

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 1:11-CV-24438-GAYLES

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**STIEFEL LABORATORIES INC.
and CHARLES W. STIEFEL,**

Defendants.

DISTRIBUTION PLAN

I. Summary And Background

Plaintiff Securities and Exchange Commission files this Distribution Plan to distribute \$37 million in disgorgement, prejudgment interest on disgorgement, and civil penalties paid by Defendants Stiefel Laboratories Inc. (“Stiefel Labs” or “the Company”) and Charles W. Stiefel (“Stiefel”). Under the Distribution Plan, eligible defrauded shareholders in Stiefel Labs will receive pro rata distribution of the \$37 million based on the harm they suffered due to the fraudulent buyback of Company shares, as described in more detail below.

The Commission filed its Complaint against the Defendants in December 2011, alleging they violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Exchange Act Rule 10b-5. In general, the Complaint alleged fraudulent conduct by Stiefel Labs and Stiefel during the repurchase of Stiefel Labs stock shares from certain employees and other shareholders from 2006 through April 20, 2009.

The Commission staff and the Defendants entered into a proposed settlement at Court-ordered mediation on February 26, 2020, which the Commission later approved. As a result, on

June 4, 2020, the Court created a Fair Fund and entered Final Judgments by consent against Stiefel Labs and Stiefel. Under terms of the Final Judgments, Stiefel Labs and Stiefel neither admit nor deny the allegations of the Complaint and agreed to pay in the aggregate \$37 million. In particular, the Final Judgment against Stiefel Labs orders the Company to pay disgorgement of \$23 million, prejudgment interest on disgorgement of \$2,210,000, and a civil penalty of \$1.3 million. The Final Judgment against Stiefel orders him to pay disgorgement of \$9.3 million, prejudgment interest on disgorgement of \$930,000, and a civil penalty of \$260,000. The Defendants have made those payments, which now constitute the Fair Fund in this case.

On June 12, 2020, the Court entered an Order appointing Miller Kaplan Arase, LLP the Tax Administrator in the case to handle the tax obligations of the Fair Fund, and Robert Levenson and Christopher Martin, Commission employees, as Distribution Agents to administer the distribution of the Fair Fund. On August 4, 2020, the Court entered an Order appointing Epiq Class Action & Claims Solutions, Inc. (“Epiq”) as the Third Party Administrator to assist in the implementation of the Distribution Plan in consultation with the Distribution Agents.

The Commission is holding the Fair Fund, including any interest and income earned, pending further order of the Court. The Commission, with Court approval, will distribute the Fair Fund in accordance with this Distribution Plan to eligible Stiefel Labs shareholders.

II. Definitions

1. “Distribution Agents” means Robert Levenson and Christopher Martin, Commission trial attorneys the Court appointed to administer distribution of the Fair Fund in accordance with the terms of this Distribution Plan and the Court’s orders.

2. “Distribution Payment” means the payment made to each Eligible Shareholder calculated in accordance with this Distribution Plan and the Methodology described in Section V.

3. “Eligible Shareholder” means any Potentially Eligible Shareholder who suffered a Net Loss as described below, and who is not an Excluded Shareholder as identified below.

4. “Excluded Shareholder” means any Potentially Eligible Shareholder who: a) was an officer or director of Stiefel Labs, including but not limited to the Chief Executive Officer, Chief Financial Officer, and members of the Stiefel Labs’ Board of Directors (or any of their affiliates, spouses, partners, parents, children, siblings, or controlled persons or entities) who sold shares before January 1, 2009; b) was a member of the Stiefel family (or any of their affiliates, spouses, partners, parents, children, siblings, estates or controlled entities or persons); c) was an individual or entity sharing an address with any officers or directors of Stiefel Labs or members of the Stiefel family who does not otherwise meet the definition of (a) or (b); d) sold stock received as a result of a charitable contribution or as a gift; e) sold shares to the Company prior to December 12, 2006; or f) had a Net Loss of zero.

5. “Fair Fund” means the sum of money comprised of the \$37,000,000 received from the Defendants in disgorgement, prejudgment interest, and civil penalties.

6. “Investment Recovery” shall mean any amount recovered by an Eligible Shareholder on the sale of Stiefel Labs stock to the Company in excess of the sales proceeds the Eligible Shareholder received from the Company, including but not limited to any payment the Eligible Shareholder obtained from prevailing in or settlement of any lawsuit against the Defendants arising from the same or similar facts as alleged in the Commission’s Complaint.

7. “Net Available Fair Fund” means the Fair Fund, plus accrued interest and income, less any payments and reserves for tax obligations, and fees and expenses of the Tax Administrator and the Third Party Administrator. The Net Available Fair Fund will be distributed to the Eligible Shareholders pursuant to the Methodology described in Section V below.

8. “Net Loss” means the calculated amount an Eligible Shareholder should have received from his or her sale of Company shares to Stiefel Labs based on the valuations performed by Commission expert witness Marc J. Brown of AlixPartners during the litigation (“Expert Valuation”), minus the amount the Eligible Shareholder actually received from the Company, and minus any Investment Recovery. Each Eligible Shareholder will receive a *pro rata* share of their Net Loss through this Distribution Plan. The Commission has identified the Net Loss for each Eligible Shareholder in the table in Exhibit A. If the total amount a Potentially Eligible Shareholder actually received plus any Investment Recovery is equal to or greater than the Expert Valuation, then the Net Loss for that Potentially Eligible Shareholder shall be zero and that shareholder shall be an Excluded Shareholder.

9. “Potentially Eligible Shareholder” means any shareholder in Stiefel Labs (or their successors or heirs) identified by Commission staff during its investigation and litigation, based in part on records provided by the Company, who sold Stiefel Labs shares to the Company between December 12, 2006 and April 20, 2009.

10. “Tax Administrator” means Miller Kaplan Arase LLP, the firm the Court has appointed as Tax Administrator.

11. “Third Party Administrator” means Epiq Class Action & Claims Solutions, Inc. (“Epiq”), the firm the Distribution Agents have engaged with Court approval as the third-party administrator to assist the Distribution Agents in implementing the distribution of the Fair Fund by performing certain tasks outlined in the Court’s Order approving the engagement of Epiq.

III. Responsibilities of the Distribution Agents

Robert Levenson and Christopher Martin are the Court-appointed Distribution Agents for the Fair Fund. As Commission employees, the Distribution Agents shall receive no compensation

for their services in administering the Fair Fund, other than their regular salaries. The Distribution Agents may be removed for cause by the Court or upon motion of the Commission and replaced with a successor.

The Distribution Agents will, among other things: oversee the administration of the Fair Fund; oversee and monitor the Third Party Administrator's completion of the tasks identified in the Commission's contract with the Third Party Administrator and the Court Order authorizing the Distribution Agents to engage the Third Party Administrator; effect the distribution of money from the assets of the Net Available Fair Fund to Eligible Shareholders in accordance with the Distribution Plan; resolve payment issues, including but not limited to any objections to Net Loss amounts identified in Exhibit A and any objections raised by Excluded Shareholders to their status; prepare a final accounting of the Fair Fund for Court approval; approve the payment of Tax Administrator invoices for fees and expenses; and provide the Tax Administrator with funds to pay tax liabilities and tax compliance fees and costs.

The Third Party Administrator shall be entitled to compensation for its services as agreed with the Commission and as provided by Court Order in the set fee amount of \$19,250. The Distribution Agents will review, approve, and arrange for payment from the Fair Fund of the invoices submitted by the Third Party Administrator, without further Court Order.

IV. Responsibilities of the Tax Administrator

Tax Administrator Miller Kaplan Arase LLP ("MKA"), will provide its services to fulfill the tax and reporting obligations of the Fair Fund, a Qualified Settlement Fund ("QSF") within the meaning of the regulations issued under Section 468B(g) of the Internal Revenue Code of 1986, as amended. The Tax Administrator is the administrator of such QSF for purposes of Treas. Reg. § 1.468B-2(k)(3)(I), and shall satisfy the tax-related administrative requirements imposed by

Treas. Reg. §§ 1.468B-1 through 1.468B-5, including, but not limited to:

- a) Obtaining a taxpayer identification number (“EIN”);
- b) Timely requests for funds necessary for the timely payment of all applicable taxes, the timely payment of taxes for which the Tax Administrator has received funds, and the filing of applicable tax returns; and
- c) Fulfilling any information reporting or withholding requirements required for distributions from the Net Available Fair Fund.

The Distribution Agents and the Third Party Administrator shall cooperate with the Tax Administrator in providing any information necessary to ensure income tax compliance.

V. Methodology for Calculating Distribution Payments

The Distribution Agents, in consultation with the Commission’s Office of Distributions and its Division of Economic Research and Analysis, analyzed the violations alleged in the Complaint, certain documentation obtained during the investigation and litigation, and adopted the following methodology for allocating the Net Available Fair Fund and calculating the Distribution Payment for each Eligible Shareholder.

