

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

CAROLYN LYNN, individually and on behalf of all others similarly situated,)
)
)
Plaintiffs,)
)
)
v.)
)
)
ARTHUR F. HELF, H. LAMAR COX,)
MICHAEL R. SAPP, FRANK PEREZ and)
TENNESSEE COMMERCE BANCORP,)
INC. and KraftCPAs PLLC,)
)
)
Defendants.)
)

Case No. 3:12-CV-01137
CLASS ACTION
Judge Todd J. Campbell

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT
OF CLASS ACTION

If you purchased or otherwise acquired Tennessee Commerce Bancorp, Inc. (“TNCC” or the “Company”) common stock during the period from April 18, 2008 to January 27, 2012, inclusive (the “Class Period”) and are not otherwise excluded from the Class (see Question 6 below), you could receive a payment from a class action settlement.

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

Security and Time Period: TNCC common stock purchased or otherwise acquired between April 18, 2008 and January 27, 2012, inclusive.

Settlement Fund: \$2,600,000 in cash plus any interest earned. Your recovery will depend on the timing of your purchases or acquisitions of TNCC common stock during the Class Period and the timing of your sales of TNCC common stock. Based on the information currently available to Lead Plaintiff and the analysis performed by its damages consultant, it is estimated that if Class Members submit claims for 100% of the shares eligible for distribution under the Plan of Allocation (described below), the estimated average distribution per share of common stock will be approximately \$0.21 before deduction of Court-approved fees and expenses, including the cost of notifying members of the Class and settlement administration and any attorneys’ fees and expenses awarded by the Court to counsel for the Lead Plaintiff. Historically, actual claims rates are less than 100%, which result in higher distributions per share. A Class Member’s actual recovery will be a proportion of the Net Settlement Fund determined by that claimant’s recognized claim as compared to the total recognized claims of all Class Members who submit valid Proof of Claim and Release forms (“Proof of Claim”).

Reasons for Settlement: Avoids the enormous costs and risks associated with continued litigation, including the danger of no recovery.

If the Case Had Not Settled: Continuing with the case could have resulted in loss at summary judgment, trial or on appeal. The two sides vigorously disagree on both liability and the amount of money that could have been won if Lead Plaintiff prevailed at trial. The parties disagree about: (1) the method for determining whether the price of TNCC common stock was artificially inflated during the relevant period; (2) whether there was any such inflation and the amount of any such alleged inflation; (3) that there was any wrongdoing on the part of Settling Defendants; (4) the extent that various facts alleged by Lead Plaintiff influenced the trading price of TNCC common stock during the Class Period; and (5) whether the facts alleged were material, false, misleading or otherwise actionable under the federal securities laws.

Attorneys’ Fees and Expenses: Plaintiff’s counsel, including Court-appointed Lead Counsel, will ask the Court for attorneys’ fees of 33% of the Settlement Fund and reasonable expenses to be paid from the Settlement Fund plus interest. Plaintiff’s counsel have not received any payment whatsoever for their work investigating the facts, prosecuting this Litigation, and negotiating this settlement on behalf of the Lead Plaintiff and the Class.

Deadlines:

Submit Claim: March 10, 2015
Request Exclusion: January 26, 2015
File Objection: January 26, 2015

Court Hearing on Fairness of Settlement: March 20, 2015

More Information: <http://www.gcginco.com/> or

Claims Administrator:

Tennessee Commerce Bancorp Settlement
c/o GCG
PO Box 10096
Dublin, OH 43017-6696
1-800-231-1815

Lead Plaintiff’s counsel:

Peter C. Harrar
Wolf Haldenstein Adler Freeman & Herz LLP
270 Madison Avenue
New York, New York 10016
1-800-575-0735

- Your legal rights are affected whether you act or do not act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	The only way to get a payment.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to participate in another lawsuit against the Settling Defendants for the legal claims in this case.
OBJECT	You may write to the Court if you do not like this settlement, the request for attorneys' fees and expenses, or the Plan of Allocation.
GO TO A HEARING	You may ask to speak in Court about the fairness of the settlement, request for attorneys' fees and expenses, or the Plan of Allocation.
DO NOTHING	Get no payment. Give up your rights.

