

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC.
SECURITIES LITIGATION

This Document Relates To:

ALL ACTIONS.

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Master File No. 1:20-cv-09575-JLR-KHP

CLASS ACTION

DECLARATION OF ROSS D. MURRAY
REGARDING NOTICE DISSEMINATION,
PUBLICATION, ESTABLISHMENT OF
CALL CENTER SERVICES AND
WEBSITE, AND REQUESTS FOR
EXCLUSION RECEIVED TO DATE

I, ROSS D. MURRAY, declare and state as follows:

1. I am employed as a Vice President of Securities by Verita Global (“Verita”), located at 1 McInnis Parkway, Suite 250, San Rafael, California. The following statements are based on my personal knowledge and information provided to me by other Verita employees and if called to testify I could and would do so competently.

2. Pursuant to the Court’s February 19, 2025 Order Granting Preliminary Approval of Settlement Pursuant to Fed. Civ. P. 23(e)(1) and Permitting Notice to the Class (ECF 138) (the “Notice Order”), Verita was appointed as the Claims Administrator in connection with the proposed Settlement of the above-captioned litigation (the “Litigation”).¹ I oversaw the notice services that Verita provided in accordance with the Notice Order.

DISSEMINATION OF NOTICE

3. Pursuant to the Notice Order, Verita is responsible for disseminating the Court-approved Notice of Pendency and Proposed Settlement of Class Action (the “Notice”) and Proof of Claim and Release form (the “Proof of Claim”) (collectively, the “Claim Package,” attached hereto as Exhibit A) to potential Class Members. The Class consists of all holders of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, whose shares were sold for \$17.30 in the Transaction. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members

¹ Any capitalized terms used that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation of Settlement dated February 7, 2025 (ECF 132-1) (the “Stipulation”), which is available on the website established for the Settlement at www.JerniganSecuritiesSettlement.com.

have or had a controlling interest. Also excluded are those Persons who timely and validly request exclusion from the Class in accordance with the requirements set forth by the Court.

4. Verita received a file via email from Jernigan's transfer agent, which contained the names and addresses of potential Class Members. The list was reviewed to identify and eliminate duplicate entries and incomplete data, resulting in a usable mailing list of 76 unique names and addresses, and 101 email addresses. Verita had the unique name and address data printed onto Claim Packages, posted the Claim Packages for First-Class Mail, postage prepaid, and delivered 76 Claim Packages on March 12, 2025, to the United States Post Office for mailing. Additionally, Verita emailed 101 Claim Packages to potential Class Members with valid email addresses.

5. On March 12, 2025, as part of its normal mailing procedures, Verita mailed, by First-Class Mail, Claim Packages and cover letters to 258 brokerages, custodial banks, and other institutions ("Nominee Holders") that hold securities in "street name" as nominees for the benefit of their customers who are the beneficial owners of the securities. The Nominee Holders also include a group of filers/institutions who have requested notification of every securities case. These Nominee Holders are included in a proprietary database created and maintained by Verita. In our experience, the Nominee Holders included in Verita's proprietary database represent a significant majority of the beneficial holders of securities. The cover letter accompanying the Claim Packages advised the Nominee Holders of the proposed Settlement and requested their cooperation in forwarding the Claim Packages to potential Class Members. In the more than four decades that we have been providing notice and claims administration services in securities class actions, we have found the majority of potential class members hold their securities in street name and are notified through the Nominee Holders.

6. Verita also mailed Claim Packages and cover letters to the 4,414 institutions included on the U.S. Securities and Exchange Commission's ("SEC") list of active brokers and dealers at the time of mailing. A sample of the cover letter mailed to Nominee Holders and the institutions included on the SEC's list of active brokers and dealers is attached hereto as Exhibit B.

7. On March 12, 2025, Verita also delivered electronic copies of the Claim Package to 326 registered electronic filers who are qualified to submit electronic claims. These filers are primarily institutions and third-party filers who typically file numerous claims on behalf of beneficial owners for whom they act as trustees or fiduciaries.

8. As part of the notice program for this Settlement, on March 12, 2025, Verita also delivered an electronic copy of the Claim Package via email to be published by the Depository Trust Company (“DTC”) on the DTC Legal Notice System (“LENS”). LENS enables the participating bank and broker nominees to review the Claim Package and contact Verita for copies of the Claim Package for their beneficial holders.

9. Verita has acted as a repository for shareholder and nominee inquiries and communications received in this Settlement. In this regard, Verita has forwarded the Claim Package on request to nominees who held Jernigan common stock for the beneficial interest of other persons. Verita has also forwarded the Claim Package directly to beneficial owners upon receipt of the names and addresses from such beneficial owners or nominees.

10. Following the initial mailing, Verita received seven responses to the outreach efforts described above, which included computer files containing a total of 268 names and addresses and three email addresses of potential Class Members. In addition, 24 institutions requested that we send them a total of 4,445 Claim Packages for forwarding directly to their clients. Each of these requests has been completed in a timely manner.

11. As of April 24, 2025, Verita has mailed or emailed a total of 9,919 Claim Packages to potential Class Members and nominees. Additionally, we received a message from one institution noting that it anticipated sending Claim Packages via email to 1,744 potential Class Members.

PUBLICATION OF THE SUMMARY NOTICE

12. In accordance with the Notice Order, on March 19, 2025, Verita caused the Summary Notice of Pendency and Proposed Settlement of Class Action (the “Summary Notice”) to be published in *The Wall Street Journal* and to be transmitted over *Business Wire*, as shown in the confirmations of publication attached hereto as Exhibit C.

ESTABLISHMENT OF CALL CENTER SERVICES AND SETTLEMENT WEBSITE

13. On March 12, 2025, Verita established and continues to maintain a case-specific, toll-free telephone helpline, 1-833-419-4863, to accommodate potential Class Member inquiries. The toll-free telephone number was set forth in the Notice, Summary Notice, and on the case website. Verita promptly responds to all inquiries to the toll-free telephone helpline.

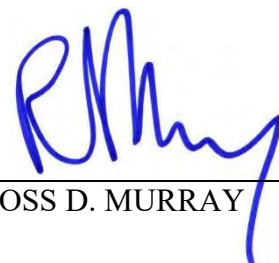
14. On March 12, 2025, Verita established and continues to maintain a website dedicated to the Settlement (www.JerniganSecuritiesSettlement.com) to provide additional information to Class Members and to provide answers to frequently asked questions. The web address was set forth in the Notice, Proof of Claim, and Summary Notice. The website includes information regarding the Litigation and the Settlement, including the exclusion, objection, and claim filing deadlines, and details about the Court's Settlement Hearing. Copies of the Notice, Proof of Claim, Stipulation, and Notice Order are posted on the website and are available for downloading. In addition, the website provides Class Members with the ability to submit their Proofs of Claim online.

REQUESTS FOR EXCLUSION RECEIVED TO DATE

15. The Notice informs potential Class Members that written requests for exclusion from the Class must be mailed to *Jernigan Securities Settlement*, EXCLUSIONS, c/o Verita Global, P.O. Box 5100, Larkspur, CA 94977-5100, such that they are postmarked or received no later than May 8, 2025.