Based on the investigation and records obtained, there are 287 Potentially Eligible Shareholders who sold shares to the Company from 2006 through April 20, 2009. The start date for Eligible Shareholders is December 12, 2006, based on the Supreme Court cases of *Gabelli v. SEC*, 568 U.S. 442 (2013), and *Kokesh v. SEC*, 137 S.Ct. 1635 (2017), under which the Commission is prohibited from obtaining civil penalties and disgorgement based on conduct that occurred more than five years before the filing of a complaint.¹ The end date of April 20, 2009,

¹ That means under existing law the Commission could not obtain disgorgement or civil penalties from the Defendants based on conduct occurring before December 12, 2006, five years before the Commission filed the Complaint in this action. Therefore, no funds will be distributed to shareholders who sold to Stiefel Labs prior to that date.

is the date alleged in the Complaint that Stiefel Labs announced its sale to GlaxoSmithKline.

Of the 287 Potentially Eligible Shareholders, there were 258 Eligible Shareholders, who are identified by number in Exhibit A. The remaining 29 Potentially Eligible Shareholders² are Excluded Shareholders based on having a Net Loss of zero, having sold shares prior to December 12, 2006, or falling into one of the other categories of Excluded Shareholders.

The 258 Eligible Shareholders fall into one of four separate categories, depending on the date they sold shares to the Company, and whether the shares they sold had been obtained as part of Stiefel Labs' Employee Stock Bonus Plan ("Stock Plan") or separately from the Stock Plan. The four categories are: (1) Stock Plan shareholders who sold at the as of March 31, 2006 Valuation Price of \$13,012 per share (December 13, 2006 through March 20, 2007); (2) Stock Plan shareholders who sold at the as of March 31, 2007 Valuation Price of \$14,517 per share (April 13, 2007 through March 24, 2008); (3) Stock Plan shareholders who sold at the March 31, 2008 Valuation Price of \$16,469 per share (December 1, 2008 through April 1, 2009); and (4) non-Stock Plan shareholders who sold at various prices from March 27, 2007 through June 23, 2008).³

Each group of shareholders suffered a different amount of harm based on the number of shares they sold and the amount by which Stiefel Labs shares were undervalued as of March 31, 2006, 2007, and 2008. During its litigation against the Defendants, the Commission retained Marc J. Brown of AlixPartners, a well-known economic and valuation consulting firm, to determine the

² Two shareholders are counted both as an Eligible Shareholder and an Excluded Shareholder based on different sales.

³ As alleged in the Complaint, the Stock Plan Trustee, who for most of the relevant period was Stiefel, was required to value the Stock Plan shares as of March 31 of each year. The amounts of those valuations are listed above. However, the Complaint alleged the Defendants withheld significant material information about the Company from the valuator, and that the valuator's methods were flawed among other things, resulting in the price of Stiefel Labs shares being significantly undervalued in the as of March 31 2006, 2007, and 2008 valuations.

true value of the Company's stock on each of these respective dates. Using several well-accepted valuation methods, Mr. Brown determined the true value of the Stiefel Labs Stock Plan shares – the price the Company should have paid Stock Plan shareholders - during the various periods the Company purchased shares from employees. Those values were then used to calculate the amount of ill-gotten gains the Company realized from undervaluing Stiefel Labs shares in the buybacks at issue. Mr. Brown's report found the following differences in price between what the Defendants paid Stock Plan shareholders and what the shares were actually worth:

Year	Price Per Share Paid	Expert Valuation Per Share	Difference Per Share
As of March 31, 2006	\$13,012	\$34,300	\$21,288
As of March 31, 2007	\$14,517	\$56,800	\$42,283
As of March 31, 2008	\$16,469	\$40,600	\$24,131

Thus, for example, a Stock Plan shareholder who sold 10 shares to the Company at the March 31, 2006 price received \$130,120. Mr. Brown's Expert Valuation determined that shareholder should have received \$343,000, a difference of \$212,880. That difference represents the hypothetical shareholder's Net Loss, absent any Investment Recovery as that term is defined in Section II above.

Mr. Brown's report determined the Stock Plan share price at the three "as of" dates, taking into account numerous factors, including the minority shareholder status of the Stock Plan shareholders and the shares' lack of marketability. So, for example, Mr. Brown determined the "as of March 31, 2008" value of a Stock Plan share should have been \$40,600, rather than the \$16,469 the Company actually paid. The difference of \$24,131 per share represents the ill-gotten gains the Company realized from the buyback of Stock Plan shares from April 1, 2008 through

April 1, 2009, and therefore also represents the per share Net Loss Eligible Shareholders suffered in the transactions that occurred during that time period. For those reasons, Net Loss was not computed based on the per share price the Company realized as a result of its sale to GlaxoSmithKline, which closed in July 2009.

The methodology for computing Net Loss for Eligible Shareholders who did not own their shares through the Stock Plan is similar. Non-Stock Plan shareholders typically sold at a discount to that year's "as of March 31" price. For distributions to non-Stock Plan shareholders, the discounted price per share was determined using the same discount that the shareholder agreed to when he or she agreed to sell their non-Stock Plan shares to the Company. For example, if the employee sold at a 10 percent discount from the "as of March 31" price, we applied the same discount to the Expert Valuation price to determine those shareholders' Net Loss. The following table shows the Net Loss calculations for non-Stock Plan Eligible Shareholders:

Year	ESBP Price	Non ESBP Price	ESBP Expert Valuation Price	Non ESBP Valuation Price Using Discount
As of March 31, 2006	\$13,012	\$9,500 (27% discount)	\$34,300	\$25,039 (27% discount from \$34,300)
As of March 31, 2007	\$14,517	\$13,113.90 (9.66% discount)	\$56,800	\$52,313.12 (9.66% discount from \$56,800)
As of March 31, 2008	\$16,469	\$12,339.45 (25% discount)	\$40,600	\$30,450 (25% discount from \$40,600)

Previous Investment Recoveries

Following the sale of Stiefel Labs to GlaxoSmithKline in 2009, certain Potentially Eligible Shareholders sued the Company, Stiefel, and other Defendants over the price they had received

for selling their shares to the Company prior to the GlaxoSmithKline sale. Some of those Potentially Eligible Shareholders prevailed in their lawsuits or settled the lawsuits with the Company before trial (“Investment Recovery”). To determine those Potentially Eligible Shareholders’ Net Loss, we added the Investment Recovery to the actual amount the Potentially Eligible Shareholder received from the Company in the sale, and compared the total recovery with the Expert Valuation price. If the total of the Investment Recovery and the actual price received was equal to or greater than the Expert Valuation total, than the Potentially Eligible Shareholder’s Net Loss was zero, and that person became an Excluded Shareholder. Otherwise the Potentially Eligible Shareholder became an Eligible Shareholder whose Net Loss was reduced by the amount of the Investment Recovery.

Calculating *Pro Rata* Shares

The final step in determining the distribution amount for each Eligible Shareholder was calculating each shareholder’s *pro rata* share of the Total Net Loss. The total of all Eligible Shareholders’ Net Loss was \$40,860,885.38, which is larger than the total amount of the Net Available Fair Fund of approximately \$37 million. For a fair and reasonable distribution, each Eligible Shareholder should get the same percentage, or *pro rata* share, of the Net Available Fair Fund. The Net Available Fair Fund of \$37 million is 90.55 percent of the total Net Loss amount of \$40,860,885.38, so each Eligible Shareholder will receive 90.55 percent of his or her Net Loss. Each Eligible Shareholder’s *pro rata* share is set forth in Exhibit A.⁴

VI. Distribution Procedure

Based on information obtained by the Commission during its investigation and litigation,

⁴ The amounts listed in Exhibit A are as of the date of the filing of this Distribution Plan. Those amounts may change slightly before checks are issued due to interest income the Fair Fund earns, fees for the Tax Administrator and the Third Party Administrator, taxes owed on the Fair Fund, and any objections by Potentially Eligible Shareholders that the Court sustains.

and the review and analysis of applicable records, the Distribution Agents have reasonably concluded they have all records necessary to calculate each Eligible Shareholder's Net Loss. Therefore, the Commission proposes to distribute the Net Available Fair Fund *pro rata* among Eligible Shareholders based on the Methodology described in Section V, with the payment amounts set forth in Exhibit A. As a result, the Commission is not undertaking a claims process, and the procedures for soliciting and approving claims are not applicable. Each Eligible Shareholder shall receive a *pro rata* share of his or her Net Loss as described in Section V, and each Eligible Shareholder's Distribution Payment will be in the same proportion to its Net Loss as the Net Available Fair Fund is to the Net Losses of all Eligible Shareholders.

