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**ELECTRONICALLY  
FILED**  
*Superior Court of California,  
County of San Francisco*  
**11/08/2016**  
**Clerk of the Court**  
BY:VANESSA WU  
Deputy Clerk

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11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12 COUNTY OF SAN FRANCISCO

13 In re KING DIGITAL ENTERTAINMENT plc)  
SHAREHOLDER LITIGATION )

Lead Case No. CGC-15-544770

) CLASS ACTION

14 )  
15 This Document Relates To: )

DECLARATION OF MICHAEL JOAQUIN  
REGARDING NOTICE AND  
ADMINISTRATION

16 ALL ACTIONS. )  
17 )

Assigned for All Purposes to the  
Honorable Curtis E.A. Karnow  
Date: November 17, 2016  
Time: 9:00 a.m.  
Dept. 304  
Date Action Filed: 03/17/15

1 I, Michael Joaquin, declare and state as follows:

2 1. I am a Senior Vice President of Securities of Gilardi & Co. LLC (“Gilardi”), located at  
3 3301 Kerner Boulevard, San Rafael, California 94901. At the request of Class Counsel, I am providing  
4 this declaration to give the Court and the parties to the above-captioned action information about the  
5 procedures and methods that will be used to provide notice of the proposed settlement to the investors  
6 who make up the Class and the administration of the claim process. I make this declaration based on  
7 personal knowledge, and if called to testify I could and would do so competently.

8 2. Gilardi was retained by Class Counsel, subject to Court approval, to provide notice and  
9 claims administration services in the above-captioned action. The previously certified Class consists of  
10 all persons and entities who purchased King Digital Entertainment plc (“King”) ordinary shares from  
11 March 26, 2014 to September 22, 2014, and who sold their shares at a loss, excluding Defendants, past  
12 and current officers and directors of King and the Underwriter Defendants and any of their affiliates,  
13 members of their immediate families, the legal representatives, heirs, successors or assigns of any  
14 excluded party, any entity in which any Defendant has or had a controlling interest, and any Person who  
15 validly requests exclusion from the Class.

16 3. As background, Gilardi (a subsidiary of Computershare) has implemented successful  
17 notification and claims administration programs in more than a thousand securities class actions during  
18 our nearly three decades as an administrator. Our experience includes many of the largest and most  
19 complex settlement administrations of both private litigation matters and of actions brought by  
20 government securities regulators. Gilardi has also been appointed as the Claims Administrator in many  
21 recent cases similar to this one in California state courts, including but not limited to: the Envivio Inc.  
22 Securities Litigation, the CafePress Inc. Securities Litigation, the Model N, Inc. Securities Litigation, and  
23 the Aerohive Networks, Inc. Securities Litigation. More information on Gilardi’s experience can be  
24 found on its website at [www.gilardi.com](http://www.gilardi.com).

25 4. The proposed notice plan in this matter uses procedures that have been designed to provide  
26 extremely effective direct mail notification to every investor who is a member of the Class and who can  
27 be identified with reasonable effort. In addition, direct email notification will be provided to hundreds of  
28 financial institutions that regularly monitor proposed securities class action settlements. By themselves,

1 the proposed direct mail and email notification will be sufficient to reach an extremely high percentage of  
2 the Class. All persons and entities identified as potential Class Members will be sent a complete Notice of  
3 Class Action and Proposed Settlement (“Notice”) and Proof of Claim and Release form (“Proof of  
4 Claim”) package (collectively, the “Claim Package”), which will include instructions for claim  
5 submission. The proposed notice plan also calls for publication of a summary version of the Notice (the  
6 “Summary Notice”) in a national newspaper read by securities investors, as well as placement of the  
7 Summary Notice on a national business newswire service. Details of the complete proposed notice plan  
8 are outlined below.

9           5.       If Gilardi is appointed by the Court as Claims Administrator and subject to the Court’s  
10 approval of the notice plan set forth in the Order Preliminarily Approving Settlement and Providing for  
11 Notice, Gilardi will initially send a copy of the Claim Package by First-Class Mail to all persons and  
12 entities identified as potential Class Members by King’s stock transfer agent. The stock transfer agent  
13 will only have the contact information for the small number of investors that hold their securities in their  
14 own names. King’s stock transfer agent has informed us that it has identified 49 such shareholders.  
15 These investors typically make up a very small percentage of a class, as the vast majority of investors hold  
16 their securities through a broker, bank or other financial institution, and do so in what is known  
17 colloquially as “street name.” Under the system of street name ownership, institutions act as the record  
18 holders for investors who are the beneficial owners of the securities. In Gilardi’s experience, the class  
19 members who hold their securities in their own name, and are therefore known to the stock transfer agent,  
20 make up less than 5% of a class in a typical securities settlement.

21           6.       In order to obtain the contact information for investors that hold their securities in street  
22 name, Gilardi and other administrators use a procedure designed to get that information from the brokers,  
23 banks and other institutions (the “Nominee Holders”) that actually hold the securities for the benefit of  
24 their clients. In the nearly 30 years that Gilardi has been notifying class members of actions involving  
25 publicly-traded securities, Gilardi has found the majority of potential class members hold their securities  
26 in street name and are reached through the Nominee Holders.

27           7.       For this matter, Gilardi will send a Claim Package and appropriate cover letter to each  
28 entity included on a propriety list of approximately 250 Nominee Holders. This list also includes a group

1 of firms and institutions who have requested notification on every case involving publicly-traded  
2 securities and is contained in a database created and maintained by Gilardi. In Gilardi's experience, the  
3 institutions included in this database represent a significant majority of the beneficial holders of the  
4 securities in most settlements involving publicly-traded companies. Gilardi will also send a Claim  
5 Package and appropriate cover letter to each financial institution registered with the Securities and  
6 Exchange Commission as a potential Nominee Holder. There are approximately 4,500 institutions on that  
7 list, which changes from time to time and is, therefore, periodically updated. The cover letter  
8 accompanying the Claim Package would notify the Nominee Holders of the pendency of this action as a  
9 class action and proposed settlement and inform them of their obligation to either provide the names and  
10 addresses of their clients who may be Class Members or request copies of the Claim Package to provide  
11 directly to their customers and clients.

12 8. Gilardi has long-standing relationships with all of the primary Nominee Holders, and they  
13 are accustomed to providing us with information regarding their clients from their records and obtaining  
14 reimbursement for having done so. Gilardi will provide several supplemental notification letters to any  
15 Nominee Holder who does not respond to the initial request for potential Class Member names and  
16 addresses.

17 9. Gilardi will promptly mail the Claim Package to all potential Class Members identified by  
18 Nominee Holders. Gilardi will also send copies of the Claim Package directly to Nominee Holders who  
19 indicate that they will directly forward the documents to their customers and clients who may be Class  
20 Members.

21 10. All name and address data obtained by Gilardi will be reviewed to identify and eliminate  
22 exact duplicates and incomplete data prior to mailing. Addresses will be checked against the United  
23 States Postal Service's National Change of Address database to identify address changes and obtain  
24 current mailing addresses where available. Any Claim Packages that are returned as undeliverable mail  
25 will be reviewed to determine if an alternative or updated address is available from the Postal Service, and  
26 will be re-mailed to the updated or alternative address. In cases where no address is available from the  
27 Postal Service, Gilardi will attempt to obtain updated or alternative address information from private  
28 databases, and will re-mail the Claim Package if such information is available.

1           11.     Gilardi will supplement the direct mailing program described above by publishing the  
2 Summary Notice in *The Wall Street Journal*. The Summary Notice will also be posted with the *PR*  
3 *Newswire*, an online newswire service, where it will be available for a month. News outlets often use  
4 posted notices as the basis for their own stories about litigation settlements involving publicly-traded  
5 companies, thereby creating added awareness of the proposed settlement among investors.

6           12.     Gilardi will also cause the Claim Package to be published by the Depository Trust  
7 Corporation (“DTC”) on the DTC Legal Notice System (“LENS”). LENS enables participating banks  
8 and brokers to review the Claim Package and directly contact the Claims Administrator to obtain copies  
9 of the Claim Package for their clients who may be Class Members.

10          13.     The Claim Package will also be provided electronically to approximately 450 institutions  
11 that monitor securities class actions for their investor clients and regularly act on their behalf in these  
12 matters.

13          14.     Throughout the notification and claims processing period, Gilardi will maintain a toll-free  
14 number to accommodate potential Class Members’ inquiries.

15          15.     Gilardi will also maintain a settlement-specific website where key documents will be  
16 posted, including the Stipulation of Settlement, the Notice and Proof of Claim and the executed Order  
17 Preliminarily Approving Settlement and Providing for Notice. The website will also provide summary  
18 information regarding the case and settlement and highlight important dates, including the date of the  
19 settlement approval hearing. All posted documents will be available for downloading from the website.

20          16.     The Claim Package, settlement website, and key documents will be provided in English,  
21 which is the language used for most company SEC filings and proxy materials. In our experience, the  
22 typical demographic of most securities-related settlement classes is English-speaking, and as such the  
23 costs and extra work associated with translation of documents is generally not required unless there is  
24 specific evidence that the majority of the class would only speak another language. In addition, telephone  
25 and email support will be available to Class Members in all major languages through Gilardi and its  
26 affiliated Computershare partners.

27          17.     Based on our experience, we estimate that the combined direct mail and publication  
28 program proposed will provide notice to more than 95% of the investors that are potential Class Members.

1 Because the Notice directs the cooperation of Nominee Holders and provides for the reimbursement of  
2 their costs of doing so, we anticipate a high level of compliance from those institutions, many of which  
3 have developed regular systems for providing the required information. In addition, the proposed  
4 publication will create additional awareness of the settlement, and we expect to receive a number of  
5 additional requests for the Claim Package through the designated toll-free number and via email as a  
6 direct result of publication.

7 18. The procedures proposed here have proven extremely effective at compiling a very  
8 comprehensive list of potential class members and providing notice to those potential class members in  
9 thousands of securities class action matters prior to this case. Substantially similar notice plans have been  
10 approved by numerous courts as being the best notice practicable under the circumstances. Gilardi would,  
11 of course, provide a reporting declaration outlining the results of the implemented notice plan and the  
12 number of Claim Packages that are ultimately delivered, and would do so prior to, or in conjunction with,  
13 the Class Representatives' request that the settlement be finally approved.

14 19. Because of the street name system under which most securities are held, even Defendant  
15 King does not know the identity of the vast majority of its shareholders, and it is usually not possible to  
16 meaningfully project the total number of class members prior to implementing the notice plan. However,  
17 by taking certain information regarding the volume of trading during the proposed class period as well as  
18 the number of record holders identified by King's transfer agent, and comparing that to similar  
19 information collected in other cases Gilardi has administered, we are able to estimate the number of  
20 potential Class Members that will be identified, within a very broad range.

21 20. Given King's trading history during the relevant period, including information regarding  
22 the volume of shares traded and limited information about the number of trades executed, as well as  
23 analysis of the requirements for claims under the proposed Plan of Allocation, we estimate that we will  
24 mail Claim Packages to between 20,000 and 40,000 potential Class Members.

25 21. In our experience, not all class members submit claims, and some of the claims submitted  
26 are not valid or eligible to receive distribution according to the plan of allocation. Historically, claims  
27 rates are on average between 20% and 30% of the number of Claim Packages mailed in settlements  
28 similar to this. In settlements related to initial public offerings, on average as many as 70% of the claims

1 received may be valid and eligible for distribution. Our estimate below is based on those assumptions, as  
2 well as certain other projections based on our experience. The actual fees and costs required to complete  
3 the administration may be significantly higher or lower, however, depending on how many Class  
4 Members are identified, how many claims are filed, how many claims are valid, and how many claims  
5 require additional communication with the filer.

6 22. Based on our experience with securities settlements of similar size and involving  
7 companies with similar market capitalizations and numbers of shareholders, we would estimate  
8 administering the notice, claims processing, and settlement distribution aspects of this proposed settlement  
9 will generate professional services fees and expenses of between approximately \$225,000 (for 20,000  
10 Class Members) and \$390,000 (for 40,000 Class Members). The estimate includes significant third-party  
11 expenses related to printing and mailing the Notice, which will be billed to the settlement fund at their  
12 actual cost. This estimate also includes the expenses of the Nominee Holders incurred in complying with  
13 the request for client information or disseminating the Claims Package to clients as allowed by law.