16. The Notice also sets forth the information that must be included in each request for exclusion. Verita has monitored and will continue to monitor all mail delivered to this address. As of the date of this declaration, Verita has not received any requests for exclusion.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed this 24th day of April, 2025, at San Rafael, California.



ROSS D. MURRAY

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

	X	
In re JERNIGAN CAPITAL, INC. SECURITIES	:	Master File No. 1:20-cv-09575-JLR-KHP
LITIGATION	:	
	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
ALL ACTIONS.	:	
	X	

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL HOLDERS OF JERNIGAN CAPITAL, INC. (“JERNIGAN” OR THE “COMPANY”) COMMON STOCK AS OF SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE GOING-PRIVATE TRANSACTION WHEREBY AFFILIATES OF NEXPOINT ADVISORS, L.P. ACQUIRED JERNIGAN’S OUTSTANDING PUBLICLY TRADED COMMON STOCK FOR \$17.30 PER SHARE IN CASH (THE “TRANSACTION”), WHOSE SHARES WERE SOLD FOR \$17.30 IN THE TRANSACTION (THE “CLASS”)

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT JUNK MAIL, AN ADVERTISEMENT, OR SOLICITATION FROM A LAWYER.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM” OR “CLAIM FORM”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE JUNE 10, 2025.**

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc., or any other Defendant in the litigation or their counsel. All questions should be directed to the Claims Administrator or Lead Counsel (see page 3 below).

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the “Court”). The purpose of this Notice is to inform you of the \$12,000,000 settlement (the “Settlement”) reached in the above-captioned class action lawsuit (the “Action” or “Litigation”); your rights with respect to the Settlement; and the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and the Plan of Allocation, as well as the application for fees and expenses by Lead Counsel and Lead Plaintiff, as set forth in the Stipulation of Settlement dated February 7, 2025 (the “Stipulation”), by and among lead plaintiff John R. Erickson (“Lead Plaintiff”), on behalf of himself and the Class (as defined above); and defendants Jernigan Capital, Inc., n/k/a NexPoint Storage Partners, Inc. (“Jernigan” or the “Company”), John A. Good, Mark O. Decker, James Dondero, Howard A. Silver, Harry J. Thie, and Rebecca Owen (referred to collectively as the “Defendants”), by their respective counsel.¹ This Notice describes what steps you may take in relation to the Settlement and the Action.

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action as to the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the proposed Settlement of the Action and of your rights in connection therewith. Defendants have: (i) denied all claims and wrongdoing asserted in the Action and any liability arising out of the conduct alleged therein; and (ii) asserted various defenses. No trial has yet occurred in this Action and no findings of fact, fault, or liability have been made as to any of the parties.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation, which, along with other important documents, is available on the website, www.JerniganSecuritiesSettlement.com. All singular forms of nouns and pronouns include the plural and vice versa.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	Submitting a claim is the only way to be potentially eligible to receive a payment from the Net Settlement Fund. Proofs of Claim must be postmarked or submitted online on or before June 10, 2025.
EXCLUDE YOURSELF	If you exclude yourself from the Class, you will not be eligible to receive any payment from the Net Settlement Fund. This is the only option that potentially allows you to ever be part of any other lawsuit against any of the Defendants or any other Released Defendants' Persons concerning the Released Plaintiff's Claims. Exclusions must be postmarked on or before May 8, 2025.
OBJECT	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation, or the fee and expense requests unless you are a Class Member and do not exclude yourself from the Class. Objections must be received by the Court and counsel on or before May 8, 2025. If you submit a written objection, you may (but do not have to) attend the hearing.
GO TO THE HEARING ON MAY 29, 2025	You may ask to speak in Court about the fairness of the Settlement. Requests to speak must be received by the Court and counsel on or before May 8, 2025. If you submit a written objection, you may (but you do not have to) attend the hearing.
DO NOTHING	If you do nothing, you will receive no payment. You will, however, still be a member of the Class, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Defendants' Persons about the Released Plaintiff's Claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

Pursuant to the Settlement described herein, a \$12 million settlement fund has been established (the "Settlement Amount"). The Settlement Amount and any interest earned thereon is the "Settlement Fund." The Settlement Fund, less: (i) any Taxes and Tax Expenses; (ii) any Notice and Administration Expenses; and (iii) any attorneys' fees and expenses awarded by the Court to Lead Counsel and Lead Plaintiff (the "Net Settlement Fund"), will be evenly divided between the Class, and distributed to Class Members in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is set forth on pages 10 through 11 below. Based on Lead Counsel's estimate of the number of Jernigan shares that were allegedly damaged, the average distribution in the Action is approximately \$0.78 per share of common stock, before deduction of any Taxes on the income earned on the Settlement Amount, Notice and Administration Expenses, Tax Expenses, the attorneys' fees and expenses, and the expenses of Lead Plaintiff (if requested) as determined by the Court. **Class Members should note, however, that the foregoing average recovery per share is only an estimate.** Class Members may receive more or less than this estimated amount, and a Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that Class Member's claims as compared to the total claims of all Class Members, as applicable, who submit acceptable Proofs of Claim. See Plan of Allocation set forth and discussed at pages 10 through 11 below for more information on the calculation of your claim.

Statement of Potential Outcome of Case

The Settling Parties disagree on both liability and damages and do not agree on the average amount of damages per share of Jernigan common stock, if any, that would be recoverable if the Class prevailed on each claim alleged. Defendants deny that they are liable to the Class and deny that the Class has suffered any damages.

Statement of Attorneys' Fees and Expenses Sought

Since the Action was filed, Lead Counsel has expended considerable time and effort in the prosecution of the Action on a wholly contingent basis and has advanced the expenses of the Action in the expectation that if it was successful in obtaining a recovery for the Class, it would be paid from such recovery. Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed 33⅓% of the Settlement Amount, plus expenses not to exceed \$225,000, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. In addition, Lead Plaintiff may request an award not to exceed \$10,000 pursuant to 15 U.S.C. §78u-4(a)(4) in connection with his representation of the Class. If the amounts requested are approved by the Court, the average cost per allegedly damaged Jernigan share will be approximately \$0.27 per common share. Any fees and expenses awarded by the Court, or any award to Lead Plaintiff, shall be paid solely from the Settlement Fund.

Further Information

For further information regarding the Action, this Notice, or to review the Stipulation of Settlement, please contact the Claims Administrator toll-free at 1-833-419-4863, via email at info@JerniganSecuritiesSettlement.com, or visit the website www.JerniganSecuritiesSettlement.com.

You may also contact a representative of counsel for the Class: Shareholder Relations Department, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, settlementinfo@rgrdlaw.com.

Please Do Not Call the Court or Defendants with Questions About the Settlement.

Reasons for the Settlement

Lead Plaintiff's principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery—or, indeed, no recovery at all—might be achieved after contested motions, trial, and likely appeals, a process that could last several years into the future.

Defendants have denied, and continue to deny, each and all of the claims and allegations asserted against them in the Litigation. For the Defendants, who have denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the costs, burdens, and uncertainty inherent in any litigation, especially in complex cases such as this Litigation. Defendants have concluded that further continuation of this Litigation could be protracted and unnecessarily costly.

BASIC INFORMATION

1. Why did I get this Notice package?

The Court directed that this Notice be mailed to you because you, someone in your family, or an investment account for which you serve as a custodian, may have held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and sold shares for \$17.30 in the Transaction.