Within 14 days of the Court Order approving the Distribution Plan, the Third Party Administrator, at the direction of the Distribution Agents, will send a Notice to each Eligible Shareholder by U.S Postal Service. There will be two separate Notices – one to Stock Plan Shareholders and one to non-Plan Shareholders. The Notices will provide each Eligible Shareholder with a copy of the Distribution Plan, including Exhibit A, and inform each Eligible Shareholder of his or her number in Exhibit A so each Eligible Shareholder can determine his or her proposed Distribution Payment. The Notices will request certain tax and contact information from Eligible Shareholders sufficient for the Distribution Agents to authorize distribution of funds.⁵ Sample Notices are attached as Exhibits B and C. Eligible Shareholders will have 45 days from the postmark date of the Notice to submit the requested information to ensure an efficient

⁵ The Notices, among other things, will request certain tax and retirement account information from Stock Plan Eligible Shareholders so that the Distribution Agents can make distributions wherever feasible to Stock Plan Eligible Shareholders' retirement accounts. Because the Stock Plan was a retirement account governed in part by IRS rules and regulations, the Tax Administrator has informed the Distribution Agents that a distribution back to a qualifying retirement account will avoid a taxable distribution to Stock Plan Eligible Shareholders. The Distribution Agents will work in concert with the Tax Administrator and Stock Plan Eligible Shareholders to ensure all distributions comply with federal statutes and IRS rules and regulations.

and accurate delivery of the full Distribution Payment as described in the Notice, or to file any written objection with the Distribution Agents to the Net Loss or proposed Distribution Payment.

Also at the authorization of the Distribution Agents, the Third Party Administrator will, within 14 days of the Court Order approving the Distribution Plan, send a separate notice to all Excluded Shareholders explaining why they will not be receiving a distribution. That notice, attached as Exhibit D, will explain procedures for the Excluded Shareholders to object to their status and how to submit documentation supporting their objection. Excluded Shareholders will also have 45 days from the postmark of the notice to submit their objection and documentation.

Within 60 days after the Distribution Agents receive the required information from the Eligible Shareholders and address any responses or objections from the Eligible Shareholders or Excluded Shareholders, the Third Party Administrator will prepare, for the Distribution Agents' approval, a final payee list containing the names, amounts, and other information required to disburse funds to the Eligible Shareholders. The Distribution Agents will then file a motion with the Court for an Order approving the final Distribution Payments and directing the Commission's Office of Financial Management to transfer the requested Net Available Fair Fund to an "Escrow Account" established by the Third Party Administrator. Any Eligible Shareholder or Excluded Shareholder who objects to the motion will have 14 days to file an objection pursuant to the Federal Rules of Civil Procedure.

The Third Party Administrator shall establish with a commercial bank, not unacceptable to the Distribution Agents, an Escrow Account pursuant to an escrow agreement (the "Escrow Agreement") to be provided by the Distribution Agents, in the name of and bearing the EIN of the QSF. The Third Party Administrator shall also establish with the bank a separate "Deposit Account" for the purpose of funding distribution payments to be distributed to Eligible Investors

pursuant to this Distribution Plan. The name on the account shall be in the following form: “Stiefel Laboratories Fair Fund (EIN XX-XXXXXXX), as custodian for the benefit of investors allocated a distribution pursuant to the Distribution Plan in *SEC v. Stiefel Laboratories Inc. and Charles W. Stiefel*, Case No. 1:11-cv-24438 (S.D. Fla.)”

The assets of the Net Available Fair Fund will be held in the Escrow Account, separate from Bank assets, until the presentation of checks. The agreement with the Bank will provide that all Net Available Fair Fund checks presented for payment or electronic transfers will be subject to “positive pay” controls before they are honored by the Bank. The “positive pay” system provides protection against fraud arising from forged, counterfeit or altered checks. The “positive pay” system will require, at a minimum, confirmation by the Bank that all checks presented for payment match the identifiers and amounts on the payee list prior to honoring such checks. In each instance, funds will be transferred from the Escrow Account to the Deposit Account upon the Bank’s confirmation that a presented check matches the relevant “positive pay” criteria.

The Third Party Administrator will issue a check to each Eligible Shareholder in the amount of the Eligible Shareholder’s Distribution Payment. Each check issued will state on the face of the check that it is valid for 120 days. After 90 days from the date on the distribution check, the Third Party Administrator will notify the Distribution Agents of all uncashed checks. The Distribution Agents and/or the Third Party Administrator shall make efforts to contact those Eligible Shareholders with uncashed checks to encourage check cashing by the 120-day deadline. Any checks not cashed by the 120-day deadline shall be voided and the bank shall be instructed to stop payment on those checks. Where an Eligible Shareholder’s check has not been negotiated within the 120-day period and has been voided by the Bank, that Eligible Shareholder’s claim shall be extinguished. All such funds will remain in the Net Available Fair Fund and, if feasible, the

Distribution Agents shall make a motion to the Court for an Order authorizing a second distribution to Eligible Shareholders on a *pro rata* basis with funds remaining in the Net Available Fair Fund.

The Third Party Administrator shall include with each distribution check a communication prepared and approved by the Distribution Agents in consultation with the Tax Administrator, that includes, as appropriate:

- a) A statement characterizing the distribution;
- b) A statement discussing the tax treatment of the distribution and/or notifying the recipient that the recipient should consult his or her tax advisor for advice regarding the tax treatment of the distribution;
- c) A statement that checks will be void after 120 days; and
- d) The name and contact information for a representative of the Third Party Administrator if the Eligible Shareholder has any questions regarding the distribution.

The Distribution Payment checks, on their face or in the accompanying communication, shall clearly indicate that the money is being distributed from a fund established by the Commission to compensate shareholders for harm incurred as a result of the Defendants' conduct.

VII. Post Distribution

Six months following the distribution, the Distribution Agents shall arrange for payment from the Fair Fund of all approved final fees and expenses, including payments to the Tax Administrator and the Third Party Administrator. In addition, all outstanding checks shall be voided. If any funds remain in the Fair Fund, the Commission staff, in consultation with the Distribution Agent, will make a recommendation to the Court as to the disposition of the remaining funds.

The Third Party Administrator shall preserve all records for six years but may destroy paper records after one year if there are electronic copies of the paper records. All electronic records shall be disposed of as directed by the Commission. At the direction of the Distribution Agents, when all distributions are deemed completed, the Third Party Administrator will shut down any website and telephone center established for the administration of this Distribution Plan.

The Distribution Agents shall also make arrangements for the final payment of taxes and tax-related fees. The Distribution Agents shall file with the Court a final report and accounting in a Commission-approved accounting format. The final report and accounting shall include, among other things, a final accounting of all money received, earned, spent, and distributed in connection with the administration of the Distribution Plan, and shall be compiled in coordination with the Tax Administrator.

The Fair Fund shall be eligible for termination, and the Distribution Agents eligible for discharge, after all of the following have occurred: (a) the final accounting has been submitted and approved by the Court, (b) all taxes, fees, and expenses have been paid, and (c) all remaining funds have been disposed of as approved by the Court.

VIII. Other Rights and Powers

To carry out the purposes of this Distribution Plan, the Distribution Agents are authorized to make non-material changes to the Distribution Plan if agreed upon by the assigned Commission staff. Material changes to this Distribution Plan may only be implemented by the Distribution Agents after Court approval. The Distribution Agents may extend any of the procedural deadlines contained in this Plan for good cause shown, if agreed upon by the assigned Commission staff, and upon providing notice to the Court.

All proceedings with respect to the administration of the Distribution Plan and the

determination of all related controversies shall be subject to the exclusive jurisdiction of this Court.

The Court reserves the right to amend this Plan from time to time, and retains jurisdiction over this matter for this purpose and for any and all other matters that may arise under or relate to this Plan.

Stiefel Distribution Plan Exhibit A

As of 3-31-06	Date of Sale	Shares Sold	Share Price	Proceeds	Expert Valuation	Expert Proceeds	Net Loss	Pro Rata Distribution Payment
1.	12-13-06	18.563013	13,012	241,541.93	34,300	636,711.35	395,169.42	357,830.44
2.	12-14-06	1.943192	13,012	25,284.81	34,300	66,651.49	41,366.67	37,457.99
3.	1-9-2007	2.1546	13,012	28,035.66	34,300	73,909.78	45,867.12	41,533.20
4.	1-11-2007	7.804412	13,012	101,551.01	34,300	267,691.33	166,140.32	150,441.96
5.	1-11-2007	2.882971	13,012	37,513.22	34,300	98,885.91	61,362.79	55,564.71
6.	1-11-2007	9.631175	13,012	125,320.85	34,300	330,349.40	205,028.45	185,655.61
7.	1-12-2007	33.071488	13,012	430,326.20	34,300	1,134,352.04	704,025.84	637,503.47
8.	1-18-2007	1.538653	13,012	20,020.95	34,300	52,775.80	32,754.85	29,659.89
9.	1-18-2007	15.263261	13,012	198,605.55	34,300	523,529.90	324,924.30	294,222.68
10.	1-18-2007	17.21354	13,012	223,982.58	34,300	590,424.42	366,441.84	331,817.29
11.	2-28-2007	2.300924	13,012	29,939.62	34,300	78,921.69	48,982.07	44,353.83
12.	3-7-2007	13.7719	13,012	179,199.96	34,300	472,376.17	293,176.21	265,474.42
13.	3-9-2007	103.574812	13,012	1,347,715.45	34,300	3,552,616.05	2,204,900.60	1,996,562.76
14.	3-19-2007	27.012482	13,012	351,486.42	34,300	926,528.13	575,041.72	520,706.87
15.	3-20-2007	0.950117	13,012	12,362.92	34,300	32,589.01	20,226.09	18,314.96
As of 3-31-07								
16.	4-13-2007	1.756656	13,012	22,857.48	56,800	99,777.49	76,920.02	69,651.96
17.	7-31-2007	1.427846	14,517	20,728.04	56,800	81,101.65	60,373.61	54,669.00
18.	8-8-2007	1.150099	9,170	10,546.41	56,800	65,3265.62	54,779.22	49,603.21