14 23. Because this matter involves the purchase and sale of securities, which is protected and  
15 private financial information held by a large number of different brokerages, custodians and other  
16 financial institutions, a claims process is necessary to gather the required information regarding each  
17 claimant's purchases, sales, and holdings of King common stock during the periods relevant to the  
18 proposed Plan of Allocation. This stock transaction information will then be used to evaluate the  
19 eligibility of each claim to receive any distribution from the settlement.

20 24. There are three typical ways that a claim may be submitted to Gilardi in securities  
21 settlements such as this: a claimant may submit a claim form and supporting documents by mail, a  
22 claimant may submit a claim form and supporting documents via an interactive service provided on the  
23 settlement website, or a financial institution or other third party who has the authority to do so may file  
24 claims on behalf of its clients in electronic spreadsheet format. In our experience, the vast majority of  
25 claims, typically at least 80%, are filed by institutions or third-party services who submit claims on behalf  
26 of their clients who may be class members, removing the burden from those claimants to file on their own  
27 behalf.

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1           25.     As with every settlement administration, some of the Proofs of Claim will contain  
2 deficiencies. Deficiencies will be addressed during the normal course of the administration and claimants  
3 with deficient Proofs of Claim will be provided an opportunity to cure these deficiencies prior to  
4 distribution of the settlement proceeds. In addition, rejected claimants will be notified of the rejection of  
5 their claim and will be provided an opportunity to furnish additional information which may validate the  
6 claim or request more information about the reason why the claim is rejected prior to distribution of the  
7 settlement proceeds. Claimants who furnish additional information which remains insufficient or who  
8 request further review by the Claims Administrator of their rejected claim and who remain dissatisfied  
9 with the determination made by the Claims Administrator will also be given instructions for further  
10 appealing adverse determinations to the Court to obtain a final determination for the claim.

11           26.     In our experience, it is not unusual for some of the distribution checks issued in settlements  
12 of this type to remain uncashed, and in some instances may even be returned by an institution which  
13 originally filed the claim on behalf of an underlying client. If a request is received from the claimant prior  
14 to the stale date established on the initial distribution check, Gilardi will reissue these funds at that time.  
15 If appropriate, Gilardi will outreach to the original claimant by phone or e-mail in an effort to reissue the  
16 funds to the claimant.

17           27.     If there is any balance remaining after all outreach and check reissue efforts have been  
18 completed, Gilardi, under the direction of Class Counsel, shall, if feasible, redistribute such balance  
19 among Authorized Claimants who negotiated the checks sent to them in the initial distribution in an  
20 equitable and economical fashion. These redistributions shall be repeated until the balance remaining in  
21 the Net Settlement Fund is *de minimis* and such remaining balance shall then be donated to Bay Area  
22 Legal Aid. In other cases where Gilardi has been the administrator, this methodology has successfully  
23 distributed substantially all available funds to eligible investors, and in many instances has distributed all  
24 available funds with no funds remaining to be distributed. The average amount in recent matters where a  
25 *de minimis* balance of funds remained in the net settlement fund has been approximately \$1,800.

26           28.     In our experience, the outlined notice process, claims process, and estimated fees and  
27 expenses outlined above are reasonable, and consistent with those incurred in other securities settlements  
28 of similar size and complexity.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed this 7th day of November, 2016, at San Rafael, California.



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Michael Joaquin

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**DECLARATION OF SERVICE BY MAIL & EMAIL**

I, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and a resident of the County of San Diego, over the age of 18 years, and not a party to or interested party in the within action; that declarant's business address is 655 West Broadway, Suite 1900, San Diego, California 92101.

2. That on November 7, 2016, declarant served the DECLARATION OF MICHAEL JOAQUIN REGARDING NOTICE AND ADMINISTRATION by depositing a true copy thereof in a United States mailbox at San Diego, California in a sealed envelope with postage thereon fully prepaid and addressed to the parties listed on the attached Service List.

3. That there is a regular communication by mail between the place of mailing and the places so addressed.

4. Also, on November 7, 2016, declarant served the DECLARATION OF MICHAEL JOAQUIN REGARDING NOTICE AND ADMINISTRATION via electronic mail on all parties listed on the attached Service List.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 8, 2016, at San Diego, California.

  
\_\_\_\_\_  
JACLYN STARK

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KING DIGITAL

Service List - 11/7/2016 (15-0032)

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