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

The Court in charge of the Litigation is the United States District Court for the Southern District of New York, and the case is entitled *In re Jernigan Capital, Inc. Securities Litigation*, No. 1:20-cv-09575-JLR-KHP. The case has been assigned to the Honorable Jennifer L. Rochon. The person representing the Class is the Lead Plaintiff, and the entity and individuals he sued and who have now settled are the Defendants.

2. What is this lawsuit about?

This is a securities class action currently pending before the Honorable Jennifer L. Rochon in the United States District for the Southern District of New York (the "Court"). The initial complaint in the Litigation was filed on November 13, 2020. On February 5, 2021, the Court appointed John R. Erickson as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP as Lead Counsel.

On April 6, 2021, Lead Plaintiff filed the operative amended complaint (the "Complaint"), alleging violations of Sections 14(a) and 20(a) of the Securities Exchange Act of 1934. More specifically, Lead Plaintiff alleged that shareholders of Jernigan common stock voted on the Transaction pursuant to a materially false and misleading Proxy. Lead Plaintiff alleged that the Proxy misrepresented the nature of the Transaction and failed to disclose material information concerning the role Extra Space Storage Inc. ("Extra Space"), a leader in the self-storage REIT industry, played in the Transaction. Lead Plaintiff also alleged that the Proxy's statement that one reason for the merger was "the limited interest other REITs operating in the self-storage sector would likely have in acquiring the Company's portfolio" was false and misleading because Extra Space was participating directly in the Transaction by providing \$300 million – representing approximately one-third of the purchase price. Lead Plaintiff also alleged that the \$17.30 per share that Jernigan shareholders received in the Transaction represented inadequate consideration.

On June 30, 2021, Defendants moved to dismiss the Complaint. On July 30, 2021, Lead Plaintiff filed his opposition to Defendants' motion to dismiss. On August 20, 2021, Defendants filed their reply brief in further support of their motion to dismiss. On May 20, 2022, the Court held oral argument on Defendants' motion to dismiss. On August 1, 2022, the Court denied Defendants' motion to dismiss. On September 7, 2022, Defendants answered the Complaint. Thereafter, the parties commenced discovery, collectively propounding over 45 requests for the production of documents.

On December 15, 2022, Lead Plaintiff moved for class certification under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and contemporaneously produced documents in response to Defendants' discovery requests. On January 27, 2023, Defendants' Counsel deposed Lead Plaintiff's expert. On February 9, 2023, Defendants' Counsel

deposed Lead Plaintiff. On February 22, 2023, Defendants filed their opposition to Lead Plaintiff's motion for class certification. On March 29, 2023, Lead Counsel deposed Defendants' expert. On April 21, 2023, Lead Plaintiff filed his reply brief in further support of class certification. On June 9, 2023, the Court held oral argument on Lead Plaintiff's motion for class certification. On June 12, 2023, Magistrate Judge Katharine H. Parker issued a report and recommendation (the "Report & Recommendation") recommending that Lead Plaintiff's motion for class certification be granted. On September 14, 2023, the Court adopted the Report & Recommendation in full and certified the Class. On September 28, 2023, Defendants filed a petition seeking permission, under Federal Rule of Civil Procedure 23(f), to appeal from the Court's September 14, 2023 class certification order (the "Rule 23(f) petition"). On October 10, 2023, Lead Plaintiff filed his opposition to Defendants' Rule 23(f) petition. On February 21, 2024, the U.S. Court of Appeals for the Second Circuit denied Defendants' Rule 23(f) petition.

Lead Plaintiff, through Lead Counsel, pursued extensive discovery concerning the claims against each of the Defendants and the events at issue in the Action. During the period from 2022 to 2024, Lead Plaintiff served Defendants with discovery requests, which resulted in the production of over 35,000 documents totaling over 290,000 pages. Lead Plaintiff also served subpoenas on nine non-parties, who produced over 87,000 additional documents. These productions were the result of extensive negotiations, and Lead Counsel participated in numerous conferences to resolve discovery disputes and to ensure that the Class had access to all relevant materials.

As part of the discovery process, Lead Counsel also carefully reviewed and engaged with Defendants' Counsel on privilege issues, including Defendants' assertions of privilege over documents produced by a third party and Defendants' privilege log which asserted privilege over thousands of documents. Lead Counsel also participated in numerous substantive discussions with Lead Plaintiff's expert regarding the evidentiary record and damages.

During the course of the Litigation, the Settling Parties engaged the services of Greg Danilow of Phillips ADR, a highly qualified mediator experienced in securities litigation (the "Mediator"). In connection with this engagement, the Settling Parties participated in a full-day mediation session before the Mediator, and exchanged opening and reply mediation statements and exhibits, which addressed the parties' respective positions on liability and potential damages. On September 25, 2024, the Mediator made a Mediator's proposal. In response to the Mediator's proposal, the Settling Parties reached an agreement in principle on October 7, 2024 to settle the Action for Twelve Million Dollars in cash (\$12,000,000). On October 11, 2024, the Settling Parties informed the Court of the settlement in principle of the Action. After further negotiations, the Settling Parties executed a term sheet on December 10, 2024. Following additional negotiation, the Settling Parties executed the Stipulation on February 7, 2025, and moved for preliminary approval of the proposed Settlement. The motion was granted on February 19, 2025, and this Notice is being provided pursuant to the Preliminary Approval Order.

Defendants have denied, and continue to deny, the Complaint's allegations and that they violated the federal securities laws in any respect. Defendants contend that they made no false or misleading statements, and they made full and accurate disclosures of all information required to be disclosed by law.

THE COURT HAS NOT DETERMINED WHETHER DEFENDANTS ARE LIABLE TO LEAD PLAINTIFF OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THE ACTION OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PROPOSED SETTLEMENT OF THE ACTION AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

3. Why is there a settlement? What if there were no settlement?
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The Court has not decided in favor of Defendants or the Class. Instead, both sides agreed to the Settlement to avoid the costs and risks of further litigation, including trial and post-trial appeals. Lead Plaintiff agreed to the Settlement in order to ensure that Class Members will receive compensation, and because Lead Plaintiff (advised by Lead Counsel) considered the Settlement Amount to be a favorable recovery compared to the risk-adjusted possibility of recovery after trial and any appeals, in light of Defendants' arguments that the statements at issue were not actionable at all by the Class, that Defendants were complying with all applicable securities laws, and that the Class did not suffer any damages. Lead Plaintiff and Lead Counsel believe the Settlement is in the best interest of all Class Members in light of the real possibility that continued litigation could result in no recovery at all.

WHO IS IN THE SETTLEMENT

4. How do I know if I am a member of the Class?

The Court directed that everyone who fits this description is a Class Member: all holders of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, whose shares were sold for \$17.30 in the Transaction, except those Persons and entities that are excluded. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members have or had a controlling interest. Also excluded from the Class are those Persons who timely and validly exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish to be eligible to participate in the distribution of the proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice (and available on the website) and the required supporting documentation as set forth therein postmarked or submitted online on or before **June 10, 2025**.

5. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-833-419-4863, via email at info@JerniganSecuritiesSettlement.com, or you can fill out and return, via mail or online, the Proof of Claim enclosed with this Notice package (and available on the website) to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Plaintiff's Claims (defined below) and dismissal of the Action, Defendants have agreed to pay (or cause to be paid) \$12 million in cash to be distributed after Taxes, Tax Expenses, Notice and Administration Expenses, and approved attorneys' fees and expenses, *pro rata*, to Class Members who send in a valid Proof of Claim pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

7. How much will my payment be?

At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement. 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 than the estimated average amount provided below depending on the number of claims submitted. If 100% of shares outstanding on the record date and exchanged in the Transaction submit a claim, each share's average distribution under the Settlement will be approximately \$0.78 per share, before deduction of any Taxes on any income earned on the Settlement Amount, Tax Expenses, Notice and Administration Expenses, the attorneys' fees and expenses, and the expenses of Lead Plaintiff (if requested), as determined by the Court. See Plan of Allocation set forth at pages 10 through 11 below for more information on your claim. The Settlement Fund less Taxes, Notice and Administration Expenses, any award of attorneys' fees and expenses, and Lead Plaintiff's expenses ("Net Settlement Fund") will be distributed to Class Members who submit valid, timely Proofs of Claim ("Authorized Claimants") on a *pro rata* basis. However, no distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Defendants do not agree with the characterization that any damages were suffered by Lead Plaintiff or the Class.

Payments shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Counsel, Lead Plaintiff, the Claims Administrator, Defendants or the Released Defendants' Persons, or any Person designated by Lead 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 Defendants for any Released Plaintiff's Claims. All Class Members who fail to complete and submit a valid and timely Proof of Claim 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.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM**8. How can I get a payment?**

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.JerniganSecuritiesSettlement.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and **mail (to *Jernigan Securities Settlement*, c/o Verita Global, Claims Administrator, P.O. Box 301135, Los Angeles, CA 90030-1135) or submit it online at www.JerniganSecuritiesSettlement.com so that it is postmarked or received no later than June 10, 2025.**

9. When would I get my payment?

The Court will hold a Settlement Hearing on May 29, 2025, at 1:00 p.m. ET, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

10. What am I giving up to get a payment or to stay in the Class?

Unless you timely and validly exclude yourself, you are staying in the Class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or the Released Defendants' Persons about the "Released Plaintiff's Claims" (as defined below) in the Action. It also means that all of the Court's orders will apply to you and legally bind you. If you remain a Class Member, and if the Settlement is approved, you will give up all "Released Plaintiff's Claims" (as defined below), including "Unknown Claims" (as defined below), against the "Released Defendants' Persons" (as defined below):

- "Immediate Family Member(s)" means children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, and any persons (other than a tenant or employee) sharing the household.
- "Released Defendants' Claims" means all claims (including, but not limited to, Unknown Claims (as defined below)), and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, by the Released Defendants' Persons against the Released Plaintiff's Persons. This release does not include claims relating to the enforcement of the Settlement.
- "Released Defendants' Persons" means Defendants, NexPoint Advisors, L.P. and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.
- "Released Plaintiff's Claims" means all claims, demands, losses, rights, and causes of action of every nature and description, whether known or unknown, and whether arising under federal, state, common, foreign or other applicable law, rule, or regulation, that the Released Plaintiff's Persons: (i) asserted in any complaint filed in the Action; or (ii) could have asserted or could in the future assert in any court or other forum, directly, derivatively, or in any other capacity, that: (a) arise out of or relate to any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in any complaint filed in the Action; and (b) arise from or relate to the sale of Jernigan common stock in the Transaction. This release does not cover, include, or release: (i) any previously filed shareholder derivative or ERISA claims; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims of any Person that submitted an effective request for exclusion from the Class. "Released Plaintiff's Claims" include "Unknown Claims" as defined below. For the avoidance of doubt, nothing in the Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

- “Released Plaintiff’s Persons” means Lead Plaintiff and the other members of the Class, on behalf of themselves and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.
- “Unknown Claims” means any of the Released Plaintiff’s Claims which Released Plaintiff’s Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants’ Persons, and any of the Released Defendants’ Claims that the Released Defendants’ Persons do not know or suspect to exist in his, her or its favor at the time of the release of Released Plaintiff’s Persons, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement with and release of the Released Defendants’ Persons or Released Plaintiff’s Persons, or might have affected his, her, or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Plaintiff’s 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 Plaintiff’s Claims and the Released Defendants’ Claims, upon the Effective Date, the Released Plaintiff’s Persons and the Released Defendants’ 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, 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 or foreign law, which is similar, comparable, or equivalent to 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.

The Settling Parties shall expressly waive, and the Released Plaintiff’s Persons and the Released Defendants’ Persons shall be deemed to have, and by operation of the 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. The Released Plaintiff’s Persons and the Released Defendants’ Persons acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to, or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Plaintiff’s Claims or Released Defendants’ Claims, but: (a) the Released Plaintiff’s Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Released Plaintiff’s Person shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff’s Claims against the Released Defendants’ Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, 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, legal theories, or authorities; and (b) the Defendants shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Defendants’ Claims against the Released Plaintiff’s Persons, 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 which is negligent, 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, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff’s Persons and Released Defendants’ Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

EXCLUDING YOURSELF FROM THE CLASS

If you want to keep the right to potentially sue the Released Defendants' Persons on your own about the claims being released by the Settlement, then you must take steps to remove yourself from the Settlement. This is called excluding yourself – or is sometimes referred to as “opting out.” If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in the Action, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

11. How do I get out of the Class and the proposed Settlement?

To exclude yourself from the Class and the Settlement, you must send a signed and dated letter by mail stating that you “request exclusion from the Class in the *Jernigan Securities Settlement*.” Your letter must include information about your shares of Jernigan common stock that were held as of September 11, 2020, the record date, and the shares you sold in the Transaction, including the number of shares. In addition, you must include your name, address, telephone number, and in the case of entities, the name and telephone number of the appropriate contact person, and your signature. You must submit your exclusion request so that it is **postmarked no later than May 8, 2025** to:

Jernigan Securities Settlement
EXCLUSIONS
c/o Verita Global
P.O. Box 5100
Larkspur, CA 94977-5100

You cannot exclude yourself by phone or by email. If you make a proper request for exclusion, you will not receive a payment from the Settlement, and you cannot object to the Settlement. If you make a proper request for exclusion, you will not be legally bound by anything that happens in the Action.

12. If I do not exclude myself, can I sue the Defendants and the other Released Defendants' Persons for the same thing later?

No. Unless you exclude yourself, you give up any rights you may potentially have to sue Defendants and the other Released Defendants' Persons for any and all Released Plaintiff's Claims. If you have a pending lawsuit against the Released Defendants' Persons, speak to your lawyer in that case immediately. You must exclude yourself from the Class in this Action to continue your own lawsuit. Remember, the exclusion deadline is May 8, 2025.

13. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you will not get money from the proposed Settlement. If you exclude yourself, you should not send in a Proof of Claim to ask for any money.

WHO REPRESENTS THE CLASS

14. Who are the lawyers in this case?

The Court ordered that the law firm of Robbins Geller Rudman & Dowd LLP represent the Class Members, including you. These lawyers are called Lead Counsel.

