlement purposes, and the Settling Parties intend that the provisions herein concerning certification of the Class shall have no effect whatsoever in the event the Settlement does not become Final, as defined in ¶1.15 above.

9.2 The Settling Parties therefore stipulate to: (i) certification, for settlement purposes only, of the Class (as defined above), pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure; (ii) appointment of Lead Plaintiff as the class representative; and (iii) appointment of Lead Counsel as class counsel. Certification of the Class shall be binding only with respect to the Settlement of the Litigation and only if the Order and Final Judgment contemplated by this Stipulation becomes Final and the Effective Date occurs.

10. Miscellaneous Provisions

10.1 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, including in seeking Court approval of the Preliminary Approval Order, and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation expeditiously and to obtain final approval by the Court of the Settlement. Transgenomic agrees to cooperate to the extent reasonably necessary to obtain the formal lists of stockholders entitled to vote on the Merger, i.e., those stockholders who were holders of record of Transgenomic common stock at the close of business on April 12, 2017.

10.2 This Stipulation, the Exhibits attached hereto, and the Side 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, its Exhibits, or the Side Agreement other than the representations, warranties, and covenants contained and memorialized in such documents.

10.3 Except as otherwise provided for herein, each party shall bear his, her or its own costs.

10.4 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 in the Litigation and that could have been asserted in the Litigation 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. 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. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Settling Parties and their counsel shall use their best efforts to keep all settlement negotiations, settlement discussions and draft documents confidential; provided, however, that this paragraph (i) shall not prevent the Settling Parties from making disclosures to their insurers, auditors, attorneys, officers, directors or associates, or disclosures to others as may be required by law, and (ii) shall not limit the materials or evidence that may be offered or referred to by the Settling Parties in disputes, actions, or proceedings arising between any Released Person and any insurer. 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.

10.5 Defendants and/or Released Persons may file this Stipulation and/or the Order and Final Judgment from this Litigation in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, statute of limitations, statute of repose, good faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim, or to effectuate any liability protection under any applicable insurance policy.

10.6 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.

10.7 The Settling Parties agree to take no action in connection with the Settlement that is intended to, or that would reasonably be expected to, harm the reputation of any of the Settling Parties (including a party's officers, directors, employees, agents, or attorneys), or that would reasonably be expected to lead to unfavorable publicity for any of the Settling Parties.

10.8 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.

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

10.10 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

10.11 Neither the Class Members nor Defendants shall be bound by the Stipulation if the Court modifies any terms thereof, provided, however, that it shall not be a basis for Class Members to terminate the Settlement if the Court modifies any proposed Plan of Allocation or criteria for allocation of the Net Settlement Fund amongst Authorized Claimants, or Exhibit A-2 hereto, or if the Plan of Allocation is modified on appeal. Nor shall it be a basis to terminate the Stipulation if the Court disapproves of or modifies the terms of this Stipulation with respect to attorneys' fees or expenses, or time or expenses awarded by the Court to Lead Plaintiff, or interest as may be awarded by the Court, or the distribution of the Net Settlement Fund. Notwithstanding any such modification of the Plan of Allocation, or Exhibit A-2 hereto, or the terms of the Stipulation with respect to fees or expenses or interest, Defendants and their Related Parties shall be entitled to all benefits of the Settlement and shall not, under any circumstances, be called upon to contribute additional funds to the Settlement Fund.

10.12 Lead Plaintiff and Lead Counsel represent and warrant that none of the 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.

10.13 Lead Counsel, on behalf of the Class, is expressly authorized by Lead Plaintiff to take all appropriate action required or permitted to be taken by the Class pursuant to this Stipulation to effectuate its terms and also is expressly authorized to enter into any modifications or amendments to this Stipulation on behalf of the Class which it deems appropriate.

10.14 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.

10.15 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) five (5) business days after being sent to the recipient by reputable overnight courier service (charges prepaid); or (iii) eight (8) 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 Plaintiff's Counsel

MONTEVERDE & ASSOCIATES PC

Juan E. Monteverde

Miles D. Schreiner

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If to Defendants or to Defendants' Counsel

GOODWIN PROCTER LLP

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Emily S. Unger
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100 Northern Ave.
Boston, MA 02210
Tel: (617) 570-1000
Fax: (617) 523-1231
Email: DBirnbach@goodwinlaw.com
EUnger@goodwinlaw.com
TDeVoe@goodwinlaw.com

10.16 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.

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

10.18 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.

10.19 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.

10.20 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 Claims against any of the Released Persons

10.21 The Stipulation and the Exhibits attached hereto and the Side Agreement shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of Nebraska, 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 Nebraska without giving effect to that State's choice-of-law principles.

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

10.23 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 negotiation between the Settling Parties and each of the Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

10.24 Unless otherwise provided, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation without further order of the Court.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys, dated June 21, 2019.

MONTEVERDE & ASSOCIATES PC

s/ Juan E. Monteverde _____

Juan E. Monteverde

Miles D. Schreiner

The Empire State Building

350 Fifth Avenue, Suite 4405

New York, New York 10118

Tel: 212-971-1341

Fax: 212-202-7880

Email: jmonteverde@monteverdelaw.com

mschreiner@monteverdelaw.com

GOODWIN PROCTER LLP

s/ Deborah S. Birnbach _____

Deborah S. Birnbach

Emily S. Unger

Tucker D. DeVoe

100 Northern Ave.

Boston, MA 02210

Tel: (617) 570-1000

Fax: (617) 523-1231

Email: DBirnbach@goodwinlaw.com

EUnger@goodwinlaw.com

TDeVoe@goodwinlaw.com

Mailing Information for Case No. 4:17-cv-03021 *Campbell v. Transgenomic Inc et al*

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case”

- Juan E. Monteverde
jmonteverde@monteverdelaw.com
- David W. Rowe
drowe@krbkllaw.com
- Deborah S. Birnbach
DBirnbach@goodwinlaw.com

Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

EXHIBIT A-1

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

IF YOU PURCHASED, SOLD, OR HELD TRANSGENOMIC, INC. (“TRANSGENOMIC”) COMMON STOCK DURING THE PERIOD FROM AND INCLUDING APRIL 12, 2017, THE RECORD DATE FOR VOTING ON THE MERGER between TRANSGENOMIC and PRECIPPIO DIAGNOSTICS, LLC, THROUGH AND INCLUDING JUNE 30, 2017, THE DATE THE MERGER WAS COMPLETED, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT. CERTAIN PERSONS ARE EXCLUDED FROM THE CLASS AS SET FORTH BELOW.¹

