

# POMERANTZ LLP

Michael Grunfeld  
Partner

VIA ECF

May 24, 2024

The Honorable Lewis A. Kaplan  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312

Re: *In re iAnthus Capital Holdings, Inc. Securities Litigation*;  
Case Nos. 20-cv-03135, 20-cv-03513

Dear Judge Kaplan:

I write jointly on behalf of all parties in response to the Court's Order dated May 23, 2024 (the "Order," ECF No. 151).<sup>1</sup> The parties agree to the conditions set out in the Order that (1) no claimant can recover from the settlement funds an amount greater than that claimant's Recognized Loss; and (2) if settlement funds have been distributed to cover all Recognized Losses submitted by valid claimants, any excess funds shall be directed to a relevant 501(c)(3) charitable organization, as agreed upon by the parties and approved by the Court.

Attached hereto as Exhibit A is a proposed Revised Plan of Allocation incorporating these conditions into Paragraphs 18 and 19.<sup>2</sup> Other than these provisions, footnote 1 setting out defined terms, and changing the phrase "this Notice" in Paragraph 16 to "the Notice," the Revised Plan of Allocation is identical to the original proposed Plan of Allocation that was included in paragraphs 45-65 of the Notice. (ECF No. 131-1, Ex. A-1).

Attached hereto as Exhibit B a [Proposed] Final Judgment and Order of Dismissal With Prejudice. This proposed order is identical to the [Proposed] Final Judgment and Order of Dismissal With Prejudice that Lead Counsel submitted with its Reply in further support of its motion for final approval of the settlement and plan of allocation, and its motion for an award of attorneys' fees, expenses, and compensatory award to Lead Plaintiff, except that the attached

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<sup>1</sup> Unless otherwise noted, capitalized terms have the meanings set forth in the Stipulation and Agreement of Settlement dated June 16, 2023 ("Stipulation," ECF No 131-1).

<sup>2</sup> The original Plan of Allocation uses the term "Recognized Loss" to refer to recognized losses on a per-share basis, and "Recognized Claim" to refer to the sum of each Authorized Claimant's Recognized Loss amounts. These terms are used accordingly in these conditions that have been added to the Revised Plan of Allocation.

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proposed order references the “Revised Plan of Allocation” instead of the original one and the penultimate “Whereas clause” references the parties’ submissions in response to the Court’s Orders subsequent to the Settlement Hearing.

The parties further note that the Court may approve the attached Proposed Order and Revised Plan of Allocation consistent with the Settlement, because the Stipulation provides that the “Plan of Allocation proposed in the Notice is not a necessary term of the Settlement or of this Stipulation and it is not a condition of the Settlement or of this Stipulation that any particular plan of allocation be approved by the Court. Lead Plaintiff and Lead Counsel may not cancel or terminate the Settlement (or this Stipulation) based on this Court’s or any appellate court’s ruling with respect to the Plan of Allocation or any other plan of allocation in this Action” and “the Court shall retain jurisdiction” over the Plan of Allocation “or such other plan of allocation as may be approved by the Court.” ECF No. 131-1 ¶¶ 24, 54. Similarly, the Notice explained to Settlement Class Members that the Net Settlement Fund “will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve” and that “[a]pproval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.” Notice ¶¶ 8, 37; *see also id.* ¶ 3 (providing for distributions “based on the Plan of Allocation set forth herein . . . or such other plan of allocation as may be ordered by the Court”).

The parties thank the Court for its attention to this matter.

Respectfully submitted,

/s/ Michael Grunfeld

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*Lead Counsel for Lead  
Plaintiff and the Settlement  
Class*

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