15. How will the lawyers be paid?

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed 33⅓% of the Settlement Amount and for expenses, costs, and charges in an amount not to exceed \$225,000, in connection with the Action, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. In addition, Lead Plaintiff may seek up to \$10,000 for his time and expenses incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or any part of it.

16. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you may object to the proposed Settlement, the proposed Plan of Allocation, and/or the fee and expense applications of Lead Counsel or Lead Plaintiff. For any objection to be considered, you must file a written statement with the Clerk of the Court and send a copy to Lead Counsel and Defendants' Counsel at the addresses listed below so that it is **received by May 8, 2025**. Any objection must: (i) state the name, address, and telephone number of the Person objecting and must be signed by the objector, even if the objector is represented by counsel; (ii) contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention and whether the

objections apply only to the objector, a specific subset of the Class, or to the entire Class; (iii) include documents sufficient to prove membership in the Class, including evidence of the objecting Class Member's shares of Jernigan common stock held as of September 11, 2020, the record date, and sold in the Transaction, including the number of shares; and (iv) identify all settlements to which the objector and/or its counsel has filed an objection in the past three (3) years. Attendance at the Settlement Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence.

CLERK OF THE COURT	LEAD COUNSEL	DEFENDANTS' COUNSEL
UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK Clerk of the Court Daniel Patrick Moynihan United States Courthouse 500 Pearl Street New York, NY 10007-1312	ROBBINS GELLER RUDMAN & DOWD LLP Ellen Gusikoff Stewart 655 West Broadway Suite 1900 San Diego, CA 92101	WINSTON & STRAWN LLP Matthew L. DiRisio 200 Park Avenue New York, NY 10166

THE COURT'S SETTLEMENT HEARING

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

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

The Court will hold a Settlement Hearing at **1:00 p.m. ET, on May 29, 2025**, in the Courtroom of the Honorable Jennifer L. Rochon at the United States District for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Lead Counsel and Lead Plaintiff. After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. **In order to determine whether the date and time of the Settlement Hearing has changed, or whether Class Members must or may participate by phone or video, it is important that you monitor the Court's docket and the Settlement website, www.JerniganSecuritiesSettlement.com, before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date and time of the hearing or updates regarding in-person, telephonic, or video conference appearances at the hearing, will be posted to the Settlement website, www.JerniganSecuritiesSettlement.com. Also, if the Court requires or allows Class Members to participate in the Settlement Hearing by telephone or video conference, the phone number for accessing the telephonic conference or the website for accessing the video conference will be posted to the Settlement website, www.JerniganSecuritiesSettlement.com.** If you want to attend the hearing, either in person or telephonically, if permitted, you should check the Settlement website, www.JerniganSecuritiesSettlement.com, or contact Lead Counsel beforehand to be sure that the date and/or time has not changed.

18. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court 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 mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

19. May I speak at the hearing?

If you object to the Settlement, the Plan of Allocation, and/or the fee and expense applications, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see question 16 above) a statement saying that it is your "Notice of Intention to Appear in the ***Jernigan Securities Settlement***." Persons who intend to object to the Settlement, the Plan of Allocation, and/or any attorneys' fees and expenses to be awarded to Lead Counsel or Lead Plaintiff and desire to present evidence at the Settlement Hearing, must include in their written objections the identity of any witnesses they may call to testify and any exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **received no later than May 8, 2025**, and addressed to the Clerk of Court, Lead Counsel, and Defendants' Counsel, at the addresses listed above in question 16.

You cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING**20. What happens if I do nothing?**

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 against Defendants and/or the Released Defendants' Persons about the Released Plaintiff's Claims in the Action.

GETTING MORE INFORMATION**21. How do I get more information?**

For even more detailed information concerning the matters involved in the Action, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-833-419-4863 or via email at info@JerniganSecuritiesSettlement.com. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court, and to the other Settlement related papers filed in the Litigation, which are posted on the Settlement website at www.JerniganSecuritiesSettlement.com, and which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, during regular business hours. For a fee, all papers filed in the Litigation are also available at www.pacer.gov.

THE PROPOSED PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS**22. How will my claim be calculated?**

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or may approve another plan of allocation, without further notice to Class Members.

As discussed above, the Settlement provides \$12 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund." If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to Authorized Claimants – *i.e.*, Class Members who timely submit a valid Proof of Claim to the Claim Administrator – in accordance with this proposed Plan of Allocation ("Plan of Allocation" or "Plan") or such other plan of allocation as the Court may approve. Given that the currently pending claims in the Litigation challenge statements made in the Proxy related to that vote, this proposed Plan of Allocation aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation. Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, www.JerniganSecuritiesSettlement.com. The objective of the Plan of Allocation is to distribute the Net Settlement Fund proceeds equitably among Class Members based on their respective alleged economic losses resulting from the Action. The Plan of Allocation is not a formal damages analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making *pro rata* allocations of the Net Settlement Fund.

Section 14(a) Claims

Claims under Section 14(a) of the Securities Exchange Act of 1934 are asserted with regard to Defendants' alleged negligent preparation, review, and dissemination of the allegedly false and misleading Proxy Statement. Lead Plaintiff alleges that members of the Class were deprived of their right to be presented with accurate proxy materials while asked to vote on Jernigan's proposed take-private transaction. In order to have a compensable loss in this Settlement under Section 14(a) of the Securities Exchange Act of 1934, a claimant must have: (i) held Jernigan common stock as September 11, 2020; and (ii) sold shares in the Transaction.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

As discussed above, the Settlement provides \$12 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the "Settlement Fund." The Settlement Fund, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the "Net Settlement Fund."

If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to Authorized Claimants – *i.e.*, Class Members who submit a valid Proof of Claim to the Claim Administrator – in accordance with this proposed Plan of Allocation (“Plan of Allocation” or “Plan”) or such other plan of allocation as the Court may approve.

Only those stockholders holding Jernigan common stock as of September 11, 2020 were considered record holders entitled to vote on the Transaction. Given that the currently pending claims in the Litigation challenge statements made in the Proxy related to that vote, this proposed Plan of Allocation aligns the recovery with those who have legal standing to bring the claims currently asserted in the Litigation.

For holders of Jernigan common stock as of the September 11, 2020 record date for the special meeting of shareholders held on October 26, 2020, who and still held their respective shares as of the close of trading on November 5, 2020,² the “Recognized Loss Amount” shall be equal to the Net Settlement Fund divided by the total number of shares represented by valid Claims submitted by Authorized Claimants.

Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, www.JerniganSecuritiesSettlement.com.

The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who have legal standing to bring the claims currently asserted in the Litigation (as described above). The Plan of Allocation is not a formal damages analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial.

Pursuant to the Settlement described herein, the Settlement Amount is \$12 million. Lead Plaintiff estimates that approximately 15,387,070 shares of Jernigan common stock are in the Class. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund determined by its claim as compared to the total claims of all eligible Class Members who submit acceptable Proofs of Claim.

A Class Member may receive more than the estimated average amount provided below depending on the number of Claims submitted. If 100% of shares outstanding on the record date and exchanged in the Transaction submit a Claim, each share’s average distribution under the Settlement will be approximately \$0.78 per share, before deduction of any Taxes on any income earned on the Settlement Amount, Tax Expenses, Notice and Administration Expenses, the attorneys’ fees and expenses, the expenses of Lead Plaintiff (if any), as determined by the Court.

The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis. However, no distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Payments shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Counsel, Lead Plaintiff, the Claims Administrator, Released Defendants’ Persons, or any Person designated by Lead 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 Defendants for any Released Plaintiff’s Claims. All Class Members who fail to complete and submit a valid and timely Proof of Claim 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.

² November 5, 2020 was the last day the Company’s shares traded prior to the closing of the Transaction.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and sold in the Transaction for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you held such common stock; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within seven (7) days mail the Notice and Proof of Claim directly to the beneficial owners of the common stock referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Reasonable out-of-pocket expenses actually incurred in connection with the foregoing includes up to \$0.03 for providing names, addresses, and email addresses to the Claims Administrator per record, up to a maximum of \$0.03 per Notice and Claim Form emailed or mailed by you, plus postage at the rate used by the Claims Administrator. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator at notifications@veritaglobal.com or:

Jernigan Securities Settlement
Claims Administrator
c/o Verita Global
P.O. Box 301135
Los Angeles, CA 90030-1135

DATED: February 19, 2025

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

	x	
In re JERNIGAN CAPITAL, INC. SECURITIES	:	Master File No. 1:20-cv-09575-JLR-KHP
LITIGATION	:	
	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
ALL ACTIONS.	:	
	x	

PROOF OF CLAIM AND RELEASE**I. GENERAL INSTRUCTIONS**

1. To recover as a Class Member based on your claims in the action titled *In re Jernigan Capital, Inc. Securities Litigation*, No. 1:20-cv-09575-JLR-KHP (S.D.N.Y.) (the "Action"), you must complete and, on page 6 hereof, sign this Proof of Claim and Release form ("Claim Form" or "Proof of Claim"). If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim, 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.¹

2. Submission of this Proof of Claim, 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 CLAIM FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, **NO LATER THAN JUNE 10, 2025**, TO THE COURT-APPOINTED CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Jernigan Securities Settlement
Claims Administrator
c/o Verita Global
P.O. Box 301135
Los Angeles, CA 90030-1135

Online Submissions: www.JerniganSecuritiesSettlement.com

4. Do not mail or deliver your Proof of Claim to the Court, the parties to the Litigation, or their counsel. Submit your Proof of Claim only to the Claims Administrator at the address set forth above. If you are NOT a Class Member, as defined in the Notice of Pendency and Proposed Settlement of Class Action ("Notice"), DO NOT submit a Proof of Claim.

5. If you are a Class Member and you do not validly and timely request exclusion, you will be bound by the terms of any judgment entered in the Action, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.**

6. It is important that you completely read and understand the Notice that accompanies this Proof of Claim, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the proposed Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Proof of Claim. By signing and submitting this Proof of Claim, you will be certifying that you have read and that you understand the Notice, including the terms of the releases described therein and provided for herein.

¹ This Claim Form incorporates by reference the definitions in the Stipulation of Settlement ("Stipulation"), which can be viewed and/or obtained at www.JerniganSecuritiesSettlement.com.

II. CLAIMANT IDENTIFICATION

You are a member of the Class if you: held shares of Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and your shares were sold for \$17.30 in the Transaction. Excluded from the Class are: (a) Defendants, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the Defendants and/or their Immediate Family Members, and any entity in which Defendants and/or their Immediate Family Members have or had a controlling interest; and (b) the officers and directors of the Company at all relevant times, their Immediate Family Members, any legal representatives, heirs, successors or assigns of the officers and directors of the Company at all relevant times and/or their Immediate Family Members, and any entity in which the officers and/or directors of the Company at all relevant times and/or their Immediate Family Members have or had a controlling interest. Also excluded from the Class are those Persons who timely and validly request exclusion from the Class in accordance with the requirements set forth in the Notice.

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

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

One Claim Form should be submitted for each separate legal entity. Separate Claim Forms should be submitted for each separate legal entity (e.g., a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity, including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (e.g., a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

III. CLAIM FORM

Use Part II of this form entitled "Holdings in Jernigan Common Stock" to state the number of shares of Jernigan common stock you held as of September 11, 2020, and to state the number of shares that were sold for \$17.30 in the Transaction.

You must provide copies of broker information or other documentation of your holdings in Jernigan 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.

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 such claimants **MUST** also submit a manually signed paper Claim Form listing all their transactions whether or not they also submit electronic copies. If you wish to submit your Claim Form electronically, you must contact the Claims Administrator at edata@veritaglobal.com to obtain the required file layout. Any file not in accordance with the required electronic filing format will be subject to rejection. Only one Claim Form should be submitted for each separate legal entity (see above) and the complete name of the beneficial owner(s) of the securities must be entered where called for. Distribution payments must be made by check or electronic payment payable to the Authorized Claimant (beneficial account owner). The third-party filer shall not be the payee of any distribution payment check or electronic distribution payment. 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. Do not assume that your file has been received until you receive this notification.

Official
Office
Use
Only

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re Jernigan Capital, Inc. Securities Litigation

No. 1:20-cv-09575-JLR-KHP (S.D.N.Y.)

PROOF OF CLAIM AND RELEASE

**Must Be Postmarked (if Mailed)
or Received (if Submitted Online)
No Later Than June 10, 2025**

JER

Please Type or Print in the Boxes Below

Must use Black or Blue Ink or your
claim may be deemed deficient.

REMEMBER TO ATTACH COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR HOLDINGS IN JERNIGAN COMMON STOCK. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.

PART I. CLAIMANT IDENTIFICATION

Last Name

M.I.

First Name

Last Name (Co-Beneficial Owner)

M.I.

First Name (Co-Beneficial Owner)

☐ IRA

☐ Joint Tenancy

☐ Employee

☐ Individual

☐ Other

Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA (specify)

Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)

Account#/Fund# (Not Necessary for Individual Filers)

Last Four Digits of Social Security Number

Taxpayer Identification Number

or

Telephone Number (Primary Daytime)

Telephone Number (Alternate)

Email Address

MAILING INFORMATION

Address

Address (cont.)

City

State

ZIP Code

Foreign Province

Foreign Postal Code

Foreign Country Name/Abbreviation

FOR CLAIMS PROCESSING ONLY	OB	CB	<input type="radio"/> ATP	<input type="radio"/> BE	<input type="radio"/> FL	<input type="radio"/> OP	MM / DD / YYYY	FOR CLAIMS PROCESSING ONLY
			<input type="radio"/> KE	<input type="radio"/> DR	<input type="radio"/> ME	<input type="radio"/> RE		
			<input type="radio"/> ICI	<input type="radio"/> EM	<input type="radio"/> ND	<input type="radio"/> SH		



A. Number of shares of Jernigan common stock you held as of September 11, 2020: (must be documented). If none, write "zero":

--	--	--	--	--	--	--	--	--	--

Proof Enclosed?
☐ Y ☐ N

B. Number of shares of Jernigan common stock you sold for \$17.30 in the Transaction: (must be documented). If none, write "zero":

--	--	--	--	--	--	--	--	--	--

Proof Enclosed?
☐ Y ☐ N

If you require additional space, attach extra schedules in the same format as above.
 Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE 6. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Claim Form under the terms of the Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern District of New York with respect to my (our) claim as a member of the Class and for purposes of enforcing the releases set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of the Stipulation and any judgment that may be entered in the Action, including the releases and the covenants set forth herein. 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 holding of Jernigan common stock during the relevant period and know of no other Person having done so on my (our) behalf.

V. RELEASES

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release from the "Released Plaintiff's Claims" (as defined below) each and all of the "Released Defendants' Persons" (as defined below).

2. "Released Defendants' Claims" means all claims (including, but not limited to, Unknown Claims as defined below), and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, common, or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants, by the Released Defendants' Persons against the Released Plaintiff's Persons. This release does not include claims relating to the enforcement of the Settlement.

3. "Released Defendants' Persons" means Defendants, NexPoint Advisors, L.P. and their respective past or present control persons, controlling stockholders, entities in which they have or had a controlling interest, parents, subsidiaries, divisions, associated entities, partnerships, joint ventures, member firms, limited liability companies, corporations and affiliates and the respective present and former employees, stockholders, principals, partners, officers, managers, directors, fiduciaries, managing directors, members, managing members, managing agents, advisors, consultants, and underwriters of each of them in their capacities as such; and the predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, assignees, insurers, co-insurers, reinsurers, Immediate Family Members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, attorneys, and legal or personal representatives of each of them in their capacities as such.

4. "Released Plaintiff's Claims" means all claims, demands, losses, rights, and causes of action of every nature and description, whether known or unknown, and whether arising under federal, state, common, foreign or other applicable law, rule, or regulation, that the Released Plaintiff's Persons: (i) asserted in any complaint filed in the Action; or (ii) could have asserted or could in the future assert in any court or other forum, directly, derivatively, or in any other capacity, that: (a) arise out of or relate to any of the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in any complaint filed in the Action; and (b) arise from or relate to the sale of Jernigan common stock in the Transaction. This release does not cover, include, or release: (i) any previously filed shareholder derivative or ERISA claims; (ii) any claims relating to the enforcement of the Settlement; or (iii) any claims of any Person that submitted an effective request for exclusion from the Class. "Released Plaintiff's Claims" include "Unknown Claims" as defined below. For the avoidance of doubt, nothing in the Stipulation is intended to, nor shall it be deemed to, release any claim that the Defendants have against any of Defendants' insurers.

5. "Unknown Claims" means any of the Released Plaintiff's Claims which Released Plaintiff's Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Persons, and any of the Released Defendants' Claims that the Released Defendants' Persons do not know or suspect to exist in his, her or its favor at the time of the release of Released Plaintiff's Persons, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement with and release of the Released Defendants' Persons or Released Plaintiff's Persons, or might have affected his,



her, or its decision not to object to this Settlement or seek exclusion. Unknown Claims include those Released Plaintiff's 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 Plaintiff's Claims and the Released Defendants' Claims, upon the Effective Date, the Released Plaintiff's Persons and the Released Defendants' 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, any and all provisions, rights, and benefits conferred by any law or any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to 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.

The Settling Parties shall expressly waive, and the Released Plaintiff's Persons and the Released Defendants' Persons shall be deemed to have, and by operation of the 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. The Released Plaintiff's Persons and the Released Defendants' Persons acknowledge that they may hereafter discover facts, legal theories, or authorities in addition to, or different from, those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Plaintiff's Claims or Released Defendants' Claims, but: (a) the Released Plaintiff's Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Released Plaintiff's Person shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Plaintiff's Claims against the Released Defendants' Persons, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, whether or not concealed or hidden, which now exist, or heretofore have existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, 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, legal theories, or authorities; and (b) the Defendants shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and, upon the Effective Date, and by operation of the Judgment, shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Defendants' Claims against the Released Plaintiff's Persons, 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 which is negligent, 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, legal theories, or authorities. The Settling Parties acknowledge, and the Released Plaintiff's Persons and Released Defendants' Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

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

7. 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.

8. I (We) hereby warrant and represent that I (we) have included information (including supporting documentation) about the number of shares of Jernigan common stock held by me (us) on the Record Date and the number of shares of Jernigan common stock sold in the Transaction.

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

10. I (We) 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 _____ in _____
 (Month/Year) (City/State/Country)

 (Sign your name here)

 (Sign your name here)

 (Type or print your name here)

 (Type or print your name here)

 (Capacity of person(s) signing, e.g.,
 Beneficial Owner, Executor or Administrator)

 (Capacity of person(s) signing, e.g.,
 Beneficial Owner, Executor or Administrator)

Reminder Checklist:

1. Please sign the above release and acknowledgment.
2. If this claim is being made on behalf of Joint Claimants, then both must sign.
3. Remember to attach copies of supporting documentation, if available.
4. **Do not send** originals of certificates or other documentation as they will not be returned.
5. Keep a copy of your Claim Form and all supporting documentation for your records.
6. If you desire an acknowledgement receipt of your Claim Form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send your new address to the address below.
8. **Do not use red pen or highlighter** on the Claim Form or supporting documentation. Must use Black or Blue Ink or your claim may be deemed deficient.

**THIS CLAIM FORM MUST BE SUBMITTED ONLINE OR MAILED
 NO LATER THAN JUNE 10, 2025, ADDRESSED AS FOLLOWS:**

Jernigan Securities Settlement

Claims Administrator

c/o Verita Global

P.O. Box 301135

Los Angeles, CA 90030-1135

Online Submissions: www.JerniganSecuritiesSettlement.com



EXHIBIT B



1 McInnis Parkway
Suite 250
San Rafael, CA 94903
P: (415) 458-3015

March 12, 2025

«FirstName» «LastName»
«Company»
«Addr1»
«Addr2»
South Bend, IN 46601
«FCountry»

Re: Jernigan Securities Settlement

Dear «GENDER» «LastName»:

Please find enclosed the Notice of Pendency and Proposed Settlement of Class Action and Proof of Claim and Release for the above referenced litigation. Please note both the class period and the designated eligible securities described on page one of the Notice, specifically the inclusion of all holders of Jernigan Capital, Inc. ("Jernigan" or the "Company") common stock as of September 11, 2020, the record date for eligibility to vote on the going-private transaction whereby affiliates of NexPoint Advisors, L.P. acquired Jernigan's outstanding publicly traded common stock for \$17.30 per share in cash (the "Transaction"), whose shares were sold for \$17.30 in the Transaction (the "Class"). In addition, **the Notice provides that the Exclusion Deadline is May 8, 2025 and the Claim Filing Deadline is June 10, 2025.**

Please pay particular attention to the "Special Notice to Securities Brokers and Other Nominees" on page twelve of the Notice which states, in part: If you held Jernigan common stock as of September 11, 2020, the record date for eligibility to vote on the Transaction, and sold in the Transaction for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either: (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you held such common stock; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within seven (7) days mail the Notice and Proof of Claim directly to the beneficial owners of the common stock referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members.

Please do not make your own copies of the Proof of Claim Form, as copies may not be accepted for processing. Additional copies of the appropriate documents may be requested by contacting us at the above email address. If we conduct the necessary mailing on your behalf, please submit names and addresses either via email to Notifications@VeritaGlobal.com, via CD Rom to the above address or contact us to obtain secure FTP transmission instructions. Mailing labels will be accepted, but you may be requested to provide an additional copy of the address information you send. Do not include any confidential information that should not appear on a mailing label.