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- The Settlement will provide \$1,950,000.00 in cash to pay claims of all Class Members. For an estimate of how much you could receive from this Settlement, see the discussion at Question 9 of this Notice. The Settlement resolves a lawsuit claiming that Defendants issued a materially false and misleading Proxy Statement (the “Proxy Statement”) in violation of §14(a) and §20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. §78n(a) and §78t(a), in connection with the proposed merger between Transgenomic and Precipio Diagnostics, LLC. The Defendants deny they did anything wrong. The Settlement avoids the costs and risks associated with continued litigation (including the danger of no recovery), provides a monetary benefit to the Class, and releases the Defendants from liability.
- The proposed Settlement should be compared to the risk of no recovery. The claims in this case involve numerous complex legal and factual issues that would require extensive and costly expert testimony. Among the many issues about which the parties do not agree are: (1) whether any of the Defendants violated the securities laws or otherwise engaged in any wrongdoing; and (2) the amount of damages (if any) that could be recovered at trial.
- For the past two years, Lead Plaintiff’s counsel have not received payment for their work investigating the facts, prosecuting this Action, and negotiating the proposed Settlement on behalf of Lead Plaintiff and the Class. Lead Plaintiff’s counsel will ask the Court to award litigation expenses of no more than \$200,000 from the Settlement Fund and an award of attorneys’ fees of 1/3 of the Settlement Fund. Lead Counsel also may apply for the reimbursement of Lead Plaintiff’s time and expenses pursuant to 15 U.S.C. §78u-4(a)(4).
- Your legal rights are affected whether you act or don’t act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
Submit a Proof of Claim and Release Form	The only way to get a payment.
Go to a Hearing	Ask to speak in Court about the fairness of the Settlement.
Do Nothing	Get no payment. Give up your rights.
Exclude Yourself	Get no payment. This is the only option that allows you to ever bring a lawsuit against Defendants concerning the legal claims at issue in this case.
Object to the Settlement and Attorneys’ Fees and Expenses	Write to the Court about why you don’t like the Settlement, Plan of Allocation, or the requested attorneys’ fees and expenses.

- The following deadlines apply to your rights and options in this Action:

Submit Claim: _____, 2019

Request Exclusion: _____, 2019

File Objection: _____, 2019

Final Approval Hearing of Settlement: _____, 2019

- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

¹ This Notice incorporates by reference the definitions in the Stipulation of Settlement dated as of June 21, 2019 (“Stipulation”), and all capitalized terms used, but not defined herein, shall have the same meanings as in the Stipulation. The Stipulation can be obtained at www..com.

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BASIC INFORMATION

1. Why did I receive this Notice package?

You may have purchased, sold, or held shares of Transgenomic common stock during the time period from and including the record date, April 12, 2017 through and including June 30, 2017.

The Court directed that this Notice be sent to you because you have a right to know about a proposed Settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement.

If the Court approves the Settlement, and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

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

Chief Judge John M. Gerrard of the United States District Court for the District of Nebraska (the "Court") is in charge of the case, and the case is known as *Campbell v. Transgenomic, Inc., et al.*, Civil No. 4:17-cv-03021.

2. What is this lawsuit about?

The Action claims that the Proxy Statement disseminated to shareholders in connection with the proposed merger between Transgenomic and Precipio Diagnostics, LLC contained materially false and misleading statements and failed to include information concerning the Company's financial projections in violation of §14(a) and §20(a) of the Securities Exchange Act of 1934. All Defendants deny they or their Related Parties did anything wrong or that Lead Plaintiff or other Members of the Class suffered any damages.

3. Why is this a class action?

In a class action, one or more people called plaintiff(s) (in this case Jesse Campbell, who was appointed by the Court as Lead Plaintiff) sue on behalf of people who have similar claims, called the Class or Class Members. One court resolves the issues for all Class Members, except for those who timely and validly exclude themselves from the Class.

4. Why is there a Settlement?

The Court did not decide in favor of Lead Plaintiff or the Defendants who are currently part of the case. Instead, all parties agreed to a Settlement. By agreeing to a Settlement, the parties avoid the cost and uncertainty of further litigation and a possible trial (including any appeals) and allow eligible Class Members who submit valid claims to receive a payment. Lead Plaintiff and his attorneys believe the Settlement is in the best interests of the Class.

WHO IS IN THE SETTLEMENT?

To see if you will receive money from this Settlement, you first have to determine if you are a Class Member.

5. How do I know if I am part of the Settlement?

The Court directed that everyone who fits this description is a Class Member: who purchased, sold or held Transgenomic common stock during the period from and including April 12, 2017, the record date for Transgenomic's special stockholder meeting regarding the Merger, through and including June 30, 2017, the date the Merger closed. Under the Plan of Allocation proposed by Plaintiff's Counsel and described below, only Class Members who were holders of record of Transgenomic common stock at the close of business on April 12, 2017, and were thus holders of record entitled to vote on the Merger, and who submit a valid Proof of Claim to the Claims Administrator, may share in the recovery – this aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation. Certain persons are excluded from the Class, as described below.

6. What are the exceptions to being included?

Excluded from the Class are (i) Defendants; (ii) members of the immediate families of each Defendant; (iii) Transgenomic's subsidiaries and affiliates; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal representatives, heirs, successors, administrators, executors, and assigns of each Defendant. Also excluded from the Class are those Persons who properly exclude themselves by timely and validly requesting exclusion from the Class pursuant to this Notice..

7. I am still not sure if I am included.

If you are still not sure if you are included, you can ask for free help. You can visit www..com for more information. You can also contact the Lead Counsel, listed below:

Juan E. Monteverde
Monteverde & Associates PC
The Empire State Building
350 5th Ave, Suite 4405
New York, NY 10118
(212) 971-1341

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the Settlement provide?

Defendants have agreed to pay \$1,950,000.00 in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses, Lead Plaintiff's time and expenses, and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice (the "Net Settlement Fund") will be divided among all eligible Class Members who send in valid claim forms.

9. How much will my payment be?

Pursuant to the Settlement described herein, the Settlement Amount is \$1,950,000. Under the Plan of Allocation proposed by Plaintiff's Counsel, only Class Members who were holders of record of Transgenomic common stock at the close of business on April 12, 2017, and were thus holders of record entitled to vote on the Merger, and who submit a valid Proof of Claim to the Claims Administrator, may share in the recovery, *pro rata* with their stock holdings (the proposed "Plan of Allocation") – this aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation. 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 or less than the estimated average amount provided below depending on the number of claims submitted. Assuming that all of the shares outstanding at the time of the Merger (other than those held by Defendants or other excluded Persons) participate in this Settlement, Lead Plaintiff's counsel estimates that the estimated average distribution will be approximately \$0.07 per share of Transgenomic common stock before the deduction of Court-approved fees and expenses, as described in Question 17 below (estimated to be approximately \$0.04 per share), and the cost of notice and claims administration. Historically, less than all eligible investors submit claims, resulting in higher average distributions per share. The Net Settlement Fund will be distributed to Class Members who submit valid, timely Proof of Claim and Release forms ("Claimants") on a *pro rata* basis. However, no distributions will be made to Claimants who would otherwise receive a distribution of less than \$10.00.

Payment shall be conclusive against all Claimants. No Person shall have any claim against Lead Plaintiff's counsel, Lead Plaintiff, the Claims Administrator, Defendants and their Related Parties, including defense counsel, or any Person designated by Lead Plaintiff's 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 any Released Persons for any Released Claims. All Class Members who fail to complete and file a valid and timely Proof of Claim and Release form 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. Any Plan of Allocation is not part of the Stipulation, and Defendants and their Related Parties shall have no responsibility or liability with respect to the Plan of Allocation.

HOW YOU OBTAIN A PAYMENT – SUBMITTING CLAIM AND RELEASE FORM

10. How will I obtain a payment?

To qualify for payment, you must be an eligible Class Member, send in a valid claim form, and properly document your claim as requested in the claim form. A claim form is enclosed with this Notice. You may also obtain a Proof of Claim and Release form at www..com. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail or submit it online no later than _____, 2019. The claim form can be submitted online at www..com.

11. When will I receive my payment?

The Court will hold a hearing on _____, 2019 to decide whether to approve the Settlement. If Judge Gerrard approves the Settlement, there may be appeals. It is always uncertain how these appeals will be resolved, and resolving them can take time, perhaps several years. Everyone who sends in a claim form will be informed of the determination with respect to their claim. Please be patient.

12. What am I giving up to receive a payment or stay in the Class?

Unless you timely and validly exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Released Persons, including Defendants, about the Released Claims in this case. It also means that all of the Court's orders will apply to you and legally bind you and you will release your claims in this case against the Released Persons, including Defendants. The terms of the release are included in the enclosed claim form. You can maintain your own lawsuit only if you exclude yourself from the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue on your own for the Released Claims in this case, then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

13. How do I get out of the Class?

To exclude yourself from the Settlement, you must send a letter by mail saying that you want to be excluded from the class in *Campbell v. Transgenomic, Inc., et al., Civil No. 4:17-cv-03021*. You must provide the following information: (a) name; (b) address; (c) telephone number; (d) amount of Transgenomic common stock held during the period from and including April 12, 2017 through and including June 30, 2017; and (e) a statement that you wish to be excluded from the Class. You must mail your exclusion request postmarked no later than _____, 2019 to:

Transgenomic, Inc. Securities Litigation
c/o
P.O. Box

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you will not receive any settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit.

14. If I do not exclude myself, can I sue for the same thing later?

No. Unless you timely and validly exclude yourself, you give up any right to sue for the Released Claims in this Settlement. If you have a pending lawsuit against any of the Released Persons, speak to your lawyer in that case immediately. Remember, the exclusion deadline is _____, 2019.

15. If I exclude myself, can I receive money from this Settlement?

No. If you exclude yourself, do not send in a Proof of Claim and Release form. But you may be able to sue, continue to sue, or be part of a different lawsuit against Defendants.

THE LAWYERS REPRESENTING YOU**16. Do I have a lawyer in this case?**

Yes. The Court appointed Monteverde & Associates PC to lead the litigation, which the Lead Plaintiff brought on behalf of himself and all other Class Members. These lawyers are called Lead Counsel. You will not be charged directly for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

In the two years that this Action has been pending, Lead Counsel have not been paid for their services on behalf of Lead Plaintiff and the Class, nor for their substantial expenses. The fee requested is to compensate Lead Counsel for their work investigating the facts, litigating the case over the past two years, and negotiating the Settlement.

Lead Counsel will ask the Court to award litigation expenses of no more than \$200,000 and a payment of 1/3 of the Settlement Fund for attorneys' fees. The fee requested is well within the range of fees awarded to class counsel in similar cases. Lead Counsel may also seek the Court's approval to pay Lead Plaintiff reasonable time and expenses directly relating to the representation of the Class. The Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT, PLAN OF ALLOCATION, OR ANY REQUEST FOR THE PAYMENT OF ATTORNEYS' FEES AND EXPENSES

You can tell the Court that you do not agree with the Settlement or the request for fees and expenses or some part of these matters.

18. How do I tell the Court that I do not like the Settlement, Plan of Allocation, or the amount of requested attorneys' fees and expenses?

If you are a Class Member, you can object to the Settlement, the Plan of Allocation, or the request for fees and expenses if you do not like any part of these matters. You can state the reasons why you think the Court should not approve any of the relief sought. The Court will consider your views. To object, you must send a letter saying that you object to the Settlement in *Campbell v. Transgenomic, Inc., et al., Civil No. 4:17-cv-03021*. Be sure to include your name, address, telephone number, your signature, the number of shares of Transgenomic common stock you held during the period from and including April 12, 2017 through and including June 30, 2017, and the reason(s) why you object to the Settlement, Plan of Allocation, or the request for fees and expenses. Mail the objection to the Court, Lead Counsel, and Defense Counsel in time for it to be received no later than _____, 2019:

COURT	LEAD COUNSEL	DEFENSE COUNSEL
Clerk of the Court U.S. District Court for the District of Nebraska, 586 Federal Building, 100 Centennial Mall North Lincoln, NE 68508	Juan E. Monteverde Monteverde & Associates PC The Empire State Building 350 5th Ave, Suite 4405 New York, NY 10118	Deborah S. Birnbach Goodwin Procter LLP 100 Northern Ave. Boston, MA 02210

19. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement, Plan of Allocation, or the fee and expense request. You can object only if you stay in the Class.

Excluding yourself is telling the Court that you do not want to be paid and do not want to release any claims. If you exclude yourself, you cannot object to the Settlement because it does not affect you.

THE COURT'S FAIRNESS HEARING

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

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

The Court will hold a Final Approval Hearing at ____ a.m. on _____, 2019, before the Honorable John M. Gerrard at the U.S. District Court for the District of Nebraska, 586 Federal Building, 100 Centennial Mall North Lincoln, NE 68508. At this Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Gerrard will listen to people who have asked to speak at the Final Approval Hearing. The Court will also consider whether to approve the Settlement, the Plan of Allocation, and the fee and expense requests. The Court may decide the issues at the hearing or take them under consideration. We do not know how long these decisions will take.

21. Do I have to come to the Final Approval Hearing?

No. Lead Counsel will answer questions Judge Gerrard 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 submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

22. May I speak at the Final Approval Hearing?

You may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must send a letter saying that it is your intention to appear in *Campbell v. Transgenomic, Inc., et al., Civil No. 4:17-cv-03021*. Be sure to include your name, address, telephone number, the number of shares of Transgenomic common stock you held during the period from and including April 12, 2017 through and including June 30, 2017, and your signature. Your notice of intention to appear must be received no later than _____, 2019, by the Clerk of the Court, Lead Counsel, and Defense Counsel, at the addresses listed above in Question 18.

You cannot speak at the Final Approval Hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

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 about the Released Claims in this case.

GETTING MORE INFORMATION

24. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation dated as of June 21, 2019. You can obtain a copy of the Stipulation by writing to Lead Plaintiff's counsel—Juan E. Monteverde, Monteverde & Associates PC, The Empire State Building, 350 5th Ave, Suite 4405, New York, NY 10118—or from the Clerk's office at the United States District Court for the District of Nebraska, 586 Federal Building, 100 Centennial Mall North Lincoln, NE 68508, during regular business hours. The Stipulation may also be downloaded at www..com.

25. How do I get more information?

For more information, you can visit www..com or call toll-free (888) -. You can also contact the attorneys for Lead

Plaintiff, listed below:

Juan E. Monteverde
Monteverde & Associates PC
The Empire State Building
350 5th Ave, Suite 4405
New York, NY 10118
(212) 971-1341

SPECIAL NOTICE TO NOMINEES

The Court has ordered that if you held any Transgenomic common stock at any point in time from April 12, 2017 through June 30, 2017 as nominee for a beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Transgenomic, Inc. Securities Litigation
c/o
P.O. Box

Online Submissions: www..com

If you choose to mail the Notice and Proof of Claim and Release yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

DATED:

**BY ORDER OF THE COURT UNITED STATES
DISTRICT COURT DISTRICT OF NEBRASKA**

EXHIBIT A-2

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

PROOF OF CLAIM AND RELEASE

I. GENERAL INSTRUCTIONS

1. To recover as a Member of the Class based on your claims in the action entitled *Campbell v. Transgenomic, Inc., et al.*, Civil No. 4:17-cv-03021 (the “Litigation”), you must complete and, on page XX hereof, sign this Proof of Claim and Release. If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim and Release, 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.

2. Submission of this Proof of Claim and Release, 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 PROOF OF CLAIM AND RELEASE, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, NO LATER THAN _____, 2019, TO THE COURT-APPOINTED CLAIMS ADMINISTRATOR IN THIS CASE, AT THE FOLLOWING ADDRESS:

Transgenomic Securities Litigation
c/o
P.O. Box
Online Submissions: www..com

If you are NOT a Member of the Class (as defined in the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”)), DO NOT submit a Proof of Claim and Release.

4. If you are a Member of the Class and you do not timely request exclusion in connection with the proposed Settlement, you will be bound by the terms of any judgment entered in the Litigation, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE.

II. CLAIMANT IDENTIFICATION

Pursuant to the Plan of Allocation proposed by Plaintiff's Counsel, only Class Members who were holders of record of Transgenomic common stock at the close of business on April 12, 2017 and who submit a valid Proof of Claim and Release to the Claims Administrator may share in the recovery.

If you purchased, sold, or held Transgenomic, Inc. ("Transgenomic") common stock during the period from and including April 12, 2017, through and including June 30, 2017 (the "Class Period"), and held the shares in your name, you are the beneficial holder, purchaser or acquirer as well as the record purchaser or acquirer. If, however, you held, purchased or acquired Transgenomic common stock during the Class Period and the shares were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser or acquirer and the third party is the record purchaser or acquirer.

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

All joint purchasers or acquirers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or 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 Class Member (for example, as an executor, administrator, trustee, or other representative), you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.

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 Claimants MUST submit a manually signed paper Proof of Claim and Release listing all their transactions whether or not they also submit electronic copies.* If you wish to file your claim electronically, you must contact the Claims Administrator at _____ 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 acknowledgement of receipt and acceptance of electronically submitted data.

III. CLAIM FORM

Use Part II of this form entitled “Holdings in Transgenomic Common Stock” to state the number of shares of Transgenomic common stock that you held at the close of business on April 12, 2017. You must provide copies of broker confirmations or other documentation of your holdings in Transgenomic 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.

UNITED STATES DISTRICT COURT

DISTRICT OF NEBRASKA

Campbell v. Transgenomic, Inc., et al.

Civil No. 4:17-cv-03021

PROOF OF CLAIM AND RELEASE

Must Be Postmarked or Received No Later Than:

_____, 2019

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City State or Province

Zip Code or Postal Code Country

Social Security Number or Taxpayer Identification Number Individual Corporation/Other

Area Code Telephone Number (work)

Area Code Telephone Number (home)

Record Owner's Name (if different from beneficial owner listed above)

PART II: HOLDINGS IN TRANSGENOMIC COMMON STOCK

A. Number of shares of Transgenomic common stock you held at the close of business on April 12, 2017: _____

Proof enclosed? _____ yes _____ no

YOUR SIGNATURE ON PAGE ___ WILL CONSTITUTE YOUR ACKNOWLEDGMENT OF THE RELEASE DESCRIBED IN PART V BELOW.

IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim and Release under the terms of the Stipulation of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the District of Nebraska with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Litigation. 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 purchase or acquisition of Transgenomic common stock during the period from and including April 12, 2017, the record date for Transgenomic's special stockholder meeting regarding the Merger, through and including June 30, 2017, the date the Merger closed, and know of no other person having done so on my (our) behalf.

V. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever release, covenant not to sue, relinquish, and discharge each and all of the Released Persons from the Released Claims as provided in the Stipulation of Settlement.

2. "Related Parties" means, with respect to each Defendant, any and all of their related parties, including, without limitation, any and all of their past or present parents (direct or indirect), subsidiaries (direct or indirect), affiliates, predecessors, or successors, as well as any and all of its or their current or former officers, directors, employees, associates, members of their immediate families, agents or other persons acting on their behalf, investment banks, including, but not limited to, Craig-Hallum Capital Group LLC, attorneys, advisors, financial advisors, publicists, independent certified public accountants, auditors, accountants, assigns, creditors, administrators,

heirs, estates, or legal representatives. “Related Parties” also means any insurers of Defendants, but solely in the context of, and in respect to, any Released Claims that could be asserted directly against such insurers by Lead Plaintiff, or each and all of the Class Members or anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns.

3. “Released Claims” means any and all claims that have been asserted, could have been asserted, or could be asserted in the future in this Litigation; and any and all claims, actions, potential actions, demands, losses, rights, causes of action, controversies, costs, damages, liabilities, obligations, judgments, suits, matters and issues of any nature for any remedy, known or unknown, suspected or unsuspected, accrued or unaccrued, whether class, individual, or otherwise, arising under the laws, regulations, or common law of the United States of America, any state or political subdivision thereof, or any foreign country or jurisdiction, in law, in contract, or in equity, and regardless of legal theory, and including claims for indemnification, contribution, or otherwise denominated, that have been asserted, could have been asserted, or could be asserted in the future, by Lead Plaintiff or any Class Member, whether class or individual in nature, in his, her or its capacity as a purchaser, seller or holder of Transgenomic stock, that have arisen from, could have arisen, or relate in any manner to, in whole or in part, the allegations, conduct, facts, events, transactions, acts, occurrences, statements, representations, omissions or any other matter related to, or arising out of, the Merger, the Proxy and the Supplemental Disclosures thereto, the projections and investor presentations referenced in the Amended Complaint, or to the purchase, sale, or holding of Transgenomic’s common stock in the period from and including April 12, 2017 through and including June 30, 2017, or set forth, referred to, or alleged in the Litigation. Released Claims includes Unknown Claims as defined below. Notwithstanding any other provision to the

contrary herein, Released Claims shall not include Defendants' Insurance Claims. For the avoidance of doubt, nothing is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers

4. "Released Persons" means each and all of the Defendants and each and all of their Related Parties.