- These rights and options — and the deadlines to exercise them — are explained in this Notice.
- The Court in charge of this case must decide whether to approve the settlement. Payments will be made if the Court approves the settlement and, if there are any appeals, after appeals are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased or otherwise acquired TNCC common stock between April 18, 2008 and January 27, 2012, inclusive.

The Court directed that you be sent this Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it and after any objections or appeals (if there are any) are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Middle District of Tennessee, Nashville Division, and the case is known as *Lynn v. Helf, et al.*, Civil Action No. 3:12-CV-01137. The Court appointed Lead Plaintiff, Grand Slam, is the entity that leads the Litigation, and the company and the individuals that are parties to this settlement are called the Settling Defendants.

2. What is this lawsuit about?

This Litigation alleges that TNCC and certain of its executives violated the federal securities laws by, among other things, misrepresenting its allowance for loan and lease losses, internal controls and reported net income in an effort to misrepresent and conceal the Company's true financial condition and failing to comply with Generally Accepted Accounting Principles. Lead Plaintiff alleges that the Settling Defendants disclosed the truth about the Company's financial results through a series of partial corrective disclosures, and that Class Members suffered damages as a result of the inflation and/or decline in the price of TNCC common stock. Not all of the defendants named in the Litigation are parties to this Settlement. Specifically, Lead Plaintiff, Grand Slam, also alleged that TNCC's auditor, KraftCPAs PLLC, also violated securities laws and will continue to prosecute claims against Kraft following the conclusion of this settlement. Kraft is not a party to this settlement and not included in the definition of Settling Defendants.

The Settling Defendants deny all of Lead Plaintiff's allegations and further deny that they did anything wrong.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case, the Court-appointed Lead Plaintiff, Grand Slam), sue on behalf of people who have similar claims. All of these people and/or entities are called a class or class members. One judge – in this case, United States District Court Judge Todd J. Campbell – resolves the issues for all class members, except for those who exclude themselves from the class.

4. Why is there a settlement?

The Court did not decide in favor of the Lead Plaintiff or the Settling Defendants. Instead, the lawyers for both sides of the lawsuit have negotiated a settlement, with the assistance of a highly experienced mediator, that they believe is in the best interests of their respective clients, including the class. The settlement allows both sides to avoid the risks and cost of lengthy and uncertain litigation and the uncertainty of a trial and appeals, and permits Class Members to be compensated without further delay. The Lead Plaintiff and its attorneys believe the settlement is best for all Class Members.

WHO RECEIVES MONEY FROM THE SETTLEMENT

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

5. How do I know if I am a Class Member?

The Class includes all Persons who purchased or otherwise acquired TNCC common stock between April 18, 2008 and January 27, 2012, inclusive.

6. Are there exceptions to being included in the Class?

Yes. Excluded from the Class are the Settling Defendants and each and all of the Settling Defendants' Related Parties; Donald J. Carter; and those Persons who timely and validly request exclusion from the Settlement Class pursuant to the Notice of Pendency and

Proposed Settlement of Class Action. Notwithstanding anything in the foregoing sentence, specifically included in the Settlement Class are any TNCC 401(k) Plan or other employee retirement benefit plan established under the Employee Retirement Income Security Act and/or any Person for whom TNCC or any of its Related Parties holds TNCC common stock in a fiduciary capacity, except to the extent any Person excluded above is a participant in such a retirement benefit plan and then such Person will not participate in any distribution to the retirement benefit plan from the Settlement Fund. Also excluded from the Class are those persons who timely and validly request exclusion from the Class. In addition, Kraft, who is also named in the lawsuit, is also specifically excluded from the Class. See Question 13 below.

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

If you still are not sure whether you are included, you can ask for free help. You can call the Claims Administrator at 1-800-231-1815 or visit <http://www.gcginc.com> for more information; or, you can contact a representative of Lead Plaintiff's counsel, Wolf Haldenstein Adler Freeman & Herz LLP at 1-800-575-0735.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

The Settling Defendants have agreed to pay or cause to be paid \$2,600,000 in cash (the "Settlement Fund"). The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and expenses (the "Net Settlement Fund"), will be divided among all eligible Class Members who send in valid Proofs of Claim ("Authorized Claimants"). Costs, fees, and expenses include Court-approved attorneys' fees and expenses, the costs of notifying Class Members, including the costs of printing and mailing this Notice and the cost of publishing notice, the costs of claims administration, and taxes on the Settlement Fund.