The data provided must be in one of the following formats: ASCII Fixed Length file, ASCII Tab Delimited file, or Microsoft Excel spreadsheet.

Your request must also specify the case name and Control Total(s) (for example, the total number of name and address records provided) for each file submission. If you have any questions, please email Notifications@VeritaGlobal.com.

Sincerely,

Verita Global

EXHIBIT C

Declaration of Publication

I, Carla Peak, as Vice President, Legal Notification Services at Verita Global LLC f/k/a Gilardi Settlement Administration Company in San Rafael, California, hereby certify that I caused the attached notice to be printed in said publication on March 19, 2025:

Name of Publication: The Wall Street Journal

Address: 1211 Avenue of the Americas

City, State, Zip: New York, NY 10036

Phone #: 1-800-568-7625

State of: New York

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 19th day of March 2025, at Sellersville, Pennsylvania.

A handwritten signature in cursive script, reading "Carla Peak", written in black ink.

Carla Peak

Mar 19, 2025 8:00 AM Eastern Daylight Time

Robbins Geller Rudman & Dowd LLP Announces Proposed Settlement in the Jernigan Securities Litigation

Share      ...

SAN DIEGO--([BUSINESS WIRE](#))--The following statement is being issued by Robbins Geller Rudman & Dowd LLP regarding the Jernigan Securities Litigation:

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re JERNIGAN CAPITAL, INC.
SECURITIES LITIGATION

Master File No. 1:20-cv-09575-JLR-KHP

CLASS ACTION

This Document Relates To:

ALL ACTIONS.

SUMMARY NOTICE OF PENDENCY
AND PROPOSED SETTLEMENT OF
CLASS ACTION

TO: ALL HOLDERS OF JERNIGAN CAPITAL, INC. ("JERNIGAN" OR THE "COMPANY") COMMON STOCK AS OF SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE GOING-PRIVATE TRANSACTION WHEREBY AFFILIATES OF NEXPOINT ADVISORS, L.P. ACQUIRED JERNIGAN'S OUTSTANDING PUBLICLY TRADED COMMON STOCK FOR \$17.30 PER SHARE IN CASH (THE "TRANSACTION"), WHOSE SHARES WERE SOLD FOR \$17.30 IN THE TRANSACTION (THE "CLASS")

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT JUNK MAIL, AN ADVERTISEMENT, OR SOLICITATION FROM A LAWYER.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE JUNE 10, 2025.**

YOU ARE HEREBY NOTIFIED that a hearing will be held on May 29, 2025, at 1:00 p.m. ET, before the Honorable Jennifer L. Rochon, at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, to determine whether: (1) the proposed settlement (the "Settlement") of the above-captioned action, as set forth in the Stipulation of Settlement ("Stipulation"),¹ for \$12,000,000 in cash should be approved by the Court as fair, reasonable, and adequate; (2) the Judgment as provided under the Stipulation should be entered with prejudice; (3) to award Lead Counsel attorneys' fees and expenses out of the Settlement Fund (as defined in the Notice of Pendency and Proposed Settlement of Class Action ("Notice"), which is discussed below), and, if so, in what amounts; (4) to award Lead Plaintiff for representing the Class out of the Settlement Fund and, if so, in what amount; and (5) the Plan of Allocation should be approved by the Court as fair, reasonable, and adequate.

IF YOU HELD JERNIGAN COMMON STOCK ON SEPTEMBER 11, 2020, THE RECORD DATE FOR ELIGIBILITY TO VOTE ON THE TRANSACTION, AND SOLD SHARES IN THE TRANSACTION, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION, INCLUDING THE RELEASE AND EXTINGUISHMENT OF CLAIMS YOU MAY POSSESS RELATING TO YOUR HOLDINGS OF JERNIGAN COMMON STOCK.

To share in the distribution of the Net Settlement Fund, you must establish your rights by submitting a Proof of Claim by mail (**postmarked no later than June 10, 2025**) or electronically via the website (**no later than June 10, 2025**). Failure to submit your Proof of Claim by June 10, 2025, will subject your claim to rejection and preclude you from receiving any of the recovery in connection with the Settlement. If you are a member of the Class and do not request exclusion therefrom as instructed, you will be bound by the Settlement and any judgment and releases entered in the Action, including, but not limited to, the Judgment, whether or not you submit a Proof of Claim.

If you have not received a copy of the Notice, which more completely describes the Settlement and your rights thereunder (including your right to object to the Settlement), and a Proof of Claim, you may obtain these documents, as well as a copy of the Stipulation (which, among other things, contains definitions for the defined terms used in this Summary Notice) and other settlement documents, online at www.JerniganSecuritiesSettlement.com, or by writing to or calling:

Jernigan Securities Settlement
Claims Administrator
c/o Verita Global
P.O. Box 301135
Los Angeles, CA 90030-1135
Telephone: 1-833-419-4863

Inquiries should NOT be directed to Defendants, the Court, or the Clerk of the Court.

Inquiries, other than requests for the Notice or for a Proof of Claim, may be made to Lead Counsel:

ROBBINS GELLER RUDMAN & DOWD LLP
Ellen Gusikoff Stewart
655 West Broadway
Suite 1900
San Diego, CA 92101
Telephone: 1-800-449-4900
settlementinfo@rgrdlaw.com

IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A REQUEST FOR EXCLUSION SUCH THAT IT IS **POSTMARKED BY MAY 8, 2025**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE. ALL MEMBERS OF THE CLASS WHO HAVE NOT REQUESTED EXCLUSION FROM THE CLASS WILL BE BOUND BY THE SETTLEMENT EVEN IF THEY DO NOT SUBMIT A TIMELY PROOF OF CLAIM.

IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE SETTLEMENT, THE PLAN OF ALLOCATION, AND THE REQUEST BY LEAD COUNSEL FOR AN AWARD OF ATTORNEYS' FEES AND EXPENSES, AND/OR THE AWARD TO LEAD PLAINTIFF FOR REPRESENTING THE CLASS. ANY OBJECTIONS MUST BE FILED WITH THE COURT AND SENT TO LEAD COUNSEL AND DEFENDANTS'

DATED: February 19, 2025

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

¹ The Stipulation can be viewed and/or obtained at www.JerniganSecuritiesSettlement.com. All capitalized terms used herein and not otherwise defined shall have the same meaning as ascribed to them in the Stipulation.

Contacts

Media:

Robbins Geller Rudman & Dowd LLP
Shareholder Relations Department
Greg Wood
(619) 231-1058

Declaration of Publication

I, Carla Peak, as Vice President, Legal Notification Services at Verita Global LLC f/k/a Gilardi Settlement Administration Company in San Rafael, California, hereby certify that I caused the attached notice to be published as a press release by the following wire service:

Name of Publication: BusinessWire

Address: 101 California Street 20th Floor

City, ST Zip: San Francisco, CA 94111

Phone #: 415-986-4422

State of: California

The press release was distributed on March 19, 2025 to the following media circuits offered by the above-referenced wire service:

1. National Newslne

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 19th day of March 2025, at Sellersville, Pennsylvania.

A handwritten signature in black ink that reads "Carla Peak". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Carla Peak