5. "Settled Defendants' Released Claims" means any and all claims, actions, potential actions, demands, losses, rights, causes of action, controversies, costs, damages, liabilities, obligations, judgments, suits, matters and issues of any nature for any remedy, known or unknown, suspected or unsuspected, accrued or unaccrued, whether class, individual, or otherwise, arising under the laws, regulations, or common law of the United States of America, any state or political subdivision thereof, or any foreign country or jurisdiction, in law, in contract, or in equity, and regardless of legal theory, and including claims for indemnification, contribution, or otherwise denominated, that have been asserted, could have been asserted, or could be asserted in the future by the Released Persons or any of them against Lead Plaintiff, Class Members, or Plaintiff's Counsel, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Released Persons, except for claims related to the enforcement of the Settlement. In all events, Lead Plaintiff, Plaintiff's Counsel, and all Class Members shall have no liability or responsibility for Defendants' Insurance Claims.

6. "Unknown Claims" means (i) any of the Released Claims which Lead Plaintiff or any Class Member, or any of their agents or attorneys, does not know or suspect to exist in such Person's favor at the time of the release of the Released Claims, and (ii) any of the Settled Defendants' Released Claims that the Released Persons do not know or suspect to exist in his, her or its favor at the time of the release of the Settled Defendants' Released Claims, which, in the

case of both (i) and (ii), if known by such Person, might have affected such Person's decision with respect to this Settlement, including, without limitation, such Person's decision not to object to this Settlement or not to exclude himself, herself or itself from the Class. Unknown Claims include those Released 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 Claims and the Settled Defendants' Released Claims, upon the Effective Date, Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released 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, the provisions, rights, and benefits of 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.

Lead Plaintiff and Defendants shall expressly, and each of the Class Members and Released Persons shall be deemed to have, and by operation of the Order and Final 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. Lead Plaintiff, Class Members and the Released Persons may hereafter discover facts in addition to or different from those which such party now knows or believes to be true with respect to the subject matter of the Released Claims and the Settled Defendants' Released Claims, but Lead Plaintiff and Defendants shall expressly, and each Class Member and Released Persons, upon the Effective Date, shall be deemed to have, and by operation of the Order and Final Judgment shall have fully, finally, and forever settled and released any and all Released Claims, or the Settled Defendants' Released Claims, as the case may be,

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 that is negligent, reckless, 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, whether or not previously or currently asserted in any action. Lead Plaintiff and Defendants acknowledge, and the Class Members and Released Persons shall be deemed by operation of the Order and Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

7. This release shall be of no force or effect unless and until the Court approves the Stipulation of Settlement and the Settlement becomes effective on the Effective Date.

8. 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.

9. I (We) hereby warrant and represent that I (we) have included information (including supporting documentation) about the number of shares of Transgenomic stock held by me (us) at the close of business on April 12, 2017.

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

I 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 _____ (Month/Year)

in _____
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing, *e.g.*, Beneficial Purchaser or Acquirer, 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. Remember to attach copies of supporting documentation, if available.
3. Do not send originals of stock certificates or other documentation as they will not be returned.
4. Keep a copy of your Proof of Claim and Release and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your Proof of Claim and Release, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send your new address to the address below.
7. Do not use red pen or highlighter on the Proof of Claim and Release or supporting documentation.

THIS PROOF OF CLAIM AND RELEASE MUST BE SUBMITTED ONLINE BY _____, 2019, OR, IF MAILED, POSTMARKED NO LATER THAN _____, 2019 ADDRESSED AS FOLLOWS:

Transgenomic Securities Litigation
c/o
P.O. Box
www..com

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

SUMMARY NOTICE

TO: ALL PERSONS WHO PURCHASED, SOLD OR HELD TRANSGENOMIC, INC. (“TRANSGENOMIC”) COMMON STOCK DURING THE PERIOD FROM AND INCLUDING APRIL 12, 2017, THE RECORD DATE FOR TRANSGENOMIC’S SPECIAL STOCKHOLDER MEETING REGARDING THE MERGER BETWEEN TRANSGENOMIC AND PRECIPRO DIAGNOSTICS, LLC (THE “MERGER”), THROUGH AND INCLUDING JUNE 30, 2017, THE DATE THE MERGER CLOSED.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the District of Nebraska, that the above-captioned litigation (the “Litigation”) has been certified as a class action and that a Settlement has been proposed. A hearing will be held on _____, 2019, at __:__.m., before the Honorable John M. Gerrard at the United States District Court for the District of Nebraska, 586 Federal Building 100 Centennial Mall North Lincoln, NE 68508, for the purpose of determining: (1) whether the proposed Settlement of the Litigation for \$1.95 million should be approved by the Court as fair, reasonable, and adequate; (2) whether a Final Judgment and Order of Dismissal with Prejudice should be entered by the Court dismissing the Litigation with prejudice and releasing the Released Claims; (3) whether the Plan of Allocation for the Net Settlement Fund is fair, reasonable, and adequate and should be approved; and (4) whether the application of Lead Counsel for the payment of attorneys’ fees and any award to Lead Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4) should be approved.

IF YOU PURCHASED, SOLD OR HELD TRANSGENOMIC COMMON STOCK DURING THE PERIOD FROM AND INCLUDING APRIL 12, 2017 THROUGH AND INCLUDING JUNE 30, 2017 (THE “CLASS PERIOD”), YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION, INCLUDING THE RELEASE AND EXTINGUISHMENT OF CLAIMS YOU MAY POSSESS RELATING TO YOUR PURCHASE OR ACQUISITION OF TRANSGENOMIC COMMON STOCK DURING THE CLASS PERIOD. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and Release form, you may obtain copies

by writing to *Transgenomic Securities Litigation*, c/o, P.O. Box, or on the Internet at www..com. If you are a Class Member, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release by mail (*postmarked no later than* _____, **2019**), or online at www..com *no later than* _____, **2019**, establishing that you are entitled to recovery.

If you purchased or acquired Transgenomic common stock during the Class Period and you desire to be excluded from the Class, you must submit a request for exclusion so that it is *received no later than* _____, in the manner and form explained in the detailed Notice referred to above. All Members of the Class who do not timely and validly request exclusion from the Class will be bound by any judgment entered in the Litigation pursuant to the Stipulation of Settlement.

Any objection to the Settlement, the Plan of Allocation, Lead Counsel's request for attorneys' fees, and Lead Plaintiff's request for time and expenses must be *received* by *each* of the following recipients *no later than* _____:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF NEBRASKA MILWAUKEE DIVISION
586 Federal Building
100 Centennial Mall North
Lincoln, NE 68508

Lead Counsel:

MONTEVERDE & ASSOCIATES PC
Juan E. Monteverde
The Empire State Building
350 Fifth Avenue, Suite 4405
New York, New York 10118

Counsel for Defendants:

GOODWIN PROCTER LLP
Deborah S. Birnbach
100 Northern Ave.
Boston, MA 02210

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE
REGARDING THIS NOTICE.** If you have any questions about the Settlement, you may contact

Lead Counsel at the address listed above.

DATED: _____

BY ORDER OF THE COURT UNITED
STATES DISTRICT COURT
DISTRICT OF NEBRASKA

EXHIBIT C

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

**[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT AND
PROVIDING FOR NOTICE**

WHEREAS, an action pending before this Court is styled *Campbell v. Transgenomic, Inc., et al.*, Civil No. 4:17-cv-03021 (the “Litigation”);

WHEREAS, the Court-appointed Lead Plaintiff Jesse Campbell, (“Lead Plaintiff”) has made an unopposed 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 June 21, 2019 (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 against the Defendants and the Released Persons with prejudice upon the terms and conditions set forth therein;

WHEREAS, the Court having read and considered the Stipulation and the Exhibits annexed thereto;

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

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

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court has reviewed the Stipulation, finds that the Stipulation resulted from arm’s length negotiations, and does hereby preliminarily approve the Stipulation and Settlement set forth therein as being fair, reasonable and adequate to Class Members subject to further consideration at the hearing described in ¶5 below.

2. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and for purposes of this Settlement only, the Litigation is hereby preliminarily certified as a class action on behalf of all those who purchased, sold or held Transgenomic common stock during the period

from and including April 12, 2017, the record date for Transgenomic's special stockholder meeting regarding the merger between Transgenomic and Precipio Diagnostics, LLC (the "Merger"), through and including June 30, 2017, the date the Merger closed (the "Class"). Excluded from the Class are (i) Defendants; (ii) members of the immediate families of each Defendant; (iii) Transgenomic's subsidiaries and affiliates; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal representatives, heirs, successors, administrators, executors, and assigns of each Defendant. Also excluded from the Class are those Persons who properly exclude themselves by timely and validly requesting exclusion from the Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action to be sent to Class Members pursuant to this Order.

3. The Court finds, for the purposes of the Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members is impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of Lead Plaintiff are typical of the claims of the Class they seek to represent; (d) Lead Plaintiff and Lead Counsel have and will fairly and adequately represent the interests of the Class; (e) the questions of law and fact common to the Members of the Class predominate over any questions affecting only individual Class Members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, Lead Plaintiff is preliminarily certified as the class representative and Monteverde & Associates PC are preliminarily certified as Lead Counsel.

5. A hearing shall be held before this Court on _____, 2019, at __.m.

(a date at the Court's convenience that is at least ninety (90) calendar days from the Notice Date (defined below) or one hundred eleven (111) calendar days from the date of this Order) (the "Final Approval Hearing"), at the United States District Court for the District of Nebraska, 586 Federal Building, 100 Centennial Mall North Lincoln, NE 68508, to (a) determine whether the proposed Settlement is fair, reasonable, and adequate to the Class and should be approved by the Court; (b) determine whether an Order and Final Judgment as provided in ¶1.25 of the Stipulation should be entered; (c) determine whether the proposed Plan of Allocation should be approved; (d) determine the amount of fees and expenses that should be awarded to Lead Counsel; (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: (i) the Settlement or Plan of Allocation; (ii) any award to Lead Plaintiff; and/or (iii) the award of fees and expenses to Lead Counsel; and (g) consider such other matters the Court deems appropriate. The Court may adjourn the Final Approval Hearing without further notice to the Members of the Class.

6. 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, substantially in the forms annexed hereto as Exhibits A-1 and A-2, respectively.

7. The Court approves the form of the Summary Notice, substantially in the form annexed hereto as Exhibit B.

8. The firm of _____ ("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.

9. The Claims Administrator shall make reasonable efforts to identify all Persons who are Members of the Class and not later than _____, 2019 (a date twenty-one (21)

calendar days after the Court signs and enters this Order) (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice and Proof of Claim and Release, substantially in the forms annexed hereto, to be mailed by First-Class Mail to all Class Members who can be identified with reasonable effort and to be posted on its website at www..com.

10. Not later than _____, 2019 (a date twenty-one (21) calendar days after the Notice Date), the Claims Administrator shall cause the Summary Notice to be published once over the *PR Newswire*.

11. Not later than _____, 2019 (a date seven (7) business days prior to the Final Approval Hearing), Lead Counsel shall serve on Defendants’ Counsel and file with the Court proof, by affidavit or declaration, of such mailing and publishing.

12. Nominees who held, purchased or acquired Transgenomic common stock for the benefit of another Person during the during the time period from and including April 12, 2017 through and including June 30, 2017 shall be requested to send the Notice and Proof of Claim and Release to such beneficial owners of Transgenomic common stock within fifteen (15) calendar days after receipt thereof, or, send a list of the names and addresses of such beneficial owners to the Claims Administrator within fifteen (15) calendar days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice and Proof of Claim and Release to such beneficial owners.

13. 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 (a) meets the requirements of Federal Rule of Civil Procedure 23, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §78u-4(a)(7), 15 U.S.C. §77z-1(a)(7) (the

“PSLRA”), and any other applicable law, and is the best notice practicable under the circumstances; (b) constitutes notice that is reasonably calculated, under the circumstances, to apprise the Class Members of the pendency of the Litigation, the effect of the proposed Settlement (including the releases contained therein), and of their right to object to the proposed Settlement, exclude themselves from the Class, and/or appear at the Final Approval Hearing; and (c) constitutes due, adequate, and sufficient notice to all Persons entitled thereto. The date and time of the Final Approval Hearing shall be included in the Notice and Summary Notice before they are mailed and published, respectively. All fees, costs, and expenses incurred in notifying Class Members shall be paid from the Settlement Fund and in no event shall any of the Defendants or Related Parties bear any responsibility for such fees, costs or expenses. All Members of the Class (except Persons who request exclusion pursuant to ¶19 below) 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.

14. Pending final determination by the Court as to whether the Settlement, as set forth in the Stipulation, is fair, reasonable and adequate and should be finally approved and whether the Order and Final Judgment dismissing the action with prejudice should be approved, neither Lead Plaintiff nor any Class Member, either directly, representatively or in any other capacity, shall assert, commence, aid or prosecute against any of the Defendants or the Released Persons any of the Released Claims in this Litigation, or in any other proceeding, arbitration, or forum. This injunction is necessary to protect and effectuate the Settlement, this Order, and the Court’s

flexibility and authority to effectuate the Settlement and to enter judgment when appropriate, and is ordered in aid of the Court's jurisdiction and to protect its judgments.

15. Class Members who wish to participate in the Settlement shall complete and submit the Proof of Claim and Release in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim and Releases must be postmarked or submitted electronically no later than _____, 2019 (a date ninety (90) calendar days from the Notice Date). Any Class Member who fails to submit a Proof of Claim and Release within the time provided, or whose Proof of Claim and Release is otherwise not approved, shall in all other respects be bound by all of the terms of the Stipulation and the Settlement, including the terms of the Order and Final Judgment and the releases provided for therein, and will be barred from bringing any action against the Released Persons concerning the Released Claims. 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 or not exercise such discretion.

16. The Proof of Claim and Release submitted by each Class Member must, unless otherwise ordered by the Court: (i) be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding paragraph; (ii) be accompanied by adequate supporting documentation for the transactions reported therein, 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 Lead Counsel or the Claims Administrator; (iii) include in the Proof of Claim and

Release a certification of current authority to act on behalf of the Class Member if the person executing the Proof of Claim and Release is acting in a representative capacity; (iv) be complete and contain no material deletions or modifications of any of the printed matter contained therein; and (v) be signed under penalty of perjury.

17. By submitting a Proof of Claim, a Class Member will be deemed to have submitted to the jurisdiction of this Court with respect to the Class Member's claim, including, but not limited to, all releases provided for in the Stipulation and in the Order and Final Judgment.

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

19. Any Person falling within the definition of the Class may, upon request, be excluded or “opt out” from the Class. Any such Person must submit to the Claims Administrator a request for exclusion (“Request for Exclusion”), by First-Class Mail such that it is received no later than _____, 2019 (a date thirty (30) calendar days before the Final Approval Hearing). A Request for Exclusion must be signed and state: (a) the name, address, and telephone number of the Person requesting exclusion; (b) the number of shares of Transgenomic common stock held, purchased, acquired or sold during the during the time period from and including April 12, 2017 through and including June 30, 2017 and the dates held during that period; and (c) that the Person wishes to be excluded from the Class. All Persons who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or any final judgment.

20. Lead Counsel shall cause to be provided to Defendants’ Counsel copies of all

Requests for Exclusion and a list of all Class Members who have requested exclusion, and any written revocation of Requests for Exclusion, as expeditiously as possible and in any event no later than _____, 2019 (a date seven (7) calendar days prior to the Final Approval Hearing).

21. Any Member of the Class may appear and object if he, she, or it has any reason why the proposed Settlement of the Litigation should not be approved as fair, reasonable and adequate, or why a judgment should not be entered thereon, why the Plan of Allocation should not be approved, why fees and expenses should not be awarded to Lead Counsel or Lead Plaintiff; provided, however, that no Class Member or any other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the Order and Final Judgment to be entered thereon approving the same, or the order approving the Plan of Allocation, or any fees and expenses to be awarded to Lead Counsel or Lead Plaintiff, unless written objections and copies of any papers and briefs are received by Monteverde & Associates PC, 350 5th Ave, Suite 4405, New York, NY 10018, and no later than _____, 2019 (a date thirty (30) calendar days before the Final Approval Hearing) and said objections, papers and briefs are filed with the Clerk of the United States District Court for the District of Nebraska, 586 Federal Building, 100 Centennial Mall North Lincoln, NE 68508, no later than _____, 2019. Any such objection must: (a) indicate the objector's name, address, and telephone number; (b) specify the reason(s) for the objection; (c) identify the date(s), price(s), and number(s) of shares of Transgenomic common stock held, purchased, acquired or sold during the during the time period from and including April 12, 2017 through and including June 30, 2017 by the objector; (d) provide documents demonstrating such holding(s), purchase(s), acquisition(s) and/or sale(s); and (e) be signed by the objector. Any Member of the Class who does not make his, her, or its objection in the manner provided for herein 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, and to the award of fees and expenses to Lead Counsel or Lead Plaintiff, unless otherwise ordered by the Court. Attendance at the Final Approval 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 and expenses are required to indicate in their written objection their intention to appear at the hearing. Class Members do not need to appear at the Final Approval Hearing or take any other action to indicate their approval of the Settlement.

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. All papers in support of the Settlement, Plan of Allocation, and any application by Lead Counsel for attorneys' fees and expenses and payment of time and expenses to Lead Plaintiff shall be filed and served no later than _____, 2019 (a date thirty-five (35) calendar days prior to the Final Approval Hearing) and any reply papers shall be filed and served no later than _____, 2019 (a date seven (7) calendar days prior to the Final Approval Hearing).

24. The Released Persons shall have no responsibility for the Plan of Allocation or any application for attorneys' fees and expenses submitted by Lead Counsel or Lead Plaintiff, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

25. At or after the Final Approval Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel, and any application for attorneys' fees and expenses,

should be approved.

26. 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 it otherwise fails to become effective, neither Lead Plaintiff nor any of their counsel shall have any obligation to repay any amounts actually and properly incurred or disbursed pursuant to ¶2.8 of the Stipulation.

27. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations, discussions, proceedings connected with it, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement may be construed as an admission, concession, or presumption by or against any of the Defendants or any other Released Persons of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind; or as a waiver by any of the Parties of any arguments, defenses, or claims he, she, or it may have in the event the Stipulation is terminated; or 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, or other tribunal, except in connection with any proceeding to enforce the terms of the Stipulation. The Released Persons, Lead Plaintiff, Class Members, and each of their counsel 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.

28. 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 against any of the Released Persons any action or proceeding in any court or tribunal asserting any of the Released Claims.

29. The Court reserves the right to alter the time or the date of the Final Approval Hearing without further notice to the Members of the Class, provided that the time or the date of the Final Approval Hearing shall not be set at a time or date earlier than the time and date set forth in ¶15 above, 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.

30. If the Settlement fails to become effective as defined in the Stipulation or is terminated, then, in any such event, the Stipulation, including any amendment(s) thereof, 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 or used in any actions or proceedings by any person or entity against the Settling Parties, and they shall be deemed to have reverted to their respective litigation positions in the Litigation as of May 10, 2019.

SO ORDERED.

DATED: _____

HON. JOHN M. GERRARD
UNITED STATES DISTRICT JUDGE

EXHIBIT D

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

JESSE CAMPBELL, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

TRANSGENOMIC, INC., PRECIPIO, INC.,
and PAUL KINNON,

Defendants.

Civil Action No. 4:17-cv-03021

[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

This matter came before the Court for hearing pursuant to the Order Preliminarily Approving Settlement and Providing for Notice (“Preliminary Approval Order”) dated _____, 2019, on the application of the Settling Parties for approval of the Settlement set forth in the Stipulation of Settlement dated June 21, 2019 (the “Stipulation”).

WHEREAS, this Order of Dismissal is “with prejudice”;

WHEREAS, due and adequate notice having been given to the Class as required in the Preliminary Approval Order;

WHEREAS, the Court conducted a hearing on _____, 2019, to consider, among other things, (i) whether the terms and conditions of the Settlement are fair, reasonable and adequate and should therefore be approved; and (ii) whether a judgment should be entered dismissing the Litigation with prejudice as against the Defendants;

WHEREAS, the Court having considered all papers filed and proceedings herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Final Judgment and Order of Dismissal with Prejudice (“Order and Final Judgment” or “Judgment”) incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

2. This Court has jurisdiction over the subject matter of the Litigation and over all Settling Parties to the Litigation, including all Members of the Class.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby affirms its determinations in the Preliminary Approval Order and finally certifies for purposes of settlement only: (i) a Class defined as all those who purchased, sold or held Transgenomic common

stock during the period from and including April 12, 2017, the record date for Transgenomic's special stockholder meeting regarding the merger between Transgenomic and Precipio Diagnostics, LLC (the "Merger"), through and including June 30, 2017, the date the Merger closed; (ii) Monteverde & Associates PC are certified as Lead Counsel; and (iii) Lead Plaintiff is certified as Class Representative. Excluded from the Class are (i) Defendants; (ii) members of the immediate families of each Defendant; (iii) Transgenomic's subsidiaries and affiliates; (iv) any entity in which any Defendant has a controlling interest; and (v) the legal representatives, heirs, successors, administrators, executors, and assigns of each Defendant. Also excluded from the Class are those Persons who properly excluded themselves by timely and validly requesting exclusion from the Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action sent to Class Members pursuant to the Preliminary Approval Order.

4. For purposes of settlement only, the Court hereby affirms its determinations in the Preliminary Approval Order and finds that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the Members of the Class are so numerous that joinder of all Class Members in the class action is impracticable; (b) there are questions of law and fact common to the Class which predominate over any individual question; (c) the claims of the Lead Plaintiff are typical of the claims of the Class; (d) Lead Plaintiff and their counsel have fairly and adequately represented and protected the interests of the Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of the Class in individually controlling the prosecution of the separate actions, (ii) the extent and nature of any litigation concerning the controversy already commenced by Members of the Class, (iii) the desirability or undesirability of concentrating the litigation of these claims in this particular forum,

and (iv) the difficulties likely to be encountered in the management of the class action.

5. Pursuant to Federal Rule of Civil Procedure 23, this Court hereby approves the Settlement set forth in the Stipulation and finds that said Settlement is, in all respects, fair, reasonable, and adequate to the Class.

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court finds that the Settlement is fair, reasonable, and adequate as to each of the Settling Parties, and that the Settlement set forth in the Stipulation is hereby finally approved in all respects, and the Settling Parties are hereby directed to perform its terms.

7. Accordingly, the Court authorizes and directs implementation of the terms and provisions of the Stipulation, as well as the terms and provisions hereof. The Court hereby dismisses with prejudice and without costs, the Litigation and all claims contained therein and all of the Released Claims as against the Released Persons.

8. Upon the Effective Date hereof, and as provided in the Stipulation, Lead Plaintiff and each and all of the Class Members, other than those listed on Exhibit A hereto, and anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns, shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever resolved, discharged, relinquished, released, waived, settled and dismissed with prejudice any and all Released Claims (including, without limitation, Unknown Claims), as well as any and all claims arising out of, relating to, or in connection with, the defense, settlement, or resolution of the Litigation or the Released Claims, against each and all of the Released Persons, regardless of whether a Class Member executes and delivers a Proof of Claim and Release, except that claims relating to the enforcement of the Settlement shall not be released.

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

10. Upon the Effective Date hereof, Lead Plaintiff, each and all of the Class Members, other than those listed on Exhibit A hereto, and anyone claiming through or on behalf of any of them, including, but not limited to, their predecessors, successors, agents, representatives, attorneys, affiliates, heirs, executors, administrators, and assigns, are and shall be forever barred and enjoined from commencing, instituting, asserting, maintaining, enforcing, aiding, 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 and all of the Released Claims (including, without limitation, Unknown Claims), as well as any and all claims arising out of, relating to, or in connection with, the defense, settlement or resolution of the Litigation or the Released Claims, against each and all of the Released Persons, regardless of whether such Class Member executes and delivers a Proof of Claim and Release, except that claims relating to the enforcement of the Settlement shall not be released.

11. Upon the Effective Date hereof, and as provided in the Stipulation, Lead Plaintiff and each and every Class Member, for themselves and for any Person claiming now or in the future through or on behalf of them, shall not sue any Released Persons with respect to any and all Released Claims, except to enforce the terms and conditions contained in the Stipulation or this

Order and Final Judgment.

12. In accordance with the PSLRA as codified at 15 U.S.C. §78u-4(f)(7)(A), (a) all obligations to any Class Member of any Released Person arising out of the Litigation are discharged, and (b) any and all claims for contribution arising out of the Litigation or any of the Released Claims (i) by any person or entity against any of the Released Persons, and (ii) by any of the Released Persons against any person or entity, other than as set out in 15 U.S.C. §78u-4(f)(7)(A)(ii), are hereby permanently barred, extinguished, discharged, satisfied and unenforceable.

13. The terms of the Stipulation and of this Order and Final Judgment shall be forever binding on Lead Plaintiff, all other Class Members, and Defendants (regardless of whether or not any individual Class Member submits a Proof of Claim and Release or seeks or obtains a distribution from the Net Settlement Fund), as well as their respective, heirs, executors, administrators, predecessors, successors, and assigns.

14. The Escrow Agent shall maintain the Settlement Fund in accordance with the requirements set forth in the Stipulation. No Released Person shall have any liability, obligation, or responsibility whatsoever for the administration of the Settlement or disbursement of the Net Settlement Fund.

15. The Notice of Pendency and Proposed Settlement of Class Action given to the Class (a) was implemented in accordance with the Preliminary Approval Order entered on _____, (b) was the best notice practicable under the circumstances, to all Persons entitled to such notice, of those proceedings and of the matters set forth therein, including the proposed Settlement set forth in the Stipulation, (c) was reasonably calculated under the circumstances, to apprise Class Members of (i) the pendency of the Litigation: (ii) the effect of the proposed

Settlement (including the releases contained therein); and (iii) their right to object to any aspect of the proposed Settlement, exclude themselves from the Class, and/or appear at the Final Approval Hearing; (d) was reasonable and constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (e) fully satisfied the requirements of Federal Rule of Civil Procedure 23, the requirements of due process, the requirements of the PSLRA, and all other applicable law and rules.

16. Separate orders shall be entered regarding the proposed Plan of Allocation, Lead Counsel's motion for attorneys' fees and expenses, and Lead Plaintiff's time and expense award as allowed by the Court. Any plan of allocation submitted by Lead Counsel or any order entered regarding any attorneys' fee and expense application shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

17. Neither this Order and Final Judgment, the Stipulation, the Supplemental Agreement, nor any of their terms or provisions, nor any of the negotiations, discussions, proceedings connected thereto, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any of the allegations in the Litigation or of the validity of any Released Claim, or of any wrongdoing or liability of any Released Persons; or (b) is, or shall be deemed to be, or shall be used as an admission of any fault or omission of any Released Person in any statement, release, or written documents issued, filed, or made; or (c) is or may be deemed to be or may be used as an admission of, or evidence of, any fault, liability, wrongdoing, negligence, or omission of any of the Released Persons in any civil, criminal, or administrative proceeding in any court, arbitration proceeding, administrative agency, or forum or tribunal in which the Released Persons are or become parties; or (d) is or may be deemed to be or

may be used as an admission or evidence that any claims asserted by Lead Plaintiff were not valid or that the amount recoverable was not greater than the Settlement Amount, in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The Released Persons, Lead Plaintiff, Class Members, and their respective counsel may file the Stipulation and/or this 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. The Settling Parties may file the Stipulation and/or this Judgment in any proceedings that may be necessary to consummate or enforce the Stipulation, the Settlement, or the Judgment.

18. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing exclusive jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees and expenses and interest in the Litigation; and (d) all Settling Parties hereto for the purpose of construing, enforcing, and administering the Stipulation.

19. The Court finds 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.

20. 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 the Defendants as required under the terms of the Stipulation, 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, 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.

21. Without further approval from the Court, the parties are hereby authorized to agree and to adopt such amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that: (i) are not materially inconsistent with this Order and Final Judgment; and (ii) do not materially limit the rights of Class Members in connection with the Settlement. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

22. The Court directs immediate entry of this Judgment by the Clerk of the Court.

SO ORDERED.

DATED: _____

HON. JOHN M. GERRARD
UNITED STATES DISTRICT JUDGE