19.	12-12-2007	0.822568	14,517	11,941.22	56,800	46,721.86	34,780.64	31,494.27
20.	12-12-2007	0.896729	14,517	13,071.81	56,800	50,934.21	37,916.39	34,333.73
21.	12-12-2007	0.674465	14,517	9,791.21	56,800	38,309.61	28,518.40	25,823.74
22.	12-12-2007	0.421868	14,517	6,124.26	56,800	23,962.10	17,837.84	16,152.37
23.	12-12-2007	1.001800	14,517	14,543.13	56,800	56,902.24	42,359.11	38,356.66
24.	12-12-2007	1.027696	14,517	14,919.06	56,800	58,373.13	43,454.07	39,348.16
25.	12-12-2007	0.748181	14,517	10,861.34	56,800	42,496.68	31,635.34	28,646.16
26.	12-19-2007	1.228417	14,517	17,832.93	56,800	69,774.09	51,941.16	47,033.32
27.	12-19-2007	0.690822	14,517	10,028.66	56,800	39,238.69	29,210.03	26,450.02
28.	12-20-2007	1.682657	14,517	24,427.13	56,800	95,574.92	71,147.79	64,425.14
29.	12-20-2007	1.163348	14,517	16,888.32	56,800	66,078.17	49,189.94	44,542.05
30.	1-4-2008	0.369104	14,517	5,358.28	56,800	20,965.11	15,606.82	14,132.15
31.	1-15-2008	0.363243	14,517	5,273.20	56,800	20,632.20	15,359.00	13,907.75
32.	1-15-2008	0.401250	14,517	5,824.95	56,800	22,791.00	16,966.05	15,362.95
33.	1-15-2008	0.499712	14,517	7,254.32	56,800	28,383.64	21,129.32	19,132.84
34.	1-15-2008	0.850099	14,517	12,340.89	56,800	48,285.62	35,944.74	32,548.37
35.	1-15-2008	0.435900	14,517	6,327.96	56,800	24,759.12	18,431.16	16,689.63
36.	1-15-2008	0.524722	14,517	7,617.39	56,800	29,804.21	22,186.82	20,090.42
37.	1-15-2008	0.035547	14,517	516.04	56,800	2,019.07	1,503.03	1,361.01
38.	1-23-2008	0.332997	14,517	4,834.12	56,800	18,914.23	14,080.11	12,749.70
6.	1-23-2008	0.070187	14,517	1,018.90	56,800	3,986.62	2,967.72	2,687.30
39.	1-31-2008	2.199161	14,517	31,925.22	56,800	124,912.34	92,987.12	84,200.90
40.	1-31-2008	2.397774	14,517	34,808.49	56,800	136,193.56	101,385.08	91,805.35

41.	1-31-2008	24.863384	14,517	360,941.75	56,800	1,412,240.21	1,051,298.47	951,962.81
42.	1-31-2008	1.775811	14,517	25,779.45	56,800	100,866.06	75,086.62	67,991.79
43.	1-31-2008	1.387502	14,517	20,142.37	56,800	78,810.11	58,667.76	53,124.33
44.	1-31-2008	4.264367	14,517	61,905.82	56,800	242,216.05	180,310.23	163,272.98
45.	1-31-2008	3.713717	14,517	53,912.03	56,800	210,939.13	157,027.10	142,189.84
46.	1-31-2008	5.023169	14,517	72,921.34	56,800	285,316.00	212,394.65	192,325.79
47.	1-31-2008	1.584499	14,517	23,002.17	56,800	89,999.54	66,997.37	60,666.89
48.	1-31-2008	1.989166	14,517	28,876.72	56,800	112,984.63	84,107.91	76,160.68
49.	1-31-2008	1.782074	14,517	25,870.37	56,800	101,221.80	75,351.43	68,231.58
50.	1-31-2008	1.665165	14,517	24,173.20	56,800	94,581.37	70,408.17	63,755.40
51.	2-5-2008	1.256019	14,517	18,233.63	56,800	71,341.88	53,108.25	48,090.13
52.	2-7-2008	0.277401	14,517	4,027.03	56,800	15,756.38	11,729.35	10,621.06
53.	2-7-2008	14.670430	14,517	212,970.63	56,800	833,280.42	620,309.79	561,697.62
54.	2-7-2008	0.711907	14,517	10,334.75	56,800	40,436.32	30,101.56	27,257.31
55.	2-7-2008	1.825897	14,517	26,506.55	56,800	103,710.95	77,204.40	69,909.47
56.	2-8-2008	17.00000	14,517	246,789.00	56,800	965,600.00	718,811.0	650,891.60
57.	2-8-2008	3.531103	14,517	51,261.02	56,800	200,566.65	149,305.63	135,197.96
58.	2-13-2008	0.628508	14,517	9,124.05	56,800	35,699.25	26,575.20	24,064.15
59.	2-22-2008	0.861221	14,517	12,502.35	56,800	48,917.35	36,415.01	32,974.21
60.	2-22-2008	1.155769	14,517	16,778.30	56,800	65,647.68	48,869.38	44,251.78
61.	3-5-2008	1.139299	14,517	16,539.20	56,800	64,712.18	48,172.98	43,621.19
62.	3-5-2008	1.556101	14,517	22,589.92	56,800	88,386.54	65,796.62	59,579.59
63.	3-7-2008	15.405276	14,517	223,638.39	56,800	875,019.68	651,381.29	589,833.23

64.	3-13-2008	3.994598	14,517	57,989.58	56,800	226,893.17	168,903.59	152,944.14
65.	3-13-2008	2.942105	14,517	42,710.54	56,800	167,111.56	124,401.03	112,646.56
66.	3-14-2008	1.385645	14,517	20,115.41	56,800	78,704.64	58,589.23	53,053.22
67.	3-14-2008	1.255000	14,517	18,218.84	56,800	71,284.00	53,065.17	48,051.12
68.	3-20-2008	0.833392	14,517	12,098.35	56,800	47,336.67	35,238.31	31,908.69
69.	3-24-2008	218.297799	14,517	3,169,029.15	56,800	12,399,314.98	9,230,285.84	8,358,129.61
70.	3-24-2008	5.007205	14,517	72,689.59	56,800	284,409.24	211,719.65	191,714.57
As of 3-31-08								
71.	12-1-2008	29.087608	16,469	479,043.82	40,600	1,180,956.88	701,913.07	635,590.33
72.	12-3-2008	1.146103	16,469	18,875.17	40,600	46,531.78	27,656.61	25,042.09
61.	12-3-2008	33.00000	16,469	543,477.0	40,600	1,339,800	796,323.0	721,079.60
28.	12-3-2008	5.00000	16,469	82,345.00	40,600	203,000.00	120,655.0	109,254.49
73.	12-3-2008	0.187389	16,469	3,086.11	40,600	7,607.99	4,521.88	4,094.61
74.	12-3-2008	0.879456	16,469	14,483.76	40,600	35,705.91	21,222.15	19,216.90
75.	12-3-2008	0.637783	16,469	10,503.65	40,600	25,893.99	15,390.34	13,936.13
62.	12-3-2008	8.00000	16,469	131,752.00	40,600	324,800.00	193,048.0	174,807.18
76.	12-3-2008	1.321733	16,469	21,767.62	40,600	53,662.36	31,894.74	28,881.05
77.	12-3-2008	0.803553	16,469	13,233.71	40,600	32,624.25	19,390.54	17,558.36
78.	12-3-2008	0.099639	16,469	1,640.95	40,600	4,045.34	2,404.39	2,177.20
79.	12-3-2008	0.438652	16,469	7,224.16	40,600	17,809.24	10,585.11	9,584.94
80.	12-3-2008	0.386432	16,469	6,364.15	40,600	15,689.14	9,324.99	8,443.89
33.	12-8-2008	1.563668	16,469	25,752.05	40,600	63,484.92	37,732.87	34,167.55

60.	12-11-2008	1.000000	16,469	16,469.00	40,600	40,600	24,131.0	21,850.90
81.	12-29-2008	0.077785	16,469	1,281.04	40,600	3,158.07	1,877.03	1,699.67
82.	1-5-2009	4.312747	16,469	71,025.92	40,600	175,095.78	104,069.86	94,236.45
83.	1-5-2009	2.000244	16,469	32,940.55	40,600	81,206.69	48,265.74	43,705.18
84.	1-5-2009	4.873999	16,469	80,269.89	40,600	197,884.36	117,614.47	106,501.25
85.	1-5-2009	5.439596	16,469	89,584.71	40,600	220,847.60	131,262.89	118,860.05
86.	1-5-2009	1.837596	16,469	30,262.38	40,600	74,603.96	44,341.58	40,151.81
87.	1-9-2009	3.370761	16,469	55,513.06	40,600	136,852.90	81,339.83	73,654.15
88.	1-9-2009	38.272781	16,469	630,314.43	40,600	1,553,874.91	923,560.48	513,365.15 *
37.	1-9-2009	8.757803	16,469	144,231.42	40,600	355,564.73	211,333.31	191,364.73
89.	1-23-2009	7.228321	16,469	119,042.56	40,600	293,468.21	174,425.65	157,944.43
90.	1-23-2009	2.368901	16,469	39,012.82	40,600	96,175.88	57,163.06	51,761.81
91.	2-13-2009	0.828957	16,469	13,652.09	40,600	33,655.65	20,003.56	18,113.45
92.	2-13-2009	1.901269	16,469	31,312.00	40,600	77,191.52	45,879.52	41,544.43
93.	2-13-2009	2.170787	16,469	35,750.69	40,600	88,133.95	53,383.26	48,339.15
94.	2-13-2009	0.153737	16,469	2,532.22	40,600	6,242.53	3,710.31	3,359.73
95.	2-13-2009	5.750000	16,469	94,696.75	40,600	233,450.00	138,753.25	125,642.66
96.	2-13-2009	5.500000	16,469	90,579.50	40,600	223,500.00	132,720.5	120,179.93
97.	2-13-2009	0.007115	16,469	117.18	40,600	288.87	171.69	155.47
98.	2-13-2009	0.388720	16,469	6,401.83	40,600	15,782.03	9,380.20	8,493.88
99.	2-13-2009	1.346667	16,469	22,178.26	40,600	54,674.68	32,496.42	29,425.88
100.	2-13-2009	1.379031	16,469	22,711.26	40,600	55,988.66	33,277.40	30,133.07
101.	2-13-2009	0.146936	16,469	2,419.89	40,600	5,965.60	3,545.71	3,210.68

102.	2-13-2009	0.856827	16,469	14,111.08	40,600	34,787.15	20,676.09	18,722.44
103.	2-13-2009	6.167966	16,469	101,580.23	40,600	250,419.42	148,839.19	134,775.59
104.	2-13-2009	1.265499	16,469	20,841.50	40,600	51,379.26	30,537.76	27,652.29
105.	2-13-2009	0.122269	16,469	2,013.65	40,600	4,964.12	2,950.47	2,671.68
106.	2-13-2009	3.235532	16,469	53,285.98	40,600	131,632.60	78,076.62	70,699.27
107.	2-13-2009	0.818630	16,469	13,482.02	40,600	33,236.68	19,754.36	17,887.80
108.	2-13-2009	0.723311	16,469	11,912.21	40,600	29,366.43	17,454.22	15,805.00
109.	2-13-2009	0.20000	16,469	3,293.80	40,600	8,120.00	4,826.20	4,370.18
110.	2-13-2009	1.668158	16,469	27,472.89	40,600	67,727.61	40,254.32	36,450.75
111.	2-13-2009	0.707812	16,469	11,656.96	40,600	28,737.17	17,080.21	15,466.33
112.	2-13-2009	0.486518	16,469	8,012.46	40,600	19,752.63	11,740.17	10,630.86
113.	2-13-2009	0.389688	16,469	6,417.77	40,600	15,821.53	9,403.56	8,515.03
114.	2-13-2009	0.103274	16,469	1,700.82	40,600	4,192.92	2,492.1	2,256.63
115.	2-13-2009	0.097501	16,469	1,605.74	40,600	3,958.54	2,352.10	2,129.85
116.	2-13-2009	0.100229	16,469	1,650.67	40,600	4,069.30	2,418.63	2,190.10
117.	2-13-2009	0.130043	16,469	2,141.68	40,600	5,279.75	3,138.07	2,841.56
118.	2-13-2009	2.50000	16,469	41,172.50	40,600	101,500.00	60,327.5	54,627.24
119.	2-13-2009	0.237615	16,469	3,913.28	40,600	9,647.17	5,733.89	5,192.10
120.	2-13-2009	0.101739	16,469	1,675.54	40,600	4,130.60	2,455.06	2,223.08
121.	2-13-2009	0.027576	16,469	454.15	40,600	1,119.59	665.44	602.56
122.	2-13-2009	2.360972	16,469	38,882.19	40,600	95,853.84	56,971.65	51,588.48
123.	2-13-2009	0.954527	16,469	15,720.11	40,600	38,753.80	23,033.69	20,857.27
124.	2-13-2009	1.304499	16,469	21,483.79	40,600	52,962.66	31,478.87	28,504.48

125.	2-13-2009	0.658778	16,469	10,849.41	40,600	26,746.39	15,896.97	14,394.89
126.	2-13-2009	1.297908	16,469	21,375.25	40,600	52,695.06	31,319.82	28,360.46
127.	2-13-2009	1.272730	16,469	20,960.59	40,600	51,672.84	30,712.25	27,810.29
128.	2-13-2009	0.917707	16,469	15,113.72	40,600	37,258.90	22,145.19	20,052.72
129.	2-13-2009	2.742822	16,469	45,171.54	40,600	111,358.87	66,187.04	59,933.12
130.	2-13-2009	5.396054	16,469	88,867.61	40,600	219,079.79	130,212.18	117,908.62
131.	2-13-2009	0.264592	16,469	4,357.57	40,600	10,742.44	6,384.87	5,781.57
132.	2-13-2009	0.930404	16,469	15,322.82	40,600	37,774.40	22,451.58	20,330.16
133.	2-13-2009	0.155045	16,469	2,553.44	40,600	6,294.83	3,741.39	3,387.87
134.	2-13-2009	0.105585	16,469	1,738.88	40,600	4,286.75	2,547.87	2,307.13
135.	2-13-2009	1.867563	16,469	30,756.90	40,600	75,832.06	45,066.16	40,807.92
136.	2-13-2009	2.949592	16,469	48,756.83	40,600	119,753.54	71,176.60	64,451.23
137.	2-13-2009	1.351502	16,469	22,275.89	40,600	54,870.98	32,613.09	29,531.53
138.	2-13-2009	1.876468	16,469	30,093.55	40,600	76,184.60	45,281.05	41,002.51
139.	2-13-2009	19.00000	16,469	312,911	40,600	771,400	458,489	415,167.04
140.	2-13-2009	1.537768	16,469	25,325.50	40,600	62,433.38	37,107.88	33,601.61
141.	2-13-2009	19.36000	16,469	318,839.84	40,600	786,016	467,176.16	423,033.37
142.	2-13-2009	19.00000	16,469	312,911.00	40,600	771,400	458,489	415,167.04
143.	2-13-2009	0.225440	16,469	3,712.77	40,600	9,152.86	5,440.09	4,926.06
144.	2-13-2009	0.385080	16,469	6,341.88	40,600	15,634.25	9,292.37	8,414.35
145.	2-13-2009	1.127626	16,469	18,570.87	40,600	45,781.62	27,210.74	24,639.64
146.	2-13-2009	1.085488	16,469	17,876.90	40,600	44,070.81	26,193.91	23,718.89
147.	2-13-2009	2.173401	16,469	35,793.74	40,600	88,240.08	52,446.34	47,490.76

148.	2-13-2009	0.153966	16,469	2,535.67	40,600	6,251.02	3,715.35	3,364.29
149.	2-13-2009	1.574238	16,469	25,926.13	40,600	63,914.06	37,987.94	34,398.52
150.	2-13-2009	0.741780	16,469	12,216.37	40,600	30,116.27	17,899.89	16,208.56
151.	2-13-2009	2.592626	16,469	42,697.96	40,600	105,260.62	62,562.66	56,651.21
152.	2-13-2009	0.254662	16,469	4,194.03	40,600	10,339.28	6,145.25	5,564.59
153.	2-13-2009	19.50000	16,469	321,145.50	40,600	791,700	470,554.5	426,092.49
154.	2-13-2009	0.096240	16,469	1,584.98	40,600	3,907.34	2,322.37	2,102.93
155.	2-13-2009	1.287491	16,469	21,203.69	40,600	52,272.13	31,068.45	28,132.84
156.	2-13-2009	0.137698	16,469	2,267.75	40,600	5,590.54	3,322.79	3,008.82
157.	2-13-2009	4.591321	16,469	75,614.47	40,600	186,407.63	110,793.17	100,324.49
158.	2-13-2009	1.00000	16,469	16,469.00	40,600	40,600	24,131	21,850.90
159.	2-13-2009	1.292735	16,469	21,290.05	40,600	52,485.04	31,194.99	28,247.42
160.	2-13-2009	0.013639	16,469	224.62	40,600	553.74	329.12	298.02
161.	2-13-2009	1.733014	16,469	28,541.01	40,600	70,360.37	41,819.36	37,867.91
162.	2-13-2009	0.468560	16,469	7,716.71	40,600	19,023.54	11,306.82	10,238.46
163.	2-13-2009	9.103202	16,469	149,920.63	40,600	369,590	219,669.37	198,913.13
164.	2-13-2009	2.00000	16,469	32,938.00	40,600	81,200	48,262	43,701.79
165.	2-13-2009	0.461707	16,469	7,603.85	40,600	18,745.30	11,141.45	10,088.71
166.	2-13-2009	1.100064	16,469	18,116.95	40,600	44,662.60	26,545.64	24,037.38
167.	2-13-2009	0.157114	16,469	2,587.51	40,600	6,378.83	3,791.32	3,433.08
168.	2-13-2009	0.595198	16,469	9,802.32	40,600	24,165.04	14,362.72	13,005.61
169.	2-13-2009	3.823467	16,469	62,968.68	40,600	155,232.76	92,264.08	83,546.18
170.	2-13-2009	3.942316	16,469	64,926.00	40,600	160,058.03	95,132.03	52,879.38*

171.	2-13-2009	0.420614	16,469	6,927.09	40,600	17,076.93	10,149.84	9,190.80
172.	2-13-2009	94.419807	16,469	1,554,999.80	40,600	3,833,444.16	2,278,444.36	2,063,157.48
173.	2-13-2009	8.00000	16,469	131,752.0	40,600	324,800	193,048	174,807.18
174.	2-13-2009	0.088373	16,469	1,455.41	40,600	3,587.94	2,132.53	1,931.03
175.	2-13-2009	0.250562	16,469	4,126.51	40,600	10,172.82	6,046.31	5,475.00
176.	2-13-2009	0.866375	16,469	14,268.33	40,600	35,174.83	20,906.50	18,931.08
177.	2-13-2009	2.037872	16,469	33,561.71	40,600	82,737.60	49,175.89	44,529.33
178.	2-13-2009	8.656350	16,469	142,561.43	40,600	351,447.81	208,886.38	189,149.01
179.	2-13-2009	0.419179	16,469	6,903.46	40,600	17,018.67	10,115.21	9,159.47
180.	2-13-2009	0.759963	16,469	12,515.83	40,600	30,854.50	18,338.67	16,605.88
181.	2-13-2009	0.185767	16,469	3,059.40	40,600	7,542.12	4,482.74	4,059.17
182.	2-13-2009	0.805852	16,469	13,271.58	40,600	32,717.59	19,446.01	17,608.65
183.	2-13-2009	0.033794	16,469	556.55	40,600	1,372.04	815.48	738.43
184.	2-13-2009	0.196786	16,469	3,240.87	40,600	7,989.51	4,748.64	4,299.95
185.	2-13-2009	5.146358	16,469	84,755.37	40,600	208,942.13	124,186.76	112,452.53
186.	2-13-2009	4.414693	16,469	72,705.58	40,600	179,236.54	106,530.96	96,465.01
187.	2-13-2009	0.891038	16,469	14,674.50	40,600	36,176.14	21,501.64	19,469.98
188.	2-13-2009	0.376850	16,469	6,206.34	40,600	15,300.11	9,093.77	8,234.51
189.	2-13-2009	0.418622	16,469	6,894.29	40,600	16,996.05	10,101.77	9,147.27
190.	2-13-2009	1.40424	16,469	23,096.52	40,600	56,938.41	33,841.89	30,644.22
191.	2-13-2009	2.40000	16,469	39,525.60	40,600	97,440	57,914.60	52,442.33
192.	2-13-2009	1.423646	16,469	23,446.03	40,600	57,800.03	34,354	31,271.04
193.	2-13-2009	2.143580	16,469	35,302.62	40,600	87,029.35	51,726.73	46,839.31

194.	2-13-2009	0.701091	16,469	11,546.27	40,600	28,464.29	16,918.03	15,319.47
195.	2-13-2009	0.142947	16,469	2,354.19	40,600	5,803.65	3,449.45	3,123.53
196.	2-13-2009	3.726689	16,469	61,374.84	40,600	151,303.57	89,928.73	81,431.50
197.	2-13-2009	5.481133	16,469	90,268.78	40,600	222,534	132,265.22	119,767.67
198.	2-13-2009	0.712248	16,469	11,730.01	40,600	28,917.27	17,187.26	9,553.61*
199.	2-13-2009	1.893486	16,469	31,183.82	40,600	76,875.53	45,691.71	41,374.37
200.	2-13-2009	0.388835	16,469	6,403.72	40,600	15,786.70	9,382.98	8,496.40
201.	2-13-2009	9.457418	16,469	155,754.22	40,600	383,971.17	228,216.95	206,653.06
202.	2-13-2009	0.000195	16,469	3.21	40,600	7.92	4.71	4.26
203.	2-13-2009	0.109150	16,469	1,797.59	40,600	4,431.49	2,633.90	2,385.03
204.	2-13-2009	0.095718	16,469	1,576.38	40,600	3,886.15	2,309.17	2,090.98
205.	2-13-2009	0.412658	16,469	6,796.06	40,600	16,753.91	9,957.85	9016.98
206.	2-13-2009	0.694516	16,469	11,437.98	40,600	28,197.35	16,759.37	15,175.80
207.	2-13-2009	2.213075	16,469	36,447.13	40,600	89,850.85	53,403.71	48,357.67
208.	2-13-2009	0.585330	16,469	9,639.80	40,600	23,764.40	14,124.60	12,789.99
209.	2-13-2009	1.006648	16,469	16,578.49	40,600	40,869.91	24,291.42	21,996.16
210.	2-13-2009	1.262686	16,469	20,795.18	40,600	51,265.05	30,469.88	27,590.83
211.	2-13-2009	4.351147	16,469	71,659.04	40,600	176,656.57	104,997.53	95,076.47
212.	2-13-2009	0.430703	16,469	7,093.25	40,600	17,486.54	10,393.29	9,411.24
213.	2-13-2009	0.022315	16,469	367.52	40,600	906.03	538.51	487.63
214.	2-13-2009	1.586625	16,469	26,130.13	40,600	64,416.98	38,286.85	34,669.18
215.	2-13-2009	0.079005	16,649	1,301.13	40,600	3,207.60	1,906.47	1,726.33
216.	2-13-2009	0.179050	16,469	2,948.77	40,600	7,269.43	4,320.66	3,912.42

217.	2-13-2009	0.181488	16,469	2,998.93	40,600	7,368.41	4,379.49	3,965.68
6.	2-13-2009	19.00000	16,469	312,911.00	40,600	771,400	458,489	415,167.04
218.	2-13-2009	0.877627	16,469	14,453.64	40,600	35,631.66	21,178.02	19,176.94
219.	2-13-2009	0.105807	16,469	1,742.54	40,600	4,295.76	2,335.23	2,114.58
220.	2-13-2009	0.650000	16,469	10,704.85	40,600	26,390	15,685.15	14,203.08
221.	2-13-2009	15.00000	16,469	247,035.00	40,600	609,000	361,965	327,764.54
222.	2-13-2009	0.105585	16,469	1,738.88	40,600	4,286.75	2,547.87	2,307.13
223.	2-13-2009	1.670226	16,469	27,506.95	40,600	67,811.18	40,304.22	36,495.93
224.	2-13-2009	5.667380	16,469	93,336.08	40,600	230,095.63	136,759.55	123,837.34
225.	2-13-2009	4.272268	16,469	70,359.98	40,600	173,454.08	103,094.10	93,352.89
226.	2-13-2009	3.643390	16,469	60,002.99	40,600	147,921.63	87,918.64	79,611.34
227.	2-13-2009	5.000000	16,469	82,345.00	40,600	203,000	120,655	109,254.49
228.	2-13-2009	0.451753	16,469	7,439.92	40,600	18,341.17	10,901.05	9,871.03
229.	2-13-2009	0.352764	16,469	5,809.67	40,600	14,322.22	8,512.55	7,708.21
230.	2-13-2009	0.357817	16,469	5,892.89	40,600	14,527.37	8,634.48	7,818.62
231.	2-13-2009	15.047267	16,469	247,813.44	40,600	610,919.04	363,105.60	328,796.28
232.	2-13-2009	0.597016	16,469	9,832.26	40,600	24,238.85	14,406.59	13,045.33
233.	2-13-2009	1.434855	16,469	23,630.63	40,600	58,255.11	34,624.49	31,352.87
234.	2-13-2009	43.031576	16,469	708,687.03	40,600	1,747,081.99	1,038,394.96	940,278.54
235.	2-13-2009	7.058443	16,469	116,245.50	40,600	286,572.79	170,327.29	154,233.31
236.	2-13-2009	3.826000	16,469	63,010.39	40,600	155,335.60	92,325.21	83,601.54
237.	4-1-2009	0.150084	16,469	2,471.73	40,600	6,093.41	3,621.68	3,279.48
238.	4-1-2009	0.096592	16,469	1,590.77	40,600	3,921.64	2,330.86	2,110.62

239.	4-1-2009	18.942726	16,469	311,967.75	40,600	769,074.68	457,106.92	413,915.56
240.	4-1-2009	0.237196	16,469	3,906.38	40,600	9,630.16	5,723.78	5,182.95
241.	4-1-2009	0.114763	16,469	1,890.03	40,600	4,659.38	2,769.35	2,507.68
242.	4-1-2009	0.100797	16,469	1,660.03	40,600	4,092.36	2,432.33	2,202.50
243.	1-30-2009	30.766166	16,469	506,687.98	40,600	1,249,106.34	742,418.36	672,270.66
244.	4-1-2009	0.102583	16,469	1,689.44	40,600	4,164.87	2,475.43	2,241.53
Non Plan Sales								
245.	3-27-2007	1.00	9,500	9,500.00	25,039	25,039	15,539	14,070.74
246.	3-27-2007	6.00	9,500	57,000.00	25,039	150,234	93,234	84,424.46
247.	3-27-2007	3.00	9,500	28,500.00	25,039	75,117	46,617	42,212.23
248.	3-27-2007	8.00	9,500	76,000.00	25,039	200,312	124,312	112,566.33
249.	3-27-2007	3.00	9,500	28,500.00	25,039	75,117	46,617	42,212.23
250.	3-27-2007	5.00	9,500	47,500.00	25,039	125,195	77,695	70,353.71
251.	3-27-2007	3.00	9,500	28,500.00	25,039	75,117	46,617	42,212.23
252.	3-27-2007	16.00	9,500	152,000.00	25,039	400,624	248,624	225,131.88
250.	2-1-2008	5.00	13,113.90	65,569.00	52,313	255,600	190,030.50	172,074.80
253.	2-1-2008	23.636366	13,113.90	309,964.94	52,313	1,236,489.21	926,524.75	838,978.78
254.	2-1-2008	12.00	13,113.90	157,366.80	52,313	627,756	470,389.20	425,942.81
252.	2-1-2008	11.00	13,113.90	144,252.90	52,313	575,443	431,190.10	390,447.58
255.	3-20-2008	15.00	13,113.90	196,708.50	52,313	784,695	587,986.50	532,428.51
256.	3-21-2008	1.00	13,113.90	13,113.90	52,313	52,313	39,199.10	35,495.23
257.	6-16-2008	8.00	12,339.45	98,716.50	30,450	243,600	144,883.50	131,193.67

249.	6-16-2008	2.00	12,339.45	24,678.50	30,450	60,900	36,221.50	32,798.99
258.	6-23-2008	4.00	12,339.45	49,357.80	30,450	121,800	72,442.20	65,597.24
Total							40,860,885.38	36,999,940.30

EXHIBIT B
ELIGIBLE STOCK PLAN SHAREHOLDER NOTICE

Via U.S. Mail

DATE

[Eligible Shareholder Name]

[Eligible Shareholder Address]

SEC v. Stiefel Laboratories Inc. and Charles W. Stiefel. Case No. 1:11-cv-24438
United States District Court for the Southern District of Florida

Dear [Eligible Shareholder Name],

We are writing to inform you that the Securities and Exchange Commission will be distributing funds in the above-referenced case to those Eligible Shareholders in Stiefel Laboratories Inc. (“Stiefel Labs” or “the Company”) who sold shares to the Company and were harmed by the misconduct of Stiefel Labs and Charles W. Stiefel (“Stiefel”) alleged in the Complaint.

Background

The SEC sued Stiefel Labs and Stiefel in December 2011, alleging they violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Exchange Act Rule 10b-5. In general, the Complaint alleged fraudulent conduct by Stiefel Labs and Stiefel during the repurchase of Stiefel Labs stock shares from certain employees and other shareholders from 2006 through April 20, 2009.

On June 4, 2020, District Judge Darrin P. Gayles created a Fair Fund and entered Final Judgments by consent against Stiefel Labs and Stiefel. Under terms of the Final Judgments, Stiefel Labs and Stiefel neither admit nor deny the allegations of the Complaint. The Final Judgment against Stiefel Labs orders the Company pay disgorgement of \$23 million, prejudgment interest on disgorgement of \$2,210,000, and a civil penalty of \$1.3 million. The Final Judgment against Stiefel orders him to pay disgorgement of \$9.3 million, prejudgment interest on disgorgement of \$930,000, and a civil penalty of \$260,000. The total of those payments - \$37 million – constitutes the Fair Fund. The Commission is distributing the Fair Fund (plus interest and less expenses for distribution, administrative fees, and taxes owed) with Court approval to Eligible Shareholders.

Plan of Distribution

On _____, 2020, the Court approved the Distribution Plan in this matter. A copy of the Distribution Plan is attached for your review. The names of Eligible Shareholders have not been made public in the Distribution Plan to protect personally identifiable information.

Exhibit A to the Distribution Plan identifies Eligible Shareholders by number. You are

Eligible Shareholder Number ___ in Exhibit A. Records provided by the Company to the SEC show that on _____, 200_, you sold _____ shares to Stiefel Labs at a share price of _____, for total proceeds of \$_____. The Commission staff has calculated your *pro rata* share of the Net Available Fair Fund to be \$_____, based in part on these records. For a more detailed breakdown of how the staff determined your *pro rata* share see the calculations next to your Eligible Shareholder number in Exhibit A to the Distribution Plan. Unless you respond within 45 days from the postmark on this letter with any records showing any different amounts, we will proceed with the *pro rata* distribution and your *pro rata* share described in the Plan based on these amounts. Please respond in the self-addressed USPS envelope provided. Please note the amount of your *pro rata* distribution could change, depending on any objections the Commission receives and the amount of fees and expenses incurred by the Fair Fund as described in the Distribution Plan.

The following individuals and entities are not eligible to receive any distribution: a) officers or directors of Stiefel Labs, including but not limited to the Chief Executive Officer, Chief Financial Officer, and members of the Stiefel Labs' Board of Directors (or any of their affiliates, spouses, partners, parents, children, siblings, or controlled persons or entities) who sold shares before January 1, 2009; b) members of the Stiefel family (or any of their affiliates, spouses, partners, parents, children, siblings, estates or controlled entities or persons); c) individuals and entities sharing an address with any officers or directors of Stiefel Labs or members of the Stiefel family who do not otherwise meet the definition of (a) or (b); d) those who sold stock received as a result of a charitable contribution or as a gift; e) those who sold shares to the Company prior to December 12, 2006; or f) those Eligible Shareholders who had a Net Loss of zero as that term is defined in the Distribution Plan.

If your shares in Stiefel Labs that were sold to the Company were part of the Stiefel Labs' Employee Stock Bonus Plan ("Stock Plan") and you are still a member of the Stock Plan and it is eligible to receive the payment, then you may be able to direct payment to the Stock Plan. Please consult with the trustee or custodian of the Stock Plan to determine whether the Stock Plan is eligible to receive the payment.

If your shares in Stiefel Labs that were sold to the Company were part of the Stiefel Labs' Employee Stock Bonus Plan ("Stock Plan") and you are no longer a member of the Stock Plan, you may be able to roll the payment over to an individual retirement account ("IRA"), or other qualified retirement plan ("QRP") that is eligible to receive the payment. If your Stock Plan was rolled over into an IRA or other QRP or you have created an IRA or QRP that you want your payment made to, you must complete the enclosed Information Form and provide us the name of the trustee or custodian of your IRA or other QRP for whom the distribution check should be made payable to.

If you receive a distribution check that is made payable to the trustee or custodian of your IRA or QRP, you should forward the check to your custodian or trustee for deposit in your IRA or QRP account. If you cash the check, or deposit it in any account other than an account eligible to receive the distribution check, it may be subject to income tax and a possibly a 10% penalty.

If your shares in Stiefel Labs that were sold to the Company were part of the Stock Plan

and if you need the distribution check made payable to a payee other than the trustee or custodian of your rollover IRA or QRP, including made payable directly to you as an individual, you must fill out one of the two attached Reissue Forms, depending on whether the check is to be made payable to a beneficiary or an individual.

Caution: Please consult with your tax advisor because the rules related to transfers and rollovers of Employee Stock Bonus Plans, IRAs, and QRP's are complicated and failure to comply with those rules could subject the payment to income tax in the year of receipt and a 10% penalty.

If you have any questions about any of the contents of this letter, please contact the Distribution Agents listed below.

Sincerely,

Robert K. Levenson
levensonr@sec.gov
(305) 982-6341

Christopher E. Martin
martinc@sec.gov
(303) 844-1106

Distribution Agents
Securities and Exchange Commission
Miami Regional Office
801 Brickell Avenue, Suite 1950
Miami, FL 33101

Enclosures: Distribution Plan
 Information Form
 Reissue Forms

EXHIBIT C
ELIGIBLE NON-STOCK PLAN SHAREHOLDER NOTICE

Via U.S. Mail

DATE

[Eligible Shareholder Name]

[Eligible Shareholder Address]

SEC v. Stiefel Laboratories Inc. and Charles W. Stiefel. Case No. 1:11-cv-24438
United States District Court for the Southern District of Florida

Dear [Eligible Shareholder Name],

We are writing to inform you that the Securities and Exchange Commission will be distributing funds in the above-referenced case to those Eligible Shareholders in Stiefel Laboratories Inc. (“Stiefel Labs” or “the Company”) who sold shares to the Company and were harmed by the misconduct of Stiefel Labs and Charles W. Stiefel (“Stiefel”) alleged in the Complaint.

Background

The SEC sued Stiefel Labs and Stiefel in December 2011, alleging they violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Exchange Act Rule 10b-5. In general, the Complaint alleged fraudulent conduct by Stiefel Labs and Stiefel during the repurchase of Stiefel Labs stock shares from certain employees and other shareholders from 2006 through April 20, 2009.

On June 4, 2020, District Judge Darrin P. Gayles created a Fair Fund and entered Final Judgments by consent against Stiefel Labs and Stiefel. Under terms of the Final Judgments, Stiefel Labs and Stiefel neither admit nor deny the allegations of the Complaint. The Final Judgment against Stiefel Labs orders the Company pay disgorgement of \$23 million, prejudgment interest on disgorgement of \$2,210,000, and a civil penalty of \$1.3 million. The Final Judgment against Stiefel orders him to pay disgorgement of \$9.3 million, prejudgment interest on disgorgement of \$930,000, and a civil penalty of \$260,000. The total of those payments - \$37 million – constitutes the Fair Fund. The Commission is distributing the Fair Fund (plus interest and less expenses for distribution, administrative fees, and taxes owed) with Court approval to Eligible Shareholders.

Plan of Distribution

On _____, 2020, the Court approved the Distribution Plan in this matter. A copy of the Distribution Plan is attached for your review. The names of Eligible Shareholders have not been made public in the Distribution Plan to protect personally identifiable information.

Exhibit A to the Distribution Plan identifies Eligible Shareholders by number. You are

Eligible Shareholder Number ___ in Exhibit A. Records provided by the Company to the SEC show that on _____, 200_, you sold _____ shares to Stiefel Labs at a share price of _____, for total proceeds of \$_____. The Commission staff has calculated your *pro rata* share of the Net Available Fair Fund to be \$_____, based in part on these records. For a more detailed breakdown of how the staff determined your *pro rata* share see the calculations next to your Eligible Shareholder number in Exhibit A to the Distribution Plan. Unless you respond within 45 days from the postmark on this letter with any records showing any different amounts, we will proceed with the *pro rata* distribution and your *pro rata* share described in the Plan based on these amounts. Please respond in the self-addressed USPS envelope provided. Please note the amount of your *pro rata* distribution could change, depending on any objections the Commission receives and the amount of fees and expenses incurred by the Fair Fund as described in the Distribution Plan.

The following individuals and entities are not eligible to receive any distribution: a) officers or directors of Stiefel Labs, including but not limited to the Chief Executive Officer, Chief Financial Officer, and members of the Stiefel Labs' Board of Directors (or any of their affiliates, spouses, partners, parents, children, siblings, or controlled persons or entities) who sold shares before January 1, 2009; b) members of the Stiefel family (or any of their affiliates, spouses, partners, parents, children, siblings, estates or controlled entities or persons); c) individuals and entities sharing an address with any officers or directors of Stiefel Labs or members of the Stiefel family who do not otherwise meet the definition of (a) or (b); d) those who sold stock received as a result of a charitable contribution or as a gift; e) those who sold shares to the Company prior to December 12, 2006; or f) those Eligible Shareholders who had a Net Loss of zero as that term is defined in the Distribution Plan.

In order for us to send your distribution payment, you must complete and sign a Form W-9 or a Form W-8BEN, W-8BEN-E, or other W-8 series form, as applicable, and return it within 45 days in the self-addressed USPS envelope provided. If you are a U.S. person, as that term is defined in the Form W-9 instructions, then you should complete the enclosed Form W-9. If you are **not** a U.S. person, then you should **not** complete the enclosed Form W-9. Instead, you should complete IRS Form W-8BEN, W-8BEN-E, or other W-8 series form, which can be found by visiting the following IRS website: <https://www.irs.gov/forms-instructions>. If the Fair Fund does not receive a valid and complete Form W-9 or W-8 from you, the Fair Fund may be required under the Internal Revenue Code to make certain presumptions. The Fair Fund may be required to presume the interest component of this payment is being paid to: (1) a payee subject to 30% withholding under the Foreign Account Tax Compliance Act ("FATCA") and reporting on Form 1042-S; (2) a nonresident alien of the U.S. ("NRA") subject to reporting and 30% NRA withholding and reporting on Form 1042-S; or (3) a U.S. person subject to 24% backup withholding and reporting on Form 1099-INT.

If you have any questions about any of the contents of this letter, please contact the Distribution Agents listed below.

Sincerely,

Robert K. Levenson
levensonr@sec.gov
(305) 982-6341

Christopher E. Martin
martinc@sec.gov
(303) 844-1106

Distribution Agents
Securities and Exchange Commission
Miami Regional Office
801 Brickell Avenue, Suite 1950
Miami, FL 33101

Enclosures: Distribution Plan
 Form W-9

EXHIBIT D
EXCLUDED SHAREHOLDER NOTICE

VIA

DATE

[Excluded Shareholder Name]
[Excluded Shareholder Address]

SEC v. Stiefel Laboratories Inc. and Charles W. Stiefel. Case No. 1:11-cv-24438
United States District Court for the Southern District of Florida

Dear [Excluded Shareholder Name],

We are writing to inform you that the SEC will be distributing funds in the above-referenced case to those Eligible Shareholders (as that term is defined in the Distribution Plan) in Stiefel Laboratories Inc. (“Stiefel Labs” or “the Company”) who sold shares to the Company and were harmed by the misconduct of Stiefel Labs and Charles W. Stiefel (“Stiefel”) alleged in the Complaint. Certain Excluded Shareholders (as that term is defined in the Distribution Plan), including you, will not receive a distribution for reasons described below and in the Distribution Plan.

Background

The SEC sued Stiefel Labs and Stiefel in December 2011, alleging they violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Exchange Act Rule 10b-5. In general, the Complaint alleged fraudulent conduct by Stiefel Labs and Stiefel during the repurchase of Stiefel Labs stock shares from certain employees and other shareholders from 2006 through April 20, 2009.

On June 4, 2020, District Judge Darrin P. Gayles entered Final Judgments by consent against Stiefel Labs and Stiefel. Under terms of the Final Judgments, Stiefel Labs and Stiefel neither admit nor deny the allegations of the Complaint. The Final Judgment against Stiefel Labs orders the Company pay disgorgement of \$23 million, prejudgment interest on disgorgement of \$2,210,000, and a civil penalty of \$1.3 million. The Final Judgment against Stiefel orders him to pay disgorgement of \$9.3 million, prejudgment interest on disgorgement of \$930,000, and a civil penalty of \$260,000. The total of those payments - \$37 million – constitutes the fund (plus interest and less expenses for distribution and taxes owed) the Commission is distributing with Court approval to eligible Stiefel Labs shareholders.

Plan of Distribution

On _____, 2020, the Court approved the Distribution Plan in this matter. A copy of the Distribution Plan is attached for your review. The names of Eligible Shareholders and Excluded Shareholders have not been made public in the Plan to protect personally identifiable information.

As set forth in the Distribution Plan, the following individuals and entities are not eligible to receive any distribution: a) officers or directors of Stiefel Labs, including but not limited to the Chief Executive Officer, Chief Financial Officer, and members of the Stiefel Labs' Board of Directors (or any of their affiliates, spouses, partners, parents, children, siblings, or controlled persons or entities) who sold shares before January 1, 2009; b) members of the Stiefel family (or any of their affiliates, spouses, partners, parents, children, siblings, estates or controlled entities or persons); c) individuals and entities sharing an address with any officers or directors of Stiefel Labs or members of the Stiefel family who do not otherwise meet the definition of (a) or (b); d) those sold stock received as a result of a charitable contribution or as a gift; e) those sold shares to the Company prior to December 12, 2006; or f) those who had a Net Loss of zero as that term is defined in the Distribution Plan.

The Commission staff has determined based on Company and other records that you are an Excluded Shareholder under categories _____ set forth in the preceding paragraph. If you accept this determination, you do not need to take any action, and you will not receive a distribution. If, however, you believe this determination has been made incorrectly, you have 45 days from the postmark of this letter to respond with any records or other information showing that you are not an Excluded Shareholder, and should be classified as an Eligible Shareholder to receive a distribution. Please respond in the self-addressed USPS envelope provided. The Third Party Administrator and the Distribution Agents will review your response and contact you with any questions or a subsequent determination of your status. **If you do not respond within the allotted 45 days, your determination as an Excluded Shareholder will be final and you will not receive a distribution.**

If you have any questions about any of the contents of this letter, please contact the Distribution Agents listed below.

Sincerely,

Robert K. Levenson
levensonr@sec.gov
(305) 982-6341

Christopher E. Martin
martinc@sec.gov
(303) 844-1106

Distribution Agents
Securities and Exchange Commission
Miami Regional Office
801 Brickell Avenue, Suite 1950
Miami, FL 33101

Enclosures: Distribution Plan