

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CAROL GLOCK, Individually and on Behalf of All  
Others Similarly Situated,

Plaintiff,

vs.

FTS INTERNATIONAL, INC., et al.,

Defendants.

§ Civil Action No. 4:20-cv-03928

§

§

§

§

§

§

§

§

§

§

§

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION**

**TO: ALL PERSONS OR ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED FTS INTERNATIONAL, INC. (“FTSI” OR THE “COMPANY”) PUBLICLY TRADED COMMON STOCK IN OR TRACEABLE TO FTSI’S FEBRUARY 2, 2018 INITIAL PUBLIC OFFERING (“IPO”), INCLUDING ALL PERSONS WHO PURCHASED OR ACQUIRED FTSI COMMON STOCK ON OR AFTER FEBRUARY 2, 2018 (THE “SETTLEMENT CLASS”)**

***A Federal Court authorized this Notice. This is not a solicitation from a lawyer.***

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR LEGAL RIGHTS WILL BE AFFECTED WHETHER OR NOT YOU ACT. PLEASE NOTE THAT IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM” OR “CLAIM FORM”) **POSTMARKED (IF MAILED) OR RECEIVED (IF SUBMITTED ONLINE) ON OR BEFORE MARCH 22, 2021.**

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of Texas, Houston Division (the “Court”).<sup>1</sup> The purpose of this Notice is to inform you of: (i) the pendency of this class action (the “Litigation”) between Lead Plaintiff Carol Glock (“Glock” or “Lead Plaintiff”) and Defendants FTSI, Michael J. Doss, Lance Turner, Goh Yong Siang, Boon Sim, Domenic J. Dell’Osso, Jr., Bryan J. Lemmerman, Ong Tiong Sin, Carol J. Johnson, Maju Investments (Mauritius) Pte Ltd, Credit Suisse Securities (USA) LLC, and Morgan Stanley & Co. LLC (collectively, “Defendants” or “Settling Defendants”); (ii) the proposed \$9,875,000 settlement reached therein (the “Settlement”); and (iii) the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and Lead Counsel’s application for fees and expenses (which may include an award to Lead Plaintiff in connection with her representation of the Settlement Class). This Notice describes what steps you may take in relation to the Settlement and this class action.

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Litigation as to any of the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the proposed Settlement of the Litigation and of your rights in connection therewith.

<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated November 19, 2020 (the “Stipulation”), which is available on the website [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com).

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A PROOF OF CLAIM</b>	The only way to be eligible to receive a payment from the Settlement. <b>Proofs of Claim must be postmarked (if mailed) or received (if submitted online) on or before March 22, 2021.</b>
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION</b>	Get no payment. This is the only option that <i>potentially</i> allows you to ever be part of any other lawsuit against any of the Defendants or any other Released Defendant Parties about the legal claims being resolved by this Settlement. Should you elect to exclude yourself from the Settlement Class, you should understand that Defendants and the other Released Defendant Parties will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including, without limitation, the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose. <b>Exclusions must be received on or before March 22, 2021.</b>
<b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION</b>	Write to the Court about why you do not like the Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. You will still be a Member of the Settlement Class. <b>Objections must be received by the Court and counsel for the Settling Parties on or before March 1, 2021.</b>
<b>GO TO THE HEARING ON APRIL 12, 2021, AND FILE A NOTICE OF INTENTION TO APPEAR</b>	Ask to speak in Court about the fairness of the Settlement. <b>Requests to speak must be received by the Court and counsel for the Settling Parties on or before March 1, 2021. If you submit a written objection, you may (but you do not have to) attend the hearing.</b>
<b>DO NOTHING</b>	Receive no payment. You will, however, still be a Member of the Settlement Class, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Defendant Parties about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Litigation.

### **SUMMARY OF THIS NOTICE**

#### **Description of the Litigation and the Settlement Class**

This Notice relates to a proposed settlement of claims in a pending securities class action brought by FTSI investors alleging, among other things, that Defendants violated the federal securities laws by making false and misleading statements regarding FTSI in the Registration Statement for its IPO of common stock on February 2, 2018. A more detailed description of the Litigation is set forth on page 4 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined on page 5 below.

#### **Statement of Class Recovery**

Pursuant to the Settlement described in this Notice, a \$9,875,000 settlement fund has been established (the "Settlement Amount"). The Settlement Amount and any interest earned thereon is the "Settlement Fund." The Settlement Fund, less (a) any taxes and tax expenses, (b) any Notice and Administration Expenses, and (c) any attorneys' fees and litigation expenses awarded by the Court, will be distributed to Settlement Class Members in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is set forth on pages 10-12 below. In the unlikely event that 100% of the eligible common stock of FTSI purchased by Settlement Class Members, in or traceable to the Company's February 2, 2018 IPO and entitled to a distribution under the Plan of Allocation described below, participate in the Settlement, the average distribution per share under the Plan of Allocation is roughly \$0.44, before deduction of any taxes on the income earned on the Settlement Fund, Notice and Administration Expenses, and allowable attorneys' fees and expenses as determined by the Court. **Settlement Class Members should note, however, that these are only estimates.** A Settlement Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's claims as compared to the total claims of all Settlement Class Members who submit acceptable Proofs of Claim. An individual Settlement Class Member may receive more or less than this estimated average amount. See Plan of Allocation set forth and discussed at pages 10-12 below for more information on the calculation of your claim.

### **Statement of Potential Outcome of Case**

The Settling Parties disagree on both liability and damages and do not agree on the amount of damages per share, if any, that would be recoverable if the Settlement Class prevailed on each claim alleged. Defendants deny that they are liable to the Settlement Class and deny that the Settlement Class has suffered any injury or damages. The issues on which the parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Settlement Class under the federal securities laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the Settlement Class was damaged (if at all); (4) the effect of various market forces on the price of FTSI publicly traded common stock at various times during the Settlement Class Period; (5) the extent to which external factors influenced the price of FTSI publicly traded common stock at various times during the Settlement Class Period; (6) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the price of FTSI publicly traded common stock at various times during the Settlement Class Period; and (7) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the price of FTSI publicly traded common stock at various times during the Settlement Class Period.

### **Statement of Attorneys' Fees and Expenses Sought**

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty-three percent (33%) of the Settlement Amount, plus expenses not to exceed \$400,000, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. Since the Litigation's inception, Lead Plaintiff's Counsel have expended considerable time and effort in the prosecution of this Litigation on a wholly contingent basis and have advanced the expenses of the Litigation in the expectation that if they were successful in obtaining a recovery for the Settlement Class they would be paid from such recovery. The requested attorneys' fees and expenses amount to an average cost of approximately \$0.16 per allegedly damaged FTSI publicly traded common share. The average cost per damaged share will vary depending on the number of acceptable Proofs of Claim submitted. In addition, as part of that application, Lead Plaintiff may seek an award in connection with her representation of the Settlement Class in an amount not to exceed \$2,500.

### **Further Information**

For further information regarding the Litigation, this Notice or to review the Stipulation, please contact the Claims Administrator toll-free at 1-866-697-3104, or visit the website [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com).

You may also contact a representative of counsel for the Settlement Class: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, [www.rgrdlaw.com](http://www.rgrdlaw.com).

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

### **Reasons for the Settlement**

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

Defendants have denied and continue to deny each and all of the claims alleged by Lead Plaintiff in the Litigation. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, among other things, the allegations that Lead Plaintiff or the Settlement Class have suffered any damage, that Lead Plaintiff or the Settlement Class were harmed by the conduct alleged in the Litigation, or that the Litigation is properly certifiable as a class action for litigation purposes. For Defendants, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and burdens inherent in any litigation, especially in complex cases such as this Litigation. Defendants have concluded that further conduct of this Litigation could be protracted and distracting.

## BASIC INFORMATION

### 1. Why did I get this Notice package?

This Notice was sent to you pursuant to an Order of a U.S. Federal Court because you or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired FTSI publicly traded common stock during the Settlement Class Period.

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

The Court in charge of the Litigation is the United States District Court for the Southern District of Texas, Houston Division (the "Court"), and the case is known as *Carol Glock v. FTS International, Inc., et al.*, Case No. 4:20-cv-03928 (S.D. Tex.). The case has been assigned to the Honorable Lee H. Rosenthal (United States District Judge). The person representing the Settlement Class is the "Lead Plaintiff," and the Company and individuals she sued, who have now settled, are called the Defendants.

This Notice does not imply that there has been or would be a finding of a violation of the law or that recovery could be had in any amount if the Litigation were not settled.

### 2. What is this lawsuit about and what has happened?

The Litigation is currently pending in the United States District Court for the Southern District of Texas, Houston Division (the "Court"). The initial complaint in this action was filed in February 2019 in the 160th Judicial District Court of the State of Texas ("State Court"). On July 15, 2019, the State Court appointed Kendall Law Group, PLLC as liaison counsel and Robbins Geller Rudman & Dowd LLP ("Robbins Geller") and Johnson Fistel, LLP as interim lead counsel. On September 16, 2020, the Litigation was transferred to the United States Bankruptcy Court for the Southern District of Texas ("Bankruptcy Court").

Lead Plaintiff's Amended Petition for Violation of the Securities Act of 1933 and Demand for Jury Trial (the "Amended Petition") alleges that Defendants violated §§11 and 15 of the Securities Act of 1933 by making materially false statements and omissions in the Registration Statement for FTSI's February 2, 2018 IPO. Specifically, Lead Plaintiff alleges that the Registration Statement was false and misleading as (among other things) it misrepresented that FTSI was experiencing a surge in demand for its services that no longer existed at the time of the IPO, in part because months before the IPO, FTSI's controlling shareholder began to drastically scale back related party transactions with FTSI that had inflated the financial results highlighted in the IPO Registration Statement. Additionally, Lead Plaintiff alleges that FTSI's purportedly steady stream of income promised in the Registration Statement evaporated as customers could and did simply cancel their purportedly "dedicated" contracts. The Amended Petition further alleges that these known adverse trends, which were in existence prior to the IPO, caused FTSI's business to collapse.

On September 22, 2020, FTSI, FTS Manufacturing, LLC, and FTS International Services, LLC (collectively, the "Debtors") commenced Chapter 11 cases (the "Chapter 11 Cases") in the Bankruptcy Court and filed the Plan and a proposed disclosure statement (the "Disclosure Statement") (Docket No. 17) for the Plan.

On September 24, 2020, the Bankruptcy Court entered an order (the "Solicitation Procedures Order") (Docket No. 109) conditionally approving the Disclosure Statement for the Plan, and approving certain related solicitation procedures, notices, ballots, and scheduling matters (the "Solicitation Procedures").

On March 30, 2020, the parties engaged the services of David Murphy of Phillips ADR, an experienced mediator, to facilitate settlement negotiations. On April 29, 2020, the parties engaged in a video conference mediation session with Mr. Murphy. Before the mediation, the parties submitted and exchanged statements with detailed descriptions of their claims and defenses and supporting evidence. The case did not settle, but the parties continued settlement discussions with the assistance of Mr. Murphy. On October 16, 2020, the parties accepted a mediator's proposal from Mr. Murphy to resolve the Litigation for a cash payment of \$9,875,000 to be paid by or on behalf of Settling Defendants, for the benefit of the Settlement Class, subject to the negotiation of the terms of a Stipulation of Settlement and approval by the Court. On October 23, 2020, the Settling Parties entered into a Memorandum of Understanding. On November 18, 2020, the Bankruptcy Court transferred the Litigation to this Court. The Stipulation (together with the Exhibits thereto) reflects the final and binding agreement between the Settling Parties to fully resolve the Litigation.

**3. Why is there a settlement?**

The Court has not decided in favor of Defendants or in favor of Lead Plaintiff. Instead, both sides agreed to the Settlement to avoid the distraction, costs and risks of further litigation, and Lead Plaintiff agreed to the Settlement in order to ensure that Settlement Class Members will receive compensation.

**WHO IS IN THE SETTLEMENT**

To see if you will get money from this Settlement, you first have to decide if you are a Settlement Class Member.

**4. How do I know if I am a Member of the Settlement Class?**

The Court directed that everyone who fits this description is a Settlement Class Member: ***all persons and entities who purchased FTSI common stock in or traceable to FTSI's February 2, 2018 IPO, including all persons and entities who purchased or acquired FTSI common stock on or after February 2, 2018.***

Excluded from the Settlement Class are: Settling Defendants and the Related Parties; the officers and directors of the Settling Defendants and the Related Parties at all relevant times; members of their immediate families and their legal representatives, heirs, successors or assigns; and any entity in which the Settling Defendants have or had a controlling interest. Also excluded from the Settlement Class is any Settlement Class Member who timely and validly excludes themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

**Please Note:** Receipt of this Notice does not mean that you are a Settlement Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before March 22, 2021.

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

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-866-697-3104, or you can fill out and return the Proof of Claim enclosed with this Notice package to see if you qualify.

**THE SETTLEMENT BENEFITS – WHAT YOU GET**

**6. What does the Settlement provide?**

The Settlement provides that, in exchange for the release of the Released Claims (defined below) and dismissal of the Litigation, Defendants have agreed to pay (or cause to be paid) \$9,875,000 in cash to be distributed after taxes, fees, and expenses, *pro rata*, to Settlement Class Members who send in or submit a valid Proof of Claim pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

**7. How much will my payment be?**

Your share of the Net Settlement Fund will depend on several things, including the total amount of claims represented by the valid Proofs of Claim that Settlement Class Members send in or submit, compared to the amount of your claim, all as calculated under the Plan of Allocation discussed below.

**HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM**

**8. How can I get a payment?**

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com). Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it and **mail or submit it online so that it is postmarked (if mailed) or received (if submitted online) no later than March 22, 2021.** The Proof of Claim may be submitted online at [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com).

Any putative Settlement Class Member that requests exclusion from the Settlement Class as discussed below or has otherwise settled his, her or its claims with one or more Defendants for claims arising out of the conduct alleged in the action is precluded and enjoined from submitting a Claim Form or having another Person or entity submit a Claim Form on its behalf.

**9. When would I get my payment?**

The Court will hold a Settlement Hearing on April 12, 2021, at 10:00 a.m. CT, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

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

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

- "Released Claims" means any and all claims, demands, losses, rights, and causes of action of any nature whatsoever, whether known or unknown, whether individual, class, direct, derivative, representative, or of any other type or in any other capacity, whether brought directly or indirectly against any Released Defendant Party, that: (i) Lead Plaintiff or any other member of the Settlement Class asserted or could have asserted in the Litigation, or could in the future assert in any forum, whether foreign or domestic, whether arising under federal, state, common, or foreign law, whether based on statements or omissions made directly to individual persons or broadly to the market, that arise out of or are based upon or relate in any way to any of the allegations, acts, facts, transactions, statements, events, matters, occurrences, representations or omissions involved, set forth or referred to in the Litigation; and (ii) relate in any way to the purchase or acquisition of FTSI common stock. "Released Claims" includes "Unknown Claims," as defined below.
- "Released Defendants' Claims" means any and all claims and causes of action of every nature and description whatsoever, including both known claims and Unknown Claims, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Settling Defendants and the Released Defendant Parties, including the Chesapeake Defendants, except for claims relating to the enforcement of the Settlement.
- "Released Defendant Party" or "Released Defendant Parties" means Settling Defendants and their Related Parties (including, without limitation, the Chesapeake Defendants).
- "Releasing Plaintiff Party" or "Releasing Plaintiff Parties" means each and every Settlement Class Member, Lead Plaintiff, Lead Counsel, Lead Plaintiff's Counsel, and each of their respective past or present trustees, officers, directors, partners, employees, contractors, auditors, principals, agents, attorneys, administrators, executors, predecessors, successors, assigns, representatives, insurers, parents, subsidiaries, general or limited partners or partnerships, and limited liability companies; and in addition the spouses, members of the immediate families, representatives, and heirs of any Releasing Plaintiff Party who is an individual, as well as any trust of which any Releasing Plaintiff Party is the settlor or which is for the benefit of any of their immediate family members. Releasing Plaintiff Parties do not include any Person who timely and validly seeks exclusion from the Settlement Class.
- "Unknown Claims" means (a) any and all Released Claims which the Releasing Plaintiff Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendant Parties, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Defendant Parties, or might have affected his, her, or its decision(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or seek exclusion from the Settlement Class; and (b) any and all Released Defendants' Claims that the Released Defendant Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Lead Plaintiff, Lead Plaintiff's Counsel, or any Settlement Class Members, which, if known by him, her, or it, might have affected his, her, or its settlement and release of Lead Plaintiff, Lead Plaintiff's Counsel, or Settlement Class Members.

With respect to any and all Released Claims and Released Defendants' Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each Releasing Plaintiff Party and Released Defendant Party shall be deemed to have, and by operation of the Judgment shall have expressly waived, the provisions, rights, and benefits of California Civil Code §1542, which provides:

**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

The Settling Parties shall expressly waive and each Releasing Plaintiff Party and Released Defendant Party shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. The Releasing Plaintiff Parties and Released Defendant Parties acknowledge that they may hereafter discover facts in addition to or different from those which Releasing Plaintiff Parties, Released Defendant Parties, or their counsel now know or believe to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but the Settling Parties shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish and release, and each Releasing Plaintiff Party and Released Defendant Party shall be deemed to have waived, compromised, settled, discharged, extinguished, and released, and upon the Effective Date, and by operation of the Judgment shall have waived, compromised, settled, discharged, extinguished, and released, fully, finally, and forever, any and all Released Claims and Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts, legal theories, or authorities. The Settling Parties acknowledge, and the Releasing Plaintiff Parties and Released Defendant Parties shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS**

If you do not want to participate in this Settlement, and you want to keep the right to potentially sue the Defendants and the other Released Defendant Parties, on your own, about the claims being released by the Settlement, then you must take steps to remove yourself from the Settlement Class. This is called excluding yourself—or is sometimes referred to as “opting out.” If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Litigation, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

#### **11. How do I opt out of the Settlement Class and the proposed Settlement?**

To exclude yourself from the Settlement Class and the Settlement, you must send a letter by First-Class Mail stating that you “request exclusion from the Settlement Class in the *FTSI Securities Settlement*.” You **cannot** exclude yourself by telephone or e-mail. Your letter must include your purchases and acquisitions in or traceable to FTSI's February 2, 2018 IPO, including purchases and acquisitions made after February 2, 2018, including the dates, the number of shares of FTSI publicly traded common stock purchased or acquired, and the price paid for each such purchase or acquisition. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **received no later than March 22, 2021** to:

*FTSI Securities Settlement*  
Claims Administrator  
c/o Gilardi & Co. LLC  
EXCLUSIONS  
150 Royall Street, Suite 101  
Canton, MA 02021

Your exclusion request must comply with these requirements in order to be valid and effective.

If you ask to be excluded, you will not receive any payment from the Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Defendant Parties about the Released Claims in the future.

Settling Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be Members of the Settlement Class in an amount that exceeds an amount agreed to by Lead Plaintiff and Defendants.

Should you elect to exclude yourself from the Settlement Class, you should understand that Defendants and the other Released Defendant Parties will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including, without limitation, the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose.

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

No. Unless you exclude yourself, you give up any rights you may potentially have to sue the Defendants and the other Released Defendant Parties for any and all Released Claims (regardless of whether or not you submit a Proof of Claim). If you have a pending lawsuit against the Defendants and the other Released Defendant Parties, speak to your lawyer in that case immediately. You must exclude yourself from the Settlement Class in this Litigation to continue your own lawsuit. Remember, the exclusion deadline is March 22, 2021.

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

No. If you exclude yourself, you should not send in a Proof of Claim to ask for any money. But, if you do exclude yourself, you may have the right to potentially sue or be part of a different lawsuit against the Defendants and the other Released Defendant Parties.

**THE LAWYERS REPRESENTING YOU**

**14. Do I have a lawyer in this case?**

The Court ordered that the law firms of Robbins Geller Rudman & Dowd LLP and Johnson Fistel, LLP represent the Settlement Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

**15. How will the lawyers be paid?**

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty-three percent (33%) of the Settlement Amount and for expenses in an amount not to exceed \$400,000 in connection with the Litigation, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. Such sums as may be approved by the Court will be paid from the Settlement Fund.

**OBJECTING TO THE SETTLEMENT**

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

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

If you are a Settlement Class Member, and do not otherwise exclude yourself from the Settlement Class, you can comment on or object to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel's fee and expense application, and/or Lead Plaintiff's award request. You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement, Plan of Allocation, and/or fee and expense application in the *FTSI Securities Settlement*. Include your name, mailing address, daytime telephone number, e-mail address, and your signature, state the number of shares of FTSI publicly traded common stock you purchased or acquired in or traceable to FTSI's February 2, 2018 IPO, including all purchases and acquisitions of FTSI common stock on or after February 2, 2018, including the date(s) and price(s). You must also identify any sales of FTSI common stock between February 2, 2018 and February 21, 2019. You must also include copies of documents demonstrating such purchase(s), acquisition(s), and/or sale(s). You must identify any other class action settlements to which you

have objected and state your comments or the reasons why you object to the proposed Settlement, Plan of Allocation and/or fee and expense application, including any legal support for such objection. You must state whether your objection applies only to you, to a specific subset of the Settlement Class, or to the entire Settlement Class. Your comments or objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is **received no later than March 1, 2021**:

<b>COURT</b>	<b>LEAD COUNSEL</b>	<b>SETTLING DEFENDANTS' COUNSEL</b>
UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF TEXAS Clerk of the Court Bob Casey United States Courthouse 515 Rusk Avenue Houston, TX 77002	ROBBINS GELLER RUDMAN & DOWD LLP Theodore J. Pintar 655 West Broadway Suite 1900 San Diego, CA 92101	BAKER BOTTS L.L.P. Jessica B. Pulliam 2001 Ross Avenue Suite 900 Dallas, TX 75201

Any person who fails to comply with the requirements for objecting to the Settlement will be deemed to have waived all such objections and will be foreclosed from raising any objection to the proposed Settlement or to any part thereof.

**17. What is the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the Settlement. You can object **only** if you stay in the Settlement Class.

Excluding yourself is telling the Court that you do not want to be paid and do not want to release any claims you think you may have against Defendants and the Released Defendant Parties. If you exclude yourself, you cannot object to the Settlement because it does not affect you.

**THE COURT'S SETTLEMENT HEARING**

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

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

The Court will hold a Settlement Hearing at **10:00 a.m. CT, on April 12, 2021**, in the Courtroom of the Honorable Lee H. Rosenthal at the United States District Court for the Southern District of Texas, Houston Division, Bob Casey United States Courthouse, 515 Rusk Avenue, Houston, Texas 77002. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also issue a ruling on Lead Counsel's application for attorneys' fees and expenses. After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Settlement Class Members. If you want to attend the hearing, you should check with Lead Counsel or the Settlement website [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com) beforehand to be sure that the date and/or time has not changed.

**19. Do I have to come to the hearing?**

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary. Settlement Class Members do not need to appear at the hearing or take any other action to indicate their approval.

**20. May I speak at the hearing?**

If you object to the Settlement, the Plan of Allocation, and/or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see

question 16 above) a statement saying that it is your “Notice of Intention to Appear in the *FTSI Securities Settlement*.” Persons who intend to object to the Settlement, the Plan of Allocation, and/or any attorneys’ fees and expenses to be awarded to Lead Counsel (including any award to Lead Plaintiff) and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and copies of any exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **received no later than March 1, 2021**, and addressed to the Clerk of the Court, Lead Counsel, and Settling Defendants’ Counsel at the addresses listed above in question 16.

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

#### IF YOU DO NOTHING

#### 21. What happens if I do nothing?

If you do nothing, you will not receive any money from this Settlement. In addition, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants and the Released Defendant Parties about the Released Claims in this case ever again.

#### GETTING MORE INFORMATION

#### 22. How do I get more information?

For even more detailed information concerning the matters involved in this Litigation, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-866-697-3104. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court, and to the other Settlement-related papers filed in the Litigation, which are posted on the Settlement website at [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com), and may be inspected at the Office of the Clerk of the United States District Court for the Southern District of Texas, Houston Division, Bob Casey United States Courthouse, 515 Rusk Avenue, Houston, Texas 77002, during regular business hours. For a fee, all papers filed in this Litigation are available at [www.pacer.gov](http://www.pacer.gov). **DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.**

#### PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

1. As discussed above, the Settlement provides \$9,875,000 in cash for the benefit of the Settlement Class. The Settlement Amount and any interest it earns constitute the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Notice and Administration Expenses, taxes and tax expenses, and any other fees or expenses approved by the Court, is the “Net Settlement Fund.” If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants—*i.e.*, Settlement Class Members who timely submit valid Proofs of Claim that are accepted for payment by the Court—in accordance with this proposed Plan of Allocation (“Plan of Allocation”) or such other plan of allocation as the Court may approve. Settlement Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, [www.FTSISecuritiesSettlement.com](http://www.FTSISecuritiesSettlement.com).

2. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among those Settlement Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation is not a formal damages analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making *pro rata* allocations of the Net Settlement Fund. The Claims Administrator shall determine each Authorized Claimant’s share of the Net Settlement Fund based upon the recognized loss formula (“Recognized Loss Amount”) described below.

3. In the calculations below, all purchase and sale prices shall exclude any fees, taxes and commissions. If a Recognized Loss Amount is calculated to be a negative number, that Recognized Loss Amount shall be set to zero.

## CALCULATION OF RECOGNIZED LOSS AMOUNT

1. Based on the formulas stated below, a “Recognized Loss Amount” will be calculated for each purchase or acquisition of FTSI publicly traded common stock during the Settlement Class Period that is listed on the Proof of Claim and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

### Claims for the February 2018 Initial Public Offering.

Initial Public Offering Price: \$18.00 per share

Closing price on February 22, 2019,  
the date the lawsuit was filed: \$10.87 per share

2. For shares of FTSI common stock purchased or acquired pursuant or traceable to the Company’s February 2, 2018 initial public offering through the end of trading on February 20, 2018, and

(a) sold prior to February 22, 2019, the claim per share is two times the lesser of (i) the Purchase Price less the Sales Price, or (ii) \$18.00 less the Sales Price;

(b) retained on February 21, 2019, or sold on or after February 22, 2019, the claim per share is two times the lesser of (i) \$7.13 (\$18.00 less \$10.87), or (ii) the Purchase Price less \$10.87.

3. For shares of FTSI common stock purchased or acquired on or between February 21, 2018 through the end of trading on February 21, 2019, and

(a) sold prior to February 22, 2019, the claim per share is the lesser of (i) the Purchase Price less the Sales Price, or (ii) \$18.00 less the Sales Price;

(b) retained on February 21, 2019, or sold on or after February 22, 2019, the claim per share is the lesser of (i) \$7.13 (\$18.00 less \$10.87), or (ii) the Purchase Price less \$10.87.

## ADDITIONAL PROVISIONS

1. Given the costs of distribution, the Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in paragraph 3 below) is \$10.00 or greater.

2. A claimant’s “Recognized Loss Amount” under the Plan of Allocation will be the sum of his, her, or its Recognized Loss Amounts.

3. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Loss Amounts. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which will be the Authorized Claimant’s Recognized Loss Amount divided by the total Recognized Loss Amounts of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

4. A Settlement Class Member will be eligible to receive a distribution from the Net Settlement Fund only if the Settlement Class Member had a net overall loss, after all profits from transactions in all FTSI common stock described above during the Class Period are subtracted from all losses.

5. Purchases, acquisitions, and sales of FTSI publicly traded common stock will be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of FTSI common stock during the Settlement Class Period will not be deemed a purchase, acquisition, or sale of FTSI publicly traded common stock for the calculation of an Authorized Claimant’s Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of FTSI publicly traded common stock unless: (i) the donor or decedent purchased or otherwise acquired the shares during the Settlement Class Period; (ii) no Proof of Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to those shares; and (iii) it is specifically so provided in the instrument of gift or assignment.

6. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund after a reasonable amount of time, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of

the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be chosen by Lead Counsel.

7. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Plaintiff's Counsel, the Released Defendant Parties, or the Claims Administrator or other agent designated by Lead Counsel, Defendants, or Settling Defendants' Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiff, Defendants and their respective counsel, and all other Released Defendant Parties, shall have no responsibility or liability whatsoever for the investment of the Settlement Fund or distribution of the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Proof of Claim or nonperformance of the Claims Administrator; the payment or withholding of taxes; or any losses incurred in connection therewith.

8. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Settlement Class Member or claimant. Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Settlement Class Members and the claims administration process, to decide the issue by submitting a written request.

9. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Proof of Claim. All Settlement Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

#### **SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased or acquired FTSI publicly traded common stock in or traceable to the Company's February 2, 2018 IPO, including purchases or acquisitions of FTSI common stock on or after February 2, 2018, for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) BUSINESS DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or acquired such securities; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Settlement Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator at [notifications@gilardi.com](mailto:notifications@gilardi.com) or:

*FTSI Securities Settlement*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 43314  
Providence, RI 02940-3314

DATED: December 8, 2020

BY ORDER OF:  
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION