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*Counsel for Lead Plaintiffs City of Tulsa Municipal
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Pension and Retirement System and the Proposed Class*

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

In Re Shuffle Master, Inc. Securities Litigation

No. 2:07-cv-00715-KJD-RJJ

**ORDER AUTHORIZING INITIAL DISTRIBUTION
OF THE NET SETTLEMENT FUND**

WHEREAS, by its Order and Final Judgment dated June 9, 2010, this Court approved the terms of the Class Action Stipulation of Settlement dated January 31, 2010 (the "Settlement Agreement") and the plan of allocation for distributing the settlement proceeds to members of the Class (the "Plan of Allocation"); and

WHEREAS, the Court has directed the parties to consummate the terms of the Stipulation and Plan of Allocation; and

1 WHEREAS, the \$13 million cash settlement proceeds have been deposited by Shuffle
2 Master an interest-bearing account established by Class Counsel on behalf of the Class (the
3 “Settlement Fund”); and

4 WHEREAS, as set forth in the Notice of Proposed Settlement of Class Action and
5 Hearing (the “Notice”), the deadline for Class members to submit Proof of Claim and Release
6 forms (“Proofs of Claim”) in order to participate in the distribution of the Settlement Fund was
7 June 3, 2010; and

8 WHEREAS, pursuant to Class Counsel’s instruction, Gilardi & Co., LLC, the claims
9 administrator for the Settlement (“Gilardi” or the “Claims Administrator”), has continued to
10 process Proofs of Claim received through the date of this filing; and

11 WHEREAS, in satisfaction of due process requirements, all Class members who filed
12 claims that were in any way ineligible or deficient were: (1) informed that their claims were
13 ineligible or deficient; and (2) given opportunity to correct any deficiency prior to their claims
14 being finally rejected, or to contest the determination as to the deficiency, by requesting a
15 review by the Court; and

16 WHEREAS, Gilardi has completed the process of reviewing all Proofs of Claim it
17 received prior to the June 3, 2010 deadline, as well as more than 130 claims postmarked after
18 the deadline; and

19 WHEREAS, Class Counsel now seeks authorization to make an initial distribution of
20 the funds remaining in the Settlement Fund after payment of taxes, attorneys’ fees and
21 administrative expenses approved by the Court (the “Net Settlement Fund”); and

22 WHEREAS, this Court has retained jurisdiction of this action for the purpose of
23 considering any further application or matter which may arise in connection with the
24 administration and execution of the Settlement and the processing of the Proofs of Claim and
25 the distribution of the Net Settlement Fund to authorized claimants;

26 NOW THEREFORE, upon consideration of Lead Plaintiffs’ Motion for Initial
27 Distribution of the Net Settlement Fund, including (i) the Affidavit of Lara McDermott (of
28 Gilardi) in Support of Motion for Distribution of Class Settlement Fund; and (ii) the

1 Declaration of Keith M. Fleischman in Support of Lead Plaintiffs' Motion for Initial
2 Distribution of the Net Settlement Fund; and upon all prior proceedings heretofore had herein,
3 and after due deliberation, it is hereby

4 ORDERED, that the administrative determinations of Gilardi accepting and rejecting
5 certain claims under the Court-approved Plan of Allocation, as indicated in the Affidavit of
6 Lara McDermott, are hereby approved; the Net Settlement Fund shall be distributed to Class
7 members whose Proofs of Claim have been accepted; Gilardi shall continue to work with and
8 attempt to resolve any disputed claims; and Gilardi's fees and expenses as set forth in the
9 Affidavit of Lara McDermott are hereby approved; and it is further

10 ORDERED, that, as stated in the Settlement Agreement, any balance remaining in the
11 Net Settlement Fund six months after the initial distribution shall be used (i) first, to pay any
12 amounts mistakenly omitted from the initial distribution to Authorized Claimants or to pay any
13 late, but otherwise valid and fully documented claims received after the cut-off date used to
14 make the initial distribution, which were not previously authorized by the Court to be paid,
15 provided that such distributions to any late post-distribution claimants meet all of the other
16 criteria for inclusion in the initial distribution, including the \$10.00 minimum check amount set
17 out in the Notice, and (ii) second, to pay any additional settlement administration fees and
18 expenses, including those of Class Counsel as may be approved by the Court. Finally, any
19 balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such
20 funds shall be re-distributed to Class Members who have cashed their initial distributions and
21 who would receive at least \$25.00 from such re-distribution, after payment of any unpaid costs
22 or fees incurred in administering the Net Settlement Fund for such re-distribution. If six (6)
23 months after such re-distribution any funds shall remain in the Net Settlement Fund, then such
24 balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s)
25 designated one-half by Class Counsel and one-half by Shuffle Master.

26 It is so ordered this 24th day of January, 2011.

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28 _____
Honorable Kent J. Dawson
United States District Court Judge