9. How much will my payment be?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of TNCC common stock you purchased or acquired during the relevant period and when you bought and sold them.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Plaintiff's counsel conferred with their damages consultant and the Plan of Allocation reflects an assessment of damages that they believe could have been recovered had Lead Plaintiff prevailed at trial.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

PLAN OF ALLOCATION

A "claim" will be calculated as follows:

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim" from transactions in TNCC common stock during the entire Class Period. **The Recognized Claim formulas set forth below are not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; nor are the Recognized Claim formulas an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement.** The Recognized Claim formulas are the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

This Plan of Allocation reflects the declines in the stock price of TNCC common stock during the entire Class Period that Lead Plaintiff alleges are reasonably attributable to the misstatements alleged in the Complaint and adjusted to reflect the strength of those allegations and the settlement negotiations.

Estimated aggregate damages and the Plan of Allocation were developed based on well-accepted event study analysis, to determine the amount of artificial inflation embedded in the stock price on each day during the Class Period, by measuring how much the stock price declined as a result of 10 disclosures that corrected the alleged misrepresentations and omissions made by the Settling Defendants. Over the course of the Class Period, the 10 corrective disclosures analyzed caused the stock price to fall by \$5.59 per share after controlling for general market and industry-specific variations. As such, the common stock of TNCC had \$5.59 of artificial inflation at the start of the Class Period. Therefore, the maximum damages per share for TNCC common stock are \$5.59. An Authorized Claimant's total "Recognized Claim" TNCC common stock is set forth below:

For each share of TNCC common stock purchased or otherwise acquired during the period April 18, 2008 through and including January 27, 2012, the Recognized Claim per share shall be as follows (excluding any commissions, taxes and other fees):

- a. If sold on or between **April 18, 2008 through January 27, 2012**, inclusive, the recognized claim per share shall be the lesser of:
 - i. The inflation in Table A at the time of purchase less the inflation in Table A at the time of sale, and
 - ii. The difference between the purchase price and the selling price.
- b. If retained at the end of **January 27, 2012 and sold on or before April 26, 2012**¹ the recognized claim per share shall be the lesser of:
 - i. The inflation in Table A at the time of purchase;

¹ April 26, 2012 is the 90th calendar day after the last corrective disclosure of January 27, 2012.

- ii. The difference between the purchase price and selling price; and
 - iii. The difference between the purchase price per share and the average closing price per share up to the date of sale as set forth in Table B below.
- c. If retained at the close of trading on **April 26, 2012**, the recognized claim per share shall be the lesser of:
- i. The inflation in Table A at the time of purchase, and
 - ii. The difference between the purchase price per share and \$0.02.

Table A: Artificial Inflation throughout the Class Period

Time Period	Inflation
April 18, 2008 – February 26, 2009	\$5.59
February 27, 2009 – July 28, 2009	\$4.92
July 29, 2009 – July 27, 2010	\$4.18
July 28, 2010 – April 15, 2011	\$3.10
April 18, 2011	\$2.50
April 19, 2011 – May 6, 2011	\$2.16
May 9, 2011 – July 27, 2011	\$1.18
July 28, 2011 – October 28, 2011	\$0.98
October 31, 2011 – January 19, 2012	\$0.21
January 20, 2012 – January 27, 2012	\$0.14
January 30, 2012	\$0.00

Table B: Closing Stock Price and Average Closing Price during the 90 Calendar Days after the Last Corrective Disclosure

Trading Day ²	Closing Price	Average Closing Price	Trading Day	Closing Price	Average Closing Price
1/27/2012	\$0.16	\$0.16	3/6/2012	0.02	0.03
2/8/2012	0.02	0.09	3/7/2012	0.02	0.03
2/9/2012	0.04	0.07	3/8/2012	0.01	0.03
2/10/2012	0.03	0.06	3/9/2012	0.02	0.03
2/13/2012	0.02	0.05	3/12/2012	0.01	0.03
2/14/2012	0.03	0.05	3/13/2012	0.02	0.03
2/15/2012	0.02	0.05	3/15/2012	0.02	0.03
2/16/2012	0.03	0.04	3/16/2012	0.02	0.03
2/17/2012	0.02	0.04	3/19/2012	0.01	0.02
2/21/2012	0.02	0.04	3/20/2012	0.02	0.02
2/22/2012	0.02	0.04	3/21/2012	0.01	0.02
2/23/2012	0.02	0.04	3/22/2012	0.01	0.02
2/24/2012	0.02	0.03	3/23/2012	0.01	0.02
2/27/2012	0.02	0.03	3/27/2012	0.01	0.02
2/28/2012	0.00	0.03	3/28/2012	0.01	0.02
2/29/2012	0.04	0.03	3/29/2012	0.02	0.02
3/1/2012	0.02	0.03	3/30/2012	0.02	0.02
3/2/2012	0.02	0.03	4/2/2012	0.01	0.02
3/5/2012	0.02	0.03	4/3/2012	0.01	0.02

² Between January 27, 2012 and April 26, 2012, trading prices for common shares of TNCC were reported on 51 trading days out of the 90 calendar days, according to Bloomberg L.P.

Trading Day	Closing Price	Average Closing Price	Trading Day	Closing Price	Average Closing Price
4/4/2012	0.01	0.02	4/17/2012	0.01	0.02
4/5/2012	0.01	0.02	4/18/2012	0.01	0.02
4/9/2012	0.01	0.02	4/19/2012	0.01	0.02
4/10/2012	0.01	0.02	4/23/2012	0.01	0.02
4/12/2012	0.02	0.02	4/25/2012	0.02	0.02
4/13/2012	0.02	0.02	4/26/2012	0.01	0.02
4/16/2012	0.01	0.02			

For Class Members who held shares of TNCC common stock at the beginning of the Class Period, or who made multiple purchases, acquisitions or sales during the Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases, and sales for purposes of calculating a Recognized Claim. Under the FIFO method, shares of TNCC common stock sold during the Class Period will be matched first against shares of TNCC common stock held at the beginning of the Class Period. The sale of any remaining shares during the Class Period will then be matched in chronological order against shares purchased during the Class Period.

The date of covering a “short sale” is deemed to be the date of purchase of TNCC common stock. The date of a “short sale” is deemed to be the date of sale of TNCC common stock. The Recognized Claim for “short sales” is zero. In the event that there is an opening short position in TNCC common stock, the earliest Class Period purchases shall be matched against such opening short position, and not be matched against sales, until that short position is fully covered.

Any gains on sales of TNCC common stock shall be offset against losses in calculating the Recognized Claim. To the extent a claimant had a market gain from his, her, or its overall transactions in shares of TNCC common stock during the Class Period, the value of the claim will be zero. Such claimants will, in any event, be bound by the Settlement. To the extent that a claimant suffered an overall market loss on his, her, or its overall transactions in TNCC common stock during the Class Period, but that market loss was less than the total Recognized Claim calculated above, then the claimant’s Recognized Claim shall be limited to the amount of the actual market loss.

No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than five dollars (\$5.00).

The Court has reserved jurisdiction to allow, disallow or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Lead Plaintiff, any Plaintiffs’ counsel, any claims administrator or other Person designated by Lead Plaintiff’s counsel or Settling Defendants and/or the Related Parties and/or the Released Persons and/or their counsel based on distributions made substantially in accordance with the Stipulation of Settlement and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file 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 RECEIVE A PAYMENT SUBMITTING A CLAIM FORM

10. How will I receive a payment?

To qualify for a payment, you must send in a Proof of Claim. A Proof of Claim is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail postmarked no later than March 10, 2015.

11. When would I get my payment?

The Court will hold a hearing on March 20, 2015, at 1:00 pm, to decide whether to approve the settlement, the Plan of Allocation, and Lead Plaintiff’s counsel’s request for an award of attorneys’ fees and expenses. If Judge Campbell approves the settlement, there may be appeals. It is always uncertain whether these appeals can be resolved favorably, and resolving them can take time, perhaps more than a year. It also takes time for all the claim forms to be processed. If there are no appeals and depending on the number of claims submitted, the Claims Administrator could distribute the Net Settlement Fund as early as nine months after the fairness hearing. Please be patient.

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

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Settling Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court’s orders will apply to you and legally bind you and you will release your Released Claims in this case against the Released Persons. “Released Claims” means any and all rights, liabilities, suits, debts, obligations, demands, damages, losses, judgments, matters, issues, claims (including Unknown Claims as defined herein), and causes of action of every nature and description whatsoever, in law or equity, and regardless of upon what legal theory based, whether arising under federal, state, local, statutory, common law, foreign law, or any other law, rule, or regulation, whether fixed, contingent, or absolute, accrued or unaccrued, liquidated or un-liquidated, matured or un-matured, known or unknown, discoverable or undiscoverable, concealed or hidden, suspected or unsuspected, disclosed or undisclosed, whether class and/or individual in nature that the Lead Plaintiff or any Settlement Class Member asserted or could have asserted in this Litigation or any other action, court, tribunal, proceeding or forum against any of the Released Persons arising out of or relating in any manner to both (i) the purchase or acquisition of TNCC common stock during the Settlement Class Period, and (ii) the facts, matters, allegations, transactions, events, disclosures, representations, statements, acts, or omissions or failures to act that were alleged or that could have been alleged in the Litigation.

“Unknown Claims” means any and all Released Claims which the Lead Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Persons, or might have affected his, her, or its decision not to object to this settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiff shall waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Lead Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have by operation of the Judgment 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 Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the Released Claims, but the Lead Plaintiff shall expressly fully, finally, and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or 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. The Lead Plaintiff acknowledges, and Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

“Related Parties” means each of that entity’s past or present directors, executive officers as defined by Regulation O, 12 C.F.R. 215, partners, members, insurers, co-insurers, reinsurers, principals, agents, controlling shareholders, attorneys, advisors, investment advisors, underwriters, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, privies, related or affiliated corporations or entities, and any entity in which TNCC has a controlling interest. “Related Parties” as to the Individual Defendants shall also include members of an Individual Defendant’s immediate family; present or former spouses; heirs; executors, administrators, agents, insurers, reinsurers, attorneys, personal or legal representatives or other persons acting in a representative capacity for an Individual Defendant; successors; assigns; any entity in which an Individual Defendant and/or any member of an Individual Defendant’s immediate family has or have a controlling interest (directly or indirectly); and any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant and/or members of his immediate family. “Related Parties” specifically excludes Kraft.

“Released Persons” means each and all of the Settling Defendants and each and all of their Related Parties.

EXCLUDING YOURSELF FROM THE SETTLEMENT

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

13. How do I opt out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *Lynn v. Helf, et al.*, Case No. 3:12-CV-01137. You must include your name, address, telephone number, your signature, the number of shares of TNCC common stock you purchased or acquired between April 18, 2008 and January 27, 2012, inclusive, and the dates and prices of such purchases or acquisition. You must mail your exclusion request postmarked no later than January 26, 2015 to:

Tennessee Commerce Bancorp Settlement-EXCLUSIONS
c/o GCG
PO Box 10096
Dublin, OH 43017-6696

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

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

No. Unless you exclude yourself, you give up any right to sue the Settling Defendants for the claims that this settlement resolves. Remember, the exclusion deadline is January 26, 2015.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a Proof of Claim to ask for any money. Once you exclude yourself, you will receive no cash payment even if you also submit a Proof of Claim.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court appointed the law firm of Wolf Haldenstein Adler Freeman & Herz LLP to represent you and other Class Members. These lawyers are called Lead Counsel. These lawyers will apply to the Court for payment from the Settlement Fund; you will not otherwise be charged for their work. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

At the fairness hearing, Plaintiff's counsel will request the Court to award attorneys' fees of 33% of the Settlement Fund and for reasonable expenses incurred in connection with the Litigation. This compensation will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. To date, Plaintiff's counsel have not received any payment for their services in conducting this Litigation on behalf of the Lead Plaintiff and the Class, nor have counsel been paid for their expenses. The fee requested will compensate Plaintiff's counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than this amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement, the Plan of Allocation, or Lead Plaintiff's counsel's request for an award of attorneys' fees and expenses.

18. How do I tell the Court that I do not like the settlement?

If you are a Class Member (and you have not excluded yourself), you can object to the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation if you do not like any part of it. You can give reasons why you think the Court should not approve the settlement, the request for attorneys' fees and expenses, or the Plan of Allocation. The Court will consider your views. To object, you must send a signed letter saying that you object to the proposed settlement in *Lynn v. Helf*, et al., Case No. 3:12-CV-01137. Please be sure to include your name, address, telephone number, your signature, the number of shares of TNCC common stock purchased or acquired between April 18, 2008 and January 27, 2012, inclusive, and the reasons you object to the settlement, the requested attorneys' fees and expenses, or the Plan of Allocation. Any such objection must be mailed or delivered such that it is received by each of the following no later than January 26, 2015:

Court:

CLERK OF THE COURT
UNITED STATES
DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION
Estes Kefauver Federal Building
and United States Courthouse
801 Broadway, Room 800
Nashville, TN 37203

Lead Plaintiff's counsel:

WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP
PETER C. HARRAR
270 Madison Avenue
New York, New York 10016

Counsel for Arthur F. Helf:

BASS, BERRY & SIMS PLC
OVERTON THOMPSON, III
150 Third Avenue South,
Suite 2800
Nashville, TN 37201

Counsel for Michael R. Sapp and Tennessee Commerce Bancorp, Inc.:

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
JOSEPH L. BARLOON
DARREN M. WELCH
1440 New York Avenue, N.W.
Washington, D.C. 20005

Counsel for H. Lamar Cox:

WHITE & REASOR, PLC
CHARLES WILLIAM MCELROY
One American Center
3100 West End Avenue,
Suite 1100
Nashville, TN 37203

Counsel for Frank Perez:

KING & SPALDING LLP
BENJAMIN LEE
1180 Peachtree Street, NE
Atlanta, GA 30309

19. What is the difference between objecting and excluding myself from the settlement?

Objecting is telling the Court that you do not like something about the proposed settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

THE COURT'S FAIRNESS HEARING

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

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

The Court will hold a hearing on March 20, 2015 at 1 pm, at the United States District Court for the Middle District of Tennessee, Nashville Division, Estes Kefauver Federal Building and United States Courthouse, 801 Broadway, Room 800, Nashville, Tennessee 37203. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also decide whether to approve the payment of fees and expenses to Lead Plaintiff's counsel, as well as the Plan of Allocation. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later.

21. Do I have to come to the hearing?

No. Lead Plaintiff's counsel will answer questions Judge Campbell 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 you are not required to do so.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your intention to appear in *Lynn v. Helf*, et al., Case No. 3:12-CV-01137. Be sure to include your name, address, telephone number, your signature, and the number of shares of TNCC common stock purchased or acquired between April 18, 2008 and January 27, 2012, inclusive. Your notice of intention to appear must be received no later than January 26, 2015 by the Clerk of the Court, Lead Plaintiff's counsel, and Settling Defendants' counsel, at the addresses listed in Question 18. You cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you do nothing, you will get no money from this settlement. But, 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 the Settling Defendants about the same issues in this case.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This Notice summarizes the proposed settlement. More details are in the Stipulation of Settlement dated December 1, 2014, which has been filed with the Court. You can get a copy of the Stipulation from the Clerk's office at the United States District Court for the Middle District of Tennessee, Nashville Division, Estes Kefauver Federal Building and United States Courthouse, 801 Broadway, Room 800, Nashville, TN 37203, during regular business hours, or at <http://www.gcginc.com/>, or you can contact a representative of Lead Plaintiff's counsel at the number and address below in the answer to Question 25.

25. How do I get more information?

If you have any questions about the settlement or the Litigation, you can call 1-800-575-0735. Please do not call the Court or the Clerk of the Court for additional information about the settlement.

26. Special notice to banks, brokers, and other nominees

If you hold any TNCC common stock purchased or acquired between April 18, 2008 and January 27, 2012, inclusive, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Tennessee Commerce Bancorp Settlement
c/o GCG
PO Box 10096
Dublin, OH 43017-6696

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

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

DATED: December 10, 2014

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION