

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC#
DATE FILED: 10-4-19

_____	X	
In re AMERICAN REALTY CAPITAL	:	Civil Action No. 1:15-mc-00040-AKH
PROPERTIES, INC. LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
	:	
ALL ACTIONS.	:	
_____	X	

~~PROPOSED~~ ORDER GRANTING PRELIMINARY APPROVAL PURSUANT
TO FED. R. CIV. P. 23(e)(1) AND PERMITTING NOTICE TO THE CLASS

WHEREAS, an action pending before this Court is styled *In re American Realty Capital Properties, Inc. Litigation*, No. 1:15-mc-00040-AKH (S.D.N.Y.) (the “Litigation”);

WHEREAS, Lead Plaintiff having made a motion, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in accordance with a Stipulation of Settlement, dated September 30, 2019 (the “Stipulation”), which, together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed Settlement of the Litigation between the Settling Parties and for dismissal of the Litigation with prejudice upon, and subject to, the terms and conditions set forth therein; and the Court having read and considered: (1) the motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith, and (2) the Stipulation and the exhibits annexed thereto;

WHEREAS, the Settling Parties having consented to the entry of this Order; and

WHEREAS, unless otherwise defined, all terms used herein have the same meanings as set forth in the Stipulation.

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court has reviewed the Stipulation and does hereby preliminarily approve the Stipulation and the Settlement set forth therein as fair, reasonable and adequate, subject to further consideration at the Final Approval Hearing (as defined in ¶3 below).

2. The Court preliminarily finds that the proposed Settlement should be approved as:

- (i) it is the result of serious, extensive arm’s-length and non-collusive negotiations;
- (ii) falling within a range of reasonableness warranting final approval;
- (iii) having no obvious deficiencies;
- (iv) there is no substantive deviation from the Class previously certified and later modified by the

Court; and (v) warranting notice of the proposed Settlement to Class Members and further consideration of the Settlement at the Final Approval Hearing described below.

3. A hearing shall be held before this Court on January 21, 2020, at 11:00 a.m. (the “Final Approval Hearing”), at the Daniel Patrick Moynihan United States Courthouse, United States District Court for the Southern District of New York, 500 Pearl Street, New York, NY 10007, to determine whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the Class and should be approved by the Court; to determine whether a Judgment as provided in ¶1.19 of the Stipulation should be entered; to determine whether the proposed Plan of Allocation should be approved; to determine the amount of attorneys’ fees, costs, charges and expenses that should be awarded to Lead Counsel; to determine any award to Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4); to hear any objections by Class Members to: (i) the Settlement or Plan of Allocation; (ii) the award of attorneys’ fees and expenses to Lead Counsel; and (iii) awards to Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4); and to consider such other matters the Court deems appropriate. The Court may adjourn the Final Approval Hearing without further notice to the Class.

4. The Court approves the form, substance, and requirements of the Notice of Proposed Settlement of Class Action (“Notice”) and Proof of Claim and Release, substantially in the forms annexed hereto as Exhibits A-1 and A-2, respectively.

5. The Court approves the form of the Summary Notice of Proposed Settlement of Class Action (“Summary Notice”), substantially in the form annexed hereto as Exhibit A-3.

6. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby appointed to supervise and administer the notice procedure as well as the processing of claims as more fully set forth below.

7. Not later than October 25, 2019 (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice and Proof of Claim and Release, substantially in the forms annexed hereto, to be mailed by First-Class Mail to all Class Members who can be identified with reasonable effort and to be posted on the case-designated website, www.ARCPSecuritiesLitigation.com.

8. Not later than November 1, 2019, the Claims Administrator shall cause the Summary Notice to be published once in *The Wall Street Journal*, and once over a national newswire service.

9. At least seven (7) calendar days prior to the Final Approval Hearing, Lead Counsel shall serve on Defendants’ Counsel and file with the Court proof, by affidavit or declaration, of such mailing and publishing.

10. The Claims Administrator shall use reasonable efforts to give notice to nominee purchasers such as brokerage firms and other persons or entities who purchased or otherwise acquired ARCP Securities between February 28, 2013 and October 29, 2014 as record owners but not as beneficial owners. Such nominee purchasers are directed, within fourteen (14) business days of their receipt of the Notice, to either forward copies of the Notice and Proof of Claim and Release to their beneficial owners or to provide the Claims Administrator with lists of the names and addresses of the beneficial owners, and the Claims Administrator is ordered to send the Notice and Proof of Claim and Release promptly to such identified beneficial owners. Nominee purchasers who elect to send the Notice and Proof of Claim and Release to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed. Additional copies of the Notice shall be made available to any record holder requesting such for the purpose of distribution to beneficial owners, and such record holders shall be reimbursed from

the Settlement Fund, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense of sending the Notice and Proof of Claim and Release to beneficial owners.

11. The form and content of the notice program described herein and the methods set forth herein for notifying the Class of the Settlement and its terms and conditions, the Fee and Expense Application, and the Plan of Allocation meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995 and due process, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all Persons entitled thereto.

12. All fees, costs, and expenses incurred in identifying and notifying Members of the Class shall be paid from the Settlement Fund and in no event shall any of the Released Persons bear any responsibility or liability for such fees, costs, or expenses.

13. All Class Members (except Persons who requested exclusion pursuant to the Notice of Pendency of Class Action provided in August 2019 and Persons that entered into a settlement agreement or otherwise provided a release to any Defendant relating to or arising from the purchase or other acquisition of ARCP Securities prior to October 29, 2014) shall be bound by all determinations and judgments in the Litigation concerning the Settlement, including, but not limited to, the releases provided for therein, whether favorable or unfavorable to the Class, regardless of whether such Persons seek or obtain by any means, including, without limitation, by submitting a Proof of Claim and Release or any similar document, any distribution from the Settlement Fund or the Net Settlement Fund.

14. VEREIT shall provide within 10 days of the entry of this order: (a) to Lead Counsel the identity of the settling parties that entered into a settlement agreement or otherwise provided a release to any Defendant relating to or arising from the purchase or other acquisition of ARCP

Securities prior to October 29, 2014 and the language memorializing the releasors therein; (b) to Lead Counsel the scope of any release(s) provided; and (c) to the Claims Administrator, to the extent that it is in VEREIT's possession, the anonymized underlying trading data of such settling parties and releasors.

15. Class Members who wish to participate in the Settlement shall complete and submit a Proof of Claim and Release in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim must be postmarked or submitted electronically no later than January 23, 2020. Any Class Member who does not submit a Proof of Claim and Release within the time provided shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court, but shall nevertheless be bound by any final judgment entered by the Court. Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the obligation) to accept late-submitted claims for processing by the Claims Administrator so long as distribution of the Net Settlement Fund is not materially delayed thereby. No person shall have any claim against Lead Plaintiff, Lead Counsel or the Claims Administrator by reason of the decision to exercise such discretion whether to accept late submitted claims.

16. Any Member of the Class may enter an appearance in the Litigation, at his, her, or its own expense, individually or through counsel of his, her, or its own choice. If they do not enter an appearance, they will be represented by Lead Counsel.

17. Any Member of the Class may appear at the Final Approval Hearing and object if he, she, or it has any reason why the proposed Settlement of the Litigation should not be approved as fair, reasonable and adequate, or why a judgment should not be entered thereon, why the Plan of Allocation should not be approved, or why attorneys' fees, together with costs, charges and expenses should not be awarded or awards to Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4) should

not be awarded; provided, however, that no Class Member or any other Person shall be heard at the Final Approval Hearing or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the order approving the Plan of Allocation, or any attorneys' fees, together with costs and expenses to be awarded to Lead Counsel or any award to Plaintiffs, unless the Person objecting has filed said written objections and copies of any papers and briefs with the Clerk of the United States District Court for the Southern District of New York and mailed copies thereof by first-class mail to Robbins Geller Rudman & Dowd LLP, Debra J. Wyman, 655 West Broadway, Suite 1900, San Diego, CA 92101, and Jed M. Schwartz, Milbank LLP, 55 Hudson Yards, New York, NY 10001 no later than December 31, 2019. Any Member of the Class who does not make his, her, or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness or adequacy of the proposed Settlement as incorporated in the Stipulation, to the Plan of Allocation, or to the award of fees, costs, charges and expenses to Lead Counsel or Plaintiffs, unless otherwise ordered by the Court. Attendance at the Final Approval Hearing is not necessary. However, Persons wishing to be heard orally in opposition to the approval of the Settlement, the Plan of Allocation, and/or the application for an award of fees, costs, charges and expenses are required to indicate in their written objection their intention to appear at the hearing and to 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 Final Approval Hearing. Class Members do not need to appear at the Final Approval Hearing or take any other action to indicate their approval.

18. Any Class Member who does not object to the Settlement, the Plan of Allocation, or Lead Counsel's application for an award of attorneys' fees, costs, charges and expenses in the

manner prescribed herein and in the Notice shall be deemed to have waived such objection, and shall forever be foreclosed from making any objection to the fairness, adequacy or reasonableness of the proposed Settlement, this Order and the Judgment to be entered approving the Settlement, the Plan of Allocation and/or the application by Lead Counsel for an award of attorneys' fees together with costs, charges and expenses.

19. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis*, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

20. All papers in support of the Settlement, Plan of Allocation, and any application by Lead Counsel for attorneys' fees, costs, charges and expenses and awards to Plaintiffs shall be filed and served no later than December 17, 2019, and any reply papers shall be filed and served no later than January 14, 2020.

21. The Released Persons shall have no responsibility for the Plan of Allocation or any application for attorneys' fees, costs, charges or expenses submitted by Lead Counsel, and such matters will be considered by the Court separately from the fairness, reasonableness, and adequacy of the Settlement.

22. At or after the Final Approval Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel, and any application for attorneys' fees, costs, charges and expenses, should be approved. The Court reserves the right to enter the Order and Final Judgment approving the Settlement regardless of whether it has approved the Plan or Allocation or awarded attorneys' fees and/or costs, charges and expenses.

23. All reasonable expenses incurred in identifying and notifying Class Members as well as administering the Settlement Fund shall be paid as set forth in the Stipulation. In the event

the Court does not approve the Settlement, or it otherwise fails to become effective, neither Lead Plaintiff nor Lead Counsel nor the Claims Administrator shall have any obligation to repay any amounts actually and properly incurred or disbursed pursuant to ¶¶2.12 or 2.14 of the Stipulation.

24. Neither this Order nor the Stipulation, nor any of their respective terms or provisions, nor any of the negotiations, discussions, proceedings connected with them, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement or this Order may be construed as an admission or concession by the Defendants or any other Released Persons of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind, or offered or received in evidence, or otherwise used by any person in the Litigation, or in any other action or proceeding, whether civil, criminal, or administrative, in any court, administrative agency, or other tribunal, except in connection with any proceeding to enforce the terms of the Stipulation or this Order. The Released Persons, Lead Plaintiff, Class Members, and each of their counsel may file the Stipulation, and/or this Order and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

25. All proceedings in the Litigation are stayed until further order of this Court, except as may be necessary to implement the Settlement or comply with the terms of the Stipulation. Pending final determination of whether the Settlement should be approved, neither the Lead Plaintiff nor any Class Member, either directly, representatively, or in any other capacity shall commence or prosecute against any of the Released Persons any action or proceeding in any court or tribunal asserting any of the Released Claims.

26. The Court reserves the right to alter the time or the date of the Final Approval Hearing without further notice to Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Class.

27. If the Settlement fails to become effective as defined in the Stipulation or is terminated, then, in any such event, the Stipulation, including any amendment(s) thereof, except as expressly provided in the Stipulation, and this Order shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any actions or proceedings by any person or entity against the Settling Parties, and they shall be deemed to have reverted to their respective litigation positions as of August 21, 2019.

IT IS SO ORDERED.

DATED:

SEP. 4, 2019



THE HONORABLE ALVIN K. HELLERSTEIN
UNITED STATES DISTRICT JUDGE

EXHIBIT A-1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re AMERICAN REALTY CAPITAL	:	Civil Action No. 1:15-mc-00040-AKH
PROPERTIES, INC. LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
	:	
ALL ACTIONS.	:	
_____	X	

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

EXHIBIT A-1

TO: ALL PERSONS AND ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK, PREFERRED STOCK, OR DEBT SECURITIES OF AMERICAN REALTY CAPITAL PROPERTIES, INC. (“ARCP”, NOW KNOWN AS VEREIT, INC.) OR ARC PROPERTIES OPERATING PARTNERSHIP, L.P. (NOW KNOWN AS VEREIT OPERATING PARTNERSHIP, L.P.) (“ARCP SECURITIES”) DURING THE PERIOD BETWEEN FEBRUARY 28, 2013 AND OCTOBER 29, 2014 (THE “CLASS PERIOD”)

IN ORDER TO QUALIFY FOR A SETTLEMENT PAYMENT, YOU MUST TIMELY SUBMIT A PROOF OF CLAIM AND RELEASE FORM BY JANUARY 23, 2020.

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

WHY SHOULD I READ THIS NOTICE?

This Notice is given pursuant to an order issued by the United States District Court for the Southern District of New York (the “Court”). This Notice serves to inform you of the proposed settlement of the above-captioned class action lawsuit for \$1,025,000,000.00 in cash (the “Settlement”) and the hearing (the “Settlement Fairness Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, as set forth in the Stipulation of Settlement dated September 30, 2019 (the “Stipulation”), by and between Lead Plaintiff Teachers Insurance and Annuity Association of America, College Retirement Equities Fund, TIAA-CREF Equity Index Fund, TIAA-CREF Real Estate Securities Fund, TIAA-CREF Large Cap Value Index Fund, TIAA-CREF Small Cap Blend Index Fund, TIAA-CREF Life Real Estate Securities Fund, TIAA-CREF Life Equity Index Fund, and TIAA-CREF Bond Index Fund (collectively “TIAA” or “Lead Plaintiff”), on behalf of itself and the Class (as defined below), on the one hand, and Defendants ARCP (now known as VEREIT), AR Capital, LLC (“AR Capital”), ARC Properties Advisors, LLC, certain of ARCP’s and AR Capital’s current or former officers and directors, Grant Thornton LLP and the underwriters involved in four securities offerings by ARCP during the Class Period, on the other hand (collectively, “Defendants”).¹

This Notice is intended to inform you how this lawsuit and proposed Settlement may affect your rights and what steps you may take in relation to it. This Notice is different than the one you previously received advising you of the pendency of this Litigation. This Notice is NOT an expression of any opinion by the Court as to the merits of the claims or defenses asserted in the lawsuit or whether the Defendants engaged in any wrongdoing.

¹ The Stipulation can be viewed and/or downloaded at www.ARCPSecuritiesLitigation.com. All capitalized terms used herein have the same meaning as the terms defined in the Stipulation.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A PROOF OF CLAIM AND RELEASE	The only way to be eligible to receive a payment from the Settlement. Proofs of Claim and Release must be postmarked (if mailed) or received (if submitted online) on or before January 23, 2020.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION	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. Objections must be postmarked on or before December 31, 2019.
GO TO THE HEARING ON JANUARY 21, 2020, AND FILE A NOTICE OF INTENTION TO APPEAR	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be postmarked on or before December 31, 2019. If you submit a written objection, you may (but you do not have to) attend the hearing.
DO NOTHING	Receive no payment. You will, however, still be a Class Member, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Person 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 Class

This Notice relates to a proposed settlement of claims in a pending securities class action brought by ARCP investors alleging, among other things, that Defendants violated the federal securities laws by making materially false and misleading statements or omitting to state facts necessary to make statements not misleading in public filings and other public statements during the Class Period. A more detailed description of the Litigation is set forth on pages ____ below. The proposed Settlement, if approved by the Court, will settle claims of the Class, as defined on pages ____ below.

Statement of Class Recovery

Pursuant to the Settlement described herein, a \$1,025,000,000.00 settlement fund has been established (the "Settlement Amount"). The Settlement Amount together with any interest earned thereon is the "Settlement Fund." The Settlement Fund, less (a) any taxes, (b) any Notice and Administration Expenses, and (c) any attorneys' fees and litigation costs, charges and expenses (including any awards to Plaintiffs of their costs and expenses in representing the Class) awarded by the Court, will be distributed to 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 ____ below. Based on Lead Plaintiff's estimate of the number of ARCP Securities eligible to recover, and Defendants' representations concerning previously settled claims, the average distribution under the Plan of Allocation is roughly \$1.72 per common share, \$1.35 per preferred share, and \$6.91 per \$100 face value of the TAA Notes, \$9.04 per \$100 face value of the TAB Notes, \$2.24 per \$100 face value of the QAA/QAB Notes, \$2.78 per \$100 face value of the QAC/QAD Notes, \$5.27 per \$100 face value of the QAE/QAF Notes, before deduction of any taxes on the income earned on the Settlement Fund, Notice and Administration Expenses, and allowable attorneys' fees and expenses (including any awards to Plaintiffs) as determined by the Court. **Class Members should note, however, that these are only estimates.** A 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 Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than these estimated average amounts. See Plan of Allocation set forth and discussed at pages ____ 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 security, if any, that would be recoverable if the Class prevailed on each claim alleged. Defendants deny that they are liable to the Class and deny that the 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 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 prices of ARCP Securities were allegedly artificially inflated (if at all) during the Class Period; (4) the amount, if any, by which the prices of ARCP Securities were allegedly artificially inflated (if at all) during the Class Period; (5) the effect of various market forces on the prices of ARCP Securities at various times during the Class Period;

(6) the extent to which external factors influenced the price of ARCP Securities at various times during the Class Period; (7) the extent to which the various matters that Plaintiffs alleged were materially false or misleading influenced (if at all) the prices of ARCP Securities at various times during the Class Period; and (8) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the price of ARCP Securities during the Class Period.

Statement of Attorneys' Fees and Expenses Sought

Lead Counsel will apply to the Court on behalf of all Plaintiffs' Counsel for an award of attorneys' fees not to exceed thirteen percent (13%) of the Settlement Amount, plus costs, charges and expenses not to exceed \$6 million, including awards to Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4) in connection with their representation of the Class, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. Since the Litigation's inception, Lead 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 Class they would be paid from such recovery. The requested fee is the result of a negotiation between Lead Counsel and Lead Plaintiff that was designed to align the interests of Lead Counsel and the Class in maximizing the net recovery for the Class. As part of the final approval submission, Lead Counsel intends to demonstrate that the requested fee is being made pursuant to the fee grid negotiated by the Lead Plaintiff prior to being appointed Lead Plaintiff and reflects the significant risks undertaken and effort expended by Lead Counsel in prosecuting the Action, as well as the result achieved for the Class. Lead Counsel intends to provide the Court with evidence establishing that the requested fee is fair and reasonable based upon, among other things: (i) the effort expended by counsel; (ii) the risks undertaken by counsel; (iii) the contingent nature of counsel's representation; (iv) the risks of establishing liability; (v) the risks of establishing causation and damages, (vi) the magnitude and complexity of the litigation, (vii) the quality of the representation, (viii) public policy considerations, and (ix) the Class' reaction to the fee request. The requested attorneys' fees, costs, charges and expenses amount to an average cost of approximately \$0.23 per allegedly damaged ARCP common share, \$0.18 per allegedly damaged preferred share and \$0.94 per allegedly damaged \$100 face value of the TAA Notes, \$1.23 per allegedly damaged \$100 face value of the TAB Notes, \$0.30 per allegedly damaged \$100 face value of the QAA/QAB Notes, \$0.38 per allegedly damaged \$100 face value of the QAC/QAD Notes, and \$0.71 per allegedly damaged \$100 face value of the QAE/QAF Notes. The average cost per damaged share will vary depending on the number of acceptable Proofs of Claim submitted.

Further Information

For further information regarding the Litigation or this Notice or to review the Stipulation, please contact the Claims Administrator toll-free at _____, or visit the website www.ARCPSecuritiesLitigation.com.

You may also contact a representative of counsel for the 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.

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 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 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 Class has suffered any damage, or that Lead Plaintiff or the Class was harmed by the conduct alleged in the Litigation. 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 expensive, protracted and distracting.

WHAT IS THIS LAWSUIT ABOUT?

THE ALLEGATIONS

The Litigation is currently pending before the Honorable Alvin K. Hellerstein in the United States District Court for the Southern District of New York (the "Court"). The initial complaint in this action was filed on October 30, 2014. On February 13, 2015, the Court appointed TIAA as Lead Plaintiff and Robbins Geller Rudman & Dowd LLP ("Robbins Geller") as Lead Counsel.

Lead Plaintiff's Third Amended Complaint for Violations of the Federal Securities Laws (the "Complaint") alleges that Defendants variously violated §§11 and/or 15 of the Securities Act of 1933 and/or §§10(b) and 20(a) of the Securities Exchange Act of 1934. More specifically, Lead Plaintiff alleges that ARCP failed to properly report Adjusted Funds From Operations ("AFFO"), a common measure of REIT performance, by improperly and artificially inflating AFFO, causing it to be overstated. Lead Plaintiff further alleges that when the true facts regarding the alleged accounting improprieties were revealed, that artificial inflation was removed from the prices of ARCP Securities, causing the prices to drop and damaging members of the Class.

Defendants deny all of Lead Plaintiff's allegations. Defendants contend that they did not make any false or misleading statements and that they disclosed all information required to be disclosed by the federal securities laws.

Each Defendant would raise numerous defenses at trial as applicable to the claims against them. Among other things, Defendants would argue that: (i) Plaintiffs failed to show any materially false or misleading statements or omissions regarding ARCP's methodology for calculating AFFO; (ii) any misstatement or omission regarding ARCP's methodology for calculating AFFO would have been immaterial as a matter of law under the "truth on the market" doctrine because the actual methodology used to calculate AFFO was simultaneously disclosed in, and apparent on the face of,

ARCP's public filings; (iii) ARCP had discretion in how to calculate AFFO, a non-GAAP metric, and because the calculation of AFFO is a statement of financial opinion, Plaintiffs would be required, but unable, to show that statements regarding ARCP's methodology for calculating AFFO were both objectively and subjectively false at the time they were made; (iv) there is no evidence that Defendants acted intentionally or recklessly in connection with the alleged misstatements; (v) Plaintiffs failed to prove that certain Defendants had actual control over any alleged misstatement by ARCP; (vi) Plaintiffs failed to demonstrate an adequate causal relationship between the alleged misstatements or omissions and any losses they suffered; (vii) statements regarding ARCP's internal controls were statements of opinion, and Plaintiffs could not show that management did not objectively or subjectively believe those statements of opinion at the time they were made; (viii) the alleged misstatements in Grant Thornton's audit reports were statements of opinion, and Plaintiffs could not show that those opinion statements omitted known material facts that would render them misleading; (ix) Grant Thornton cannot be held liable for any alleged misstatements outside of the audited financial statements; (x) certain Defendants are shielded from any Section 11 liability by their exercise of due diligence; (xi) Plaintiffs' Section 11 claims based on certain equity offerings fail because Plaintiffs could not trace their shares to the allegedly false or misleading registration statements; (xii) Plaintiffs' claims based on forward-looking statements concerning ARCP's AFFO projections are legally inactionable and did not cause any losses; and (xiii) in the event of liability, damages would be significantly lower than the damages calculated by Plaintiffs' expert. Lead Plaintiff believed that it could overcome each of these defenses and prevail at trial. However, Lead Plaintiff understood that a jury may have agreed with some or all of the Defendants' anticipated defenses, which could have resulted in a much smaller recovery or no recovery at all.

THE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO LEAD PLAINTIFF OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THIS LITIGATION OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PROPOSED SETTLEMENT OF THIS ACTION AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

PROCEDURAL HISTORY

The Settling Parties vigorously litigated this case for nearly five years. They briefed and argued two rounds of motions to dismiss the Class's claims, and following rulings on the motions to dismiss, the Settling Parties engaged in extensive fact and class-related discovery which included the exchange of over 12 million pages of documents and the taking of more than 50 depositions. After full briefing and an evidentiary hearing, the Court certified the Class on August 31, 2017. After the close of fact discovery in December 2018, the Settling Parties briefed and argued 13 motions for summary judgment, which were granted in part and denied in part on May 10, 2019.

After summary judgment was resolved, the Settling Parties engaged in expert discovery, exchanging reports from and deposing 21 experts.

The Settling Parties were scheduled to begin the trial of this Litigation in January 2020. In anticipation of the trial, the Settling Parties briefed 45 motions *in limine* and 17 motions to exclude expert testimony. Those motions were scheduled for oral argument in mid-September 2019.

The Settling Parties also participated in multiple in-person mediation sessions as well as numerous telephonic conferences over several years with the Honorable Layn R. Phillips (Ret.), a retired United States District Court Judge and an experienced mediator. The Settling Parties engaged in good-faith, arm's-length negotiations during the earlier mediation sessions, but were unable to reach an agreement. The Settling Parties pursued pre-trial motion practice while settlement discussions continued through Judge Phillips. On September 8, 2019, the Settling Parties reached an agreement in principle to resolve the Litigation, subject to the negotiation of the terms of a Stipulation of Settlement and approval by the Court.

HOW DO I KNOW IF I AM A CLASS MEMBER?

If you purchased or otherwise acquired ARCP Securities during the period between February 28, 2013 and October 29, 2014 and are not otherwise excluded, you are a Class Member. As set forth in the Stipulation, excluded from the Class are: Defendants, members of the immediate families of each of the Defendants, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any Defendant, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party. For the avoidance of doubt, this exclusion does not extend to: (1) any investment company or pooled investment fund in which a Third-Party Underwriter Defendant² may have a direct or indirect interest, or as to which its affiliates may act as an advisor, but of which a Third-Party Underwriter Defendant or its respective affiliates is not a majority owner or does not hold a majority beneficial interest; or (2) any employee benefit plan as to which a Third-Party Underwriter Defendant or its affiliates acts as an investment advisor or otherwise may be a fiduciary; provided, however, that membership in the Class by such investment company, pooled investment fund or employee benefit plan is limited to transactions in ARCP Securities made on behalf of, or for the benefit of, persons other than persons that are excluded from the Class by definition. In other words, the Third-Party Underwriter Defendants cannot make a claim on their own behalf for their ownership share in any of the above entities.

Additionally, the Class excludes any person or entity that entered into any other settlement agreement or otherwise provided a release to any Defendant relating to or arising from the purchase or other acquisition of ARCP Securities prior to October 29, 2014. Also excluded from the Class is any Class Member who timely and validly requested exclusion in accordance with the requirements set by the Court in connection with the Notice of Pendency of Class Action previously provided to the Class.

PLEASE NOTE: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you

² Third-Party Underwriter Defendants are defined as Barclays Capital Inc., BMO Capital Markets Corp., Capital One Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Janney Montgomery Scott, LLC, JMP Securities LLC, J.P. Morgan Securities LLC, KeyBanc Capital Markets Inc., Ladenburg Thalmann & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mizuho Securities USA LLC (f/k/a Mizuho Securities USA Inc.), Morgan Stanley & Co. LLC, Piper Jaffray & Co., PNC Capital Markets LLC, RBS Securities Inc., Robert W. Baird & Co. Incorporated, and Wells Fargo Securities, LLC.

wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim and Release that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before January 23, 2020.

WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?

The Settlement, if approved, will result in the creation of a cash settlement fund of \$1,025,000,000.00. This fund, plus accrued interest and minus the costs of this Notice and all costs associated with the administration of the Settlement, as well as attorneys' fees and expenses, and the payment of Plaintiffs' costs and expenses in representing the Class, as approved by the Court (the "Net Settlement Fund"), will be distributed to eligible Class Members pursuant to the Plan of Allocation that is described in the next section of this Notice.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Class Members based on their respective alleged economic losses resulting from the securities law violations alleged in the Litigation.

The Claims Administrator shall determine each Class Member's share of the Net Settlement Fund based upon the recognized loss formula (the "Recognized Loss") described below. A Recognized Loss will be calculated for each ARCP Security purchased or otherwise acquired during the Class Period. The calculation of a Recognized Loss will depend upon several factors, including when the ARCP Security was purchased or otherwise acquired and in what amounts, whether the securities were ever sold, and, if so, when they were sold and for what amounts. The Recognized Loss is not intended to estimate the amount a Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Class Members pursuant to the Settlement. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to Class Members.

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 and which type of ARCP Security you purchased or otherwise acquired during the Class Period, and whether you sold any of those securities and when you sold them.

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of the formulas set forth below yield an amount less than \$0.00, the claim per share is \$0.00.

In the event a Class Member has more than one purchase or acquisition or sale of ARCP Securities during the Class Period, all such purchases and sales shall be matched by security on a First-In, First-Out ("FIFO") basis. Sales will be matched against purchases in chronological order, beginning with the earliest purchase made during the Class Period.

If a matched Class Period purchase and sale reflects a market gain, the recognized claim for the specific shares or notes involved in the transaction will be \$0.00. The Claims Administrator

shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its recognized claim as compared to the total recognized claims of all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

1. For each Class Period purchase or acquisition of an ARCP Security that is properly documented, a “Recognized Loss Amount” will be calculated for that security according to the formulas described below. Such “Recognized Loss Amounts” will be aggregated across all purchases to determine the “Recognized Claim” for each Class Member. To the extent a Class Member has a Recognized Loss Amount under the Exchange Act and the Securities Act resulting from the same purchase or acquisition of an ARCP Security, the Recognized Loss Amount will be the greater of the Exchange Act Recognized Loss Amount and the Securities Act Recognized Loss Amount.

2. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

EXCHANGE ACT RECOGNIZED LOSS AMOUNTS

3. For the Exchange Act Securities, estimated damages and the Plan were developed based on event study analysis, which determines how much artificial inflation was in the prices of such securities on each day during the Class Period by measuring how much the prices declined as a result of disclosures that corrected the alleged misrepresentations and omissions. An Exchange Act Recognized Loss Amount is calculated for each Class Member who purchased Exchange Act Securities during the Class Period based on when that claimant purchased and sold shares, or retained shares beyond the end of the Class Period.

4. Based on the formulas presented below, an “Exchange Act Recognized Loss Amount” will be calculated for each purchase or acquisition of ARCP Exchange Act Securities stock during the Class Period that is listed on the Proof of Claim and Release form 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.

ARCP Common Stock

5. For each share of ARCP common stock purchased or otherwise acquired during the Class Period and:

(a) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

(b) Sold after 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$2.32 per share; and (ii) the difference between the purchase price and the sale price.

(c) Sold on October 30, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$2.95 per share; and (ii) the difference between the purchase price and the sale price.

(d) Sold on October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$3.56 per share; and (ii) the difference between the purchase price and the sale price.

(e) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$4.61 per share; and (ii) the difference between the purchase price and the sale price.

(f) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$4.61 per share; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average closing price up to the date of sale as set forth in Table-1 below.

(g) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of (i) \$4.61 per share; and (ii) the difference between the purchase price and \$8.96 per share.³

ARCP Preferred Stock

6. For each share of ARCP preferred stock purchased or otherwise acquired during the Class Period and:

(h) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

³ Under Section 21(D)(e)(1) of the Exchange Act, “in any private action arising under this Act in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the statute, Exchange Act Recognized Loss Amounts for ARCP common stock are reduced to an appropriate extent by taking into account the closing prices of ARCP common stock during the 90-day look-back period. The mean (average) closing price for ARCP common stock during this 90-day look-back period was \$8.96 per share as shown in Table-1.

(i) Sold after 7:03 a.m. on October 29, 2014, or on October 30, 2014 or October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$1.25 per share; and (ii) the difference between the purchase price and the sale price.

(j) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$2.40 per share; and (ii) the difference between the purchase price and the sale price.

(k) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$2.40 per share; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average closing price up to the date of sale as set forth in Table-1 below.

(l) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$2.40 per share; and (ii) the difference between the purchase price and \$22.21 per share.⁴

ARCP TAA Note

7. For each \$100 of par of the ARCP TAA Notes purchased or otherwise acquired during the Class Period and:

(m) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

(n) Sold after 7:03 a.m. on October 29, 2014, or on October 30, 2014 or October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$6.37 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(o) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$13.60 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(p) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$13.60 per \$100 of par; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average volume weighted average price ("VWAP") up to the date of sale as set forth in Table-1 below.

(q) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$13.60 per \$100 of par; and (ii) the difference between the purchase price and \$91.06 per \$100 of par.⁵

⁴ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for ARCP preferred stock are reduced to an appropriate extent by taking into account the closing prices of ARCP preferred stock during the 90-day look-back period. The mean (average) closing price for ARCP preferred stock during this 90-day look-back period was \$22.21 per share as shown in Table-1.

ARCP TAB Note

8. For each \$100 of par of the ARCP TAB Notes purchased or otherwise acquired during the Class Period and:

(r) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

(s) Sold after 7:03 a.m. on October 29, 2014, or on October 30, 2014 or October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$9.39 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(t) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$17.81 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(u) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$17.81 per \$100 of par; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average volume weighted average price ("VWAP") up to the date of sale as set forth in Table-1 below.

(v) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$17.81 per \$100 of par; and (ii) the difference between the purchase price and \$90.42 per \$100 of par.⁶

ARCP QAA/QAB Note

9. For each \$100 of par of the ARCP QAA/QAB Notes purchased or otherwise acquired during the Class Period and:

(w) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

⁵ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for the ARCP TAA Notes are reduced to an appropriate extent by taking into account the VWAPs of the TAA Notes during the 90-day look-back period. The mean (average) VWAP for the TAA Notes during this 90-day look-back period was \$91.06 per \$100 of par as shown in Table-1.

⁶ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for the ARCP TAB Notes are reduced to an appropriate extent by taking into account the VWAPs of the TAB Notes during the 90-day look-back period. The mean (average) VWAP for the TAB Notes during this 90-day look-back period was \$90.42 per \$100 of par as shown in Table-1.

(x) Sold after 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$1.24 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(y) Sold on October 30, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$2.26 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(z) Sold on October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$2.60 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(aa) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$4.42 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(bb) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$4.42 per \$100 of par; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average volume weighted average price ("VWAP") up to the date of sale as set forth in Table-1 below.

(cc) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$4.42 per \$100 of par; and (ii) the difference between the purchase price and \$95.32 per \$100 of par.⁷

ARCP QAC/QAD Note

10. For each \$100 of par of the ARCP QAC/QAD Notes purchased or otherwise acquired during the Class Period and:

(dd) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

(ee) Sold after 7:03 a.m. on October 29, 2014, or on October 30, 2014 or October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$2.48 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(ff) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (i) \$5.47 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

⁷ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for the ARCP QAA/QAB Notes are reduced to an appropriate extent by taking into account the VWAPs of the QAA/QAB Notes during the 90-day look-back period. The mean (average) VWAP for the QAA/QAB Notes during this 90-day look-back period was \$95.32 per \$100 of par as shown in Table-1.

(gg) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$5.47 per \$100 of par; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average volume weighted average price (“VWAP”) up to the date of sale as set forth in Table-1 below.

(hh) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$5.47 per \$100 of par; and (ii) the difference between the purchase price and \$94.08 per \$100 of par.⁸

ARCP QAE/QAF Note

11. For each \$100 of par of the ARCP QAE/QAF Notes purchased or otherwise acquired during the Class Period and:

(ii) Sold at or prior to 7:03 a.m. on October 29, 2014, the Exchange Act Recognized Loss Amount per share is zero.

(jj) Sold after 7:03 a.m. on October 29, 2014, or on October 30, 2014 or October 31, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$5.98 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(kk) Sold on November 3, 2014, the Exchange Act Recognized Loss Amount per share is the lesser of: (1) \$10.37 per \$100 of par; and (ii) the difference between the purchase price and the sale price.

(ll) Retained at the end of November 3, 2014 and sold before January 30, 2015, the claim per share shall be the least of: (i) \$10.37 per \$100 of par; (ii) the difference between the purchase price and the sale price; and (iii) the difference between the purchase price and the average volume weighted average price (“VWAP”) up to the date of sale as set forth in Table-1 below.

(mm) Held as of the close of trading on January 30, 2015 or sold thereafter, the claim per share shall be the lesser of: (i) \$10.37 per \$100 of par; and (ii) the difference between the purchase price and \$94.21 per \$100 of par.⁹

⁸ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for the ARCP QAC/QAD Notes are reduced to an appropriate extent by taking into account the VWAPs of the QAC/QAD Notes during the 90-day look-back period. The mean (average) VWAP for the QAC/QAD Notes during this 90-day look-back period was \$94.08 per \$100 of par as shown in Table-1.

⁹ Consistent with the requirements of Section 21(D)(e)(1) of the Exchange Act, Exchange Act Recognized Loss Amounts for the ARCP QAE/QAF Notes are reduced to an appropriate extent by taking into account the VWAPs of the QAE/QAF Notes during the 90-day look-back period. The mean (average) VWAP for the QAE/QAF Notes during this 90-day look-back period was \$94.21 per \$100 of par as shown in Table-1.

SECURITIES ACT RECOGNIZED LOSS AMOUNTS

12. Securities Act claims were asserted with respect to ARCP Securities Act Securities purchased or otherwise acquired pursuant or traceable to the Registration Statements. The Section 11 Securities Act claims asserted in the action serve as the basis for the calculation of Securities Act Recognized Loss Amounts. Section 11 provides a statutory formula for the calculation of damages under that provision. The formula set forth below, developed by Plaintiffs' damages expert generally tracks the statutory formula. For purposes of the calculations, October 30, 2014 is the date of suit, and is the proxy for the date of judgment.

13. Based on the formulas stated below, a "Securities Act Recognized Loss Amount" will be calculated for each purchase/acquisition of ARCP Securities Act Securities. If a Securities Act Recognized Loss Amount calculates to a negative number or zero under the formula below, that number will be zero.

14. For the Securities Act Securities, a Securities Act Recognized Loss Amount will be calculated as set forth below for each purchase or other acquisition of a security pursuant or traceable to a Registration Statement. The calculation of a Securities Act Recognized Loss Amount will depend upon several factors, including (i) which security was purchased or otherwise acquired, and in what amounts; (ii) when the security was purchased or otherwise acquired; and (iii) whether the security was sold, and if so, when they were sold, and for what amounts. The "value" of a security on the date on which a complaint was first filed alleging claims under Section 11 of the Securities Act is relevant for purposes of calculating damages for securities still held as of that date under Section 11(e). Thus, "value" is measured by the closing price on October 30, 2014, which is the date the complaint was filed. Consequently, in order to fairly allocate the Net Settlement Fund, for the securities that are the subject of claims under Section 11 the October 30, 2014 Closing Price shall be utilized in measuring the "value" of the securities.

ARCP COMMON STOCK

A. The ARCT IV Merger

15. For each share of ARCP common stock received in exchange for shares of ARCT IV, Inc. ("ARCT IV") in the merger between ARCP and ARCT IV (the "ARCT IV Merger"), and

(nn) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount per share is zero.

(a) Held from the ARCT IV Merger and sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$12.87 per share, the issue price of the ARCP common stock registered in connection with the ARCT IV Merger) minus the sale price.

(b) Held from the ARCT IV Merger through the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$12.87 per share, the issue price of the ARCP common stock registered in connection with the ARCT IV Merger) minus \$9.42 per share, the price of ARCP common stock on October 30, 2014.

B. The Cole Merger

16. For each share of ARCP common stock received in exchange for shares of Cole, Inc. (“Cole”) in the merger between ARCP and Cole (the “Cole Merger”) purchased or otherwise acquired pursuant or traceable to the Registration Statement on Form S-4 dated December 23, 2013 and Proxy Statement/Prospectus dated December 23, 2013 Registration Statement, which registered and ultimately issued 520,443,854 shares of ARCP common stock, and

(qq) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount per share is zero.

(a) Held from the Cole Merger and sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$13.35 per share, the issue price of the ARCP common stock registered in connection with Cole Merger) minus the sale price.

(b) Held from the Cole Merger through the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$13.35 per share, the issue price of ARCP common stock registered in connection with Cole Merger) minus \$9.42 per share, the price of ARCP common stock on October 30, 2014.

C. May 20, 2014 Follow-On Offering

17. For each share of ARCP common stock purchased or otherwise acquired pursuant or traceable to the March 14, 2013 Shelf Registration Statement on Form S-3ASR, preliminary Prospectus Supplement dated May 21, 2014, and Prospectus Supplement dated May 23, 2014, which registered and ultimately issued shares of ARCP common stock (the “Follow-On Offering”), and

(tt) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount per share is zero.

(a) Held from the Follow-On Offering and sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$12.00 per share, the issue price of the ARCP common stock registered in connection with the Follow-On Offering) minus the sale price.

(b) Held from the Follow-On Offering through the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$12.00 per share, the issue price of the ARCP common stock registered in connection with the Follow-On Offering) minus \$9.42 per share, the price of ARCP common stock on October 30, 2014.

ARCP Preferred Stock – ARCT IV Merger

18. For each share of ARCP Series F preferred stock purchased or otherwise acquired pursuant or traceable to the Registration Statement on Form S-4 dated December 3, 2013 and Proxy Statement/Prospectus dated December 4, 2013, which registered and ultimately issued shares of ARCP preferred stock, and

(ww) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount per share is zero.

(xx) Sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$25.00 per share, the issue price of ARCP Series F preferred stock) minus the sale price.

(yy) Held as of the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$25.00 per share, the issue price of ARCP Series F preferred stock) minus \$22.34 per share, the price of ARCP Series F preferred stock on October 30, 2014.

ARCP TAA Notes – July 25, 2013 Offering

19. For each \$100 of par of ARCP TAA Notes purchased or otherwise acquired pursuant or traceable to the March 14, 2013 Shelf Registration Statement on Form S-3ASR, Prospectus Supplements dated July 23, 2013 and July 25, 2013, and Free Writing Prospectuses dated 23 July 2013, which registered and ultimately issued \$310.0 million in face value of the TAA Notes, and

(zz) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount is zero.

(aaa) Sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$99.50 per \$100 of par, the VWAP of the TAA Notes on July 25, 2013) minus the sale price.

(bbb) Held as of the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$99.50 per \$100 of par, the VWAP of the TAA Notes on July 25, 2013) minus \$94.00 per \$100 of par, the VWAP of the TAA Notes on October 30, 2014.

ARCP TAA Notes – December 5, 2013 Offering

20. For each \$100 of par of ARCP TAA Notes purchased or otherwise acquired pursuant or traceable to the March 14, 2013 Shelf Registration Statement on Form S-3ASR, Prospectus Supplements dated December 5, 2013, December 6, 2013, and December 9, 2013, and Free Writing Prospectus dated December 5, 2013, which registered and reopened the TAA Notes offering for another \$287.5 million in face value, and

(ccc) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount is zero.

(ddd) Sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$100 per \$100 of par, the VWAP of the TAA Notes on December 5, 2013) minus the sale price.

(eee) Held as of the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$100 per \$100 of par, the

VWAP of the TAA Notes on December 5, 2013) minus \$94.00 per \$100 of par, the VWAP of the TAA Notes on October 30, 2014.

ARCP TAB Notes – December 5, 2013 Offering

21. For each \$100 of par of ARCP TAB Notes purchased or otherwise acquired pursuant or traceable to the March 14, 2013 Shelf Registration Statement on Form S-3ASR, Prospectus Supplements dated December 5, 2013, December 6, 2013, and December 9, 2013, and Free Writing Prospectus dated December 5, 2013, which registered and ultimately issued \$402.5 million in face value, and

(fff) Sold at or prior to 7:03 a.m. on October 29, 2014, the Securities Act Recognized Loss Amount is zero.

(ggg) Sold before the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$100 per \$100 of par, the VWAP of the TAB Notes on December 5, 2013) minus the sale price.

(hhh) Held as of the close of trading on October 30, 2014, the Securities Act Recognized Loss Amount per share is the purchase price (not to exceed \$100 per \$100 of par, the VWAP of the TAB Notes on December 5, 2013) minus \$93.58 per \$100 of par, the VWAP of the TAA Notes on October 30, 2014.

TABLE-1

ARCP Securities Average Closing Prices and VWAPs November 3, 2014 – January 30, 2015

Date	Common Stock	Preferred Stock	TAA Notes	TAB Notes	QAA/QA B Notes	QAC/QA D Notes	QAE/QAF Notes
11/3/2014	\$7.85	\$20.91	\$85.51	\$83.88	\$95.86	\$93.88	\$93.09
11/4/2014	\$8.00	\$21.12	\$86.88	\$85.65	\$95.39	\$93.74	\$92.65
11/5/2014	\$8.24	\$21.28	\$88.15	\$87.22	\$95.32	\$93.88	\$92.96
11/6/2014	\$8.34	\$21.40	\$88.95	\$88.18	\$95.45	\$94.08	\$93.15
11/7/2014	\$8.43	\$21.47	\$89.32	\$88.73	\$95.53	\$94.22	\$93.72
11/10/2014	\$8.44	\$21.51	\$89.43	\$88.94	\$95.62	\$94.22	\$93.97
11/11/2014	\$8.47	\$21.57	\$89.49	\$89.03	\$95.62	\$94.22	\$93.97
11/12/2014	\$8.51	\$21.61	\$89.49	\$89.06	\$95.66	\$94.41	\$94.10
11/13/2014	\$8.54	\$21.64	\$89.50	\$89.05	\$95.74	\$94.41	\$94.34
11/14/2014	\$8.56	\$21.66	\$89.50	\$89.03	\$95.70	\$94.36	\$94.34
11/17/2014	\$8.58	\$21.68	\$89.50	\$89.03	\$95.70	\$94.32	\$94.30
11/18/2014	\$8.60	\$21.70	\$89.46	\$89.03	\$95.71	\$94.35	\$94.30
11/19/2014	\$8.61	\$21.71	\$89.42	\$89.03	\$95.72	\$94.40	\$94.32
11/20/2014	\$8.64	\$21.71	\$89.43	\$89.06	\$95.72	\$94.44	\$94.32

Date	Common Stock	Preferred Stock	TAA Notes	TAB Notes	QAA/QA B Notes	QAC/QA D Notes	QAE/QAF Notes
11/21/2014	\$8.66	\$21.73	\$89.51	\$89.16	\$95.73	\$94.52	\$94.32
11/24/2014	\$8.69	\$21.74	\$89.62	\$89.26	\$95.74	\$94.62	\$94.49
11/25/2014	\$8.71	\$21.74	\$89.71	\$89.37	\$95.75	\$94.61	\$94.49
11/26/2014	\$8.75	\$21.78	\$89.79	\$89.47	\$95.75	\$94.61	\$94.49
11/28/2014	\$8.78	\$21.81	\$89.79	\$89.47	\$95.75	\$94.61	\$94.63
12/1/2014	\$8.81	\$21.84	\$89.89	\$89.60	\$95.79	\$94.61	\$94.69
12/2/2014	\$8.83	\$21.87	\$89.96	\$89.60	\$95.80	\$94.61	\$94.69
12/3/2014	\$8.85	\$21.88	\$90.01	\$89.69	\$95.82	\$94.64	\$94.69
12/4/2014	\$8.87	\$21.90	\$90.07	\$89.69	\$95.84	\$94.68	\$94.72
12/5/2014	\$8.88	\$21.91	\$90.15	\$89.80	\$95.87	\$94.68	\$94.72
12/8/2014	\$8.89	\$21.92	\$90.24	\$89.80	\$95.87	\$94.68	\$94.77
12/9/2014	\$8.91	\$21.93	\$90.24	\$89.93	\$95.89	\$94.73	\$94.77
12/10/2014	\$8.92	\$21.93	\$90.34	\$90.05	\$95.89	\$94.73	\$94.82
12/11/2014	\$8.93	\$21.93	\$90.34	\$90.15	\$95.92	\$94.73	\$94.88
12/12/2014	\$8.93	\$21.93	\$90.42	\$90.23	\$95.92	\$94.80	\$94.96
12/15/2014	\$8.91	\$21.91	\$90.37	\$90.13	\$95.90	\$94.76	\$95.01
12/16/2014	\$8.87	\$21.88	\$90.32	\$89.94	\$95.82	\$94.65	\$94.93
12/17/2014	\$8.85	\$21.87	\$90.23	\$89.80	\$95.71	\$94.46	\$94.60
12/18/2014	\$8.83	\$21.85	\$90.15	\$89.67	\$95.58	\$94.22	\$94.27
12/19/2014	\$8.81	\$21.83	\$90.05	\$89.53	\$95.44	\$93.96	\$93.96
12/22/2014	\$8.79	\$21.82	\$89.98	\$89.44	\$95.32	\$93.77	\$93.96
12/23/2014	\$8.78	\$21.81	\$89.98	\$89.44	\$95.24	\$93.61	\$93.96
Date	Common Stock	Preferred Stock	TAA Notes	TAB Notes	QAA/QA B Notes	QAC/QA D Notes	QAE/QAF Notes
12/24/2014	\$8.77	\$21.81	\$89.95	\$89.41	\$95.18	\$93.61	\$93.96
12/26/2014	\$8.76	\$21.81	\$89.96	\$89.41	\$95.18	\$93.61	\$93.96
12/29/2014	\$8.75	\$21.81	\$89.93	\$89.39	\$95.16	\$93.53	\$93.73
12/30/2014	\$8.76	\$21.84	\$90.00	\$89.46	\$95.17	\$93.49	\$93.63
12/31/2014	\$8.76	\$21.86	\$90.00	\$89.54	\$95.18	\$93.46	\$93.58
1/2/2015	\$8.78	\$21.88	\$90.00	\$89.54	\$95.19	\$93.47	\$93.53
1/5/2015	\$8.78	\$21.91	\$90.06	\$89.60	\$95.21	\$93.49	\$93.49
1/6/2015	\$8.80	\$21.93	\$90.11	\$89.67	\$95.21	\$93.51	\$93.44
1/7/2015	\$8.82	\$21.95	\$90.18	\$89.67	\$95.22	\$93.54	\$93.44
1/8/2015	\$8.83	\$21.97	\$90.26	\$89.76	\$95.23	\$93.59	\$93.49
1/9/2015	\$8.85	\$21.99	\$90.34	\$89.85	\$95.24	\$93.65	\$93.54
1/12/2015	\$8.86	\$22.01	\$90.44	\$89.94	\$95.24	\$93.69	\$93.62
1/13/2015	\$8.87	\$22.03	\$90.52	\$90.02	\$95.24	\$93.69	\$93.70
1/14/2015	\$8.88	\$22.05	\$90.58	\$90.10	\$95.24	\$93.69	\$93.77

Date	Common Stock	Preferred Stock	TAA Notes	TAB Notes	QAA/QA B Notes	QAC/QA D Notes	QAE/QAF Notes
1/15/2015	\$8.89	\$22.06	\$90.65	\$90.18	\$95.22	\$93.72	\$93.84
1/16/2015	\$8.89	\$22.08	\$90.71	\$90.24	\$95.21	\$93.76	\$93.90
1/20/2015	\$8.89	\$22.10	\$90.71	\$90.24	\$95.20	\$93.80	\$93.90
1/21/2015	\$8.90	\$22.11	\$90.71	\$90.24	\$95.21	\$93.80	\$93.90
1/22/2015	\$8.91	\$22.13	\$90.78	\$90.30	\$95.23	\$93.86	\$93.98
1/23/2015	\$8.92	\$22.14	\$90.85	\$90.37	\$95.27	\$93.91	\$94.06
1/26/2015	\$8.93	\$22.16	\$90.91	\$90.37	\$95.28	\$93.98	\$94.06
1/27/2015	\$8.94	\$22.17	\$90.91	\$90.37	\$95.29	\$93.98	\$94.06
1/28/2015	\$8.95	\$22.19	\$90.97	\$90.37	\$95.29	\$93.98	\$94.14
1/29/2015	\$8.96	\$22.20	\$91.01	\$90.42	\$95.31	\$94.03	\$94.14
1/30/2015	\$8.96	\$22.21	\$91.06	\$90.42	\$95.32	\$94.08	\$94.21

A purchase, acquisition or sale of an ARCP Security shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. All purchase, acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise, or operation of law of ARCP Securities during the Class Period shall not be deemed a purchase, acquisition or sale of ARCP Securities for the calculation of a claimant’s recognized claim nor shall it be deemed an assignment of any claim relating to the purchase or acquisition of such shares unless specifically provided in the instrument of gift or assignment. The receipt of ARCP Securities during the Class Period in exchange for securities of any other corporation or entity, other than American Realty Capital Trust IV, Inc. and Cole Real Estate Investments, Inc. (formerly known as Cole Credit Property Trust III, Inc.), shall not be deemed a purchase, acquisition or sale of ARCP Securities.

Distributions will be made to Authorized Claimants after all claims have been processed, after the Court has finally approved the Settlement, and after any appeals are resolved. If there is any balance remaining in the Net Settlement Fund after at least six (6) months from the initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), the Claims Administrator shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is no longer economically feasible to distribute to Class Members. Thereafter, any balance that still remains in the Net Settlement Fund shall be donated to any appropriate non-profit charitable organization(s) unaffiliated with any party or their counsel serving the public interest.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim and Release. If you are dissatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class Members and the claims administration process, to decide the issue by submitting a written request.

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, Lead Counsel, any Claims Administrator, any other Person designated by Lead Plaintiff's counsel, or any of the Released Persons based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and submit a valid and timely Proof of Claim and Release 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 Settlement, including the terms of any judgment entered and the releases given.

**DO I NEED TO CONTACT LEAD COUNSEL IN ORDER TO PARTICIPATE IN
DISTRIBUTION OF THE SETTLEMENT FUND?**

No. If you have received this Notice and timely submit your Proof of Claim and Release to the designated address, you need not contact Lead Counsel. If your address changes, please contact the Claims Administrator at:

ARCP Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434
Telephone: 1-866-558-9236
www.ARCPSecuritiesLitigation.com

THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED

The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation is terminated, the Litigation will proceed as if the Stipulation had not been entered into.

WHAT ARE THE REASONS FOR SETTLEMENT?

The Settlement was reached after contested motion practice directed to the sufficiency of Lead Plaintiff's claims. The parties also completed document, deposition, and expert discovery. Nevertheless, the Court has not reached any final decisions in connection with Lead Plaintiff's claims against Defendants. Instead, Lead Plaintiff and Defendants have agreed to this Settlement, which was reached with the substantial assistance of a highly respected mediator. In reaching the Settlement, the parties have avoided the cost, delay and uncertainty of further litigation.

As in any litigation, Lead Plaintiff and the Class would face an uncertain outcome if they did not agree to the Settlement. If Lead Plaintiff succeeded at the upcoming trial, Defendants would likely file appeals that would postpone final resolution of the case. Continuation of the Litigation against Defendants could result in a judgment greater than this Settlement. Conversely, continuing the case could result in no recovery at all or a recovery that is less than the amount of the Settlement.

Lead Plaintiff and Lead Counsel believe that this Settlement is fair and reasonable to the Members of the Class. They have reached this conclusion for several reasons. Specifically, if the Settlement is approved, the Class will receive a certain and immediate monetary recovery. Additionally, Lead Counsel believes that the significant and immediate benefits of the Settlement, when weighed against the significant risk, delay and uncertainty of continued litigation, are a very favorable result for the Class.

Defendants are entering into this Settlement because it would be beneficial to avoid the burden, inconvenience, and expense associated with continuing the Litigation, and the uncertainty and risks inherent in any litigation. Defendants have determined that it is desirable and beneficial to them that the Litigation be settled in the manner and upon the terms and conditions set forth in the Stipulation.

WHO REPRESENTS THE CLASS?

The following attorneys are counsel for the Class:

Debra J. Wyman
ROBBINS GELLER RUDMAN &
DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 800/449-4900

If you have any questions about the Litigation, or the Settlement, you are entitled to consult with Lead Counsel by contacting counsel at the phone number listed above.

You may obtain a copy of the Stipulation by contacting the Claims Administrator at:

ARCP Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434
Telephone: 1-866-558-9236
www.ARCPSecuritiesLitigation.com

HOW WILL THE LEAD PLAINTIFF'S LAWYERS BE PAID?

Lead Counsel will file a motion for an award of attorneys' fees and expenses that will be considered at the Settlement Fairness Hearing. Lead Counsel will apply for an attorneys' fee award for Plaintiffs' Counsel in the amount of up to 13% of the Settlement Fund, plus payment of Plaintiffs' Counsel's costs, charges and expenses incurred in connection with this Litigation in an amount not to exceed \$6 million, which may include awards to Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4) in connection with their representation of the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and costs, charges and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this outstanding Settlement and for their risk in undertaking this representation on a wholly contingent basis. The fees requested will compensate Plaintiffs' Counsel for their work in achieving the Settlement. The Court will decide what constitutes a reasonable fee award and may award less than the amount requested by Lead Counsel.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

No. If you did not exclude yourself from the Class in connection with the Notice of Pendency of Class Action, you remain a Class Member.

CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES, THE REQUESTED PAYMENT OF COSTS AND EXPENSES AND/OR THE PLAN OF ALLOCATION?

Yes. If you are a Class Member, you may object to the terms of the Settlement. Whether or not you object to the terms of the Settlement, you may also object to the requested attorneys' fees, costs, charges and expenses, Plaintiffs' request for awards for representing the Class and/or the Plan of Allocation. In order for any objection to be considered, you must file a written statement, accompanied by proof of Class membership, with the Court and send a copy to Lead Counsel and ARCP's Counsel, at the addresses listed below **by December 31, 2019**. The Court's address is Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007; Lead Counsel's address is Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, c/o Debra J. Wyman; ARCP's Counsel's address is: Milbank LLP, 55 Hudson Yards, New York, NY 10001, c/o Jed M. Schwartz. Attendance at the Settlement Fairness Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Fairness Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence.

WHAT ARE MY RIGHTS AND OBLIGATIONS UNDER THE SETTLEMENT?

If you are a Class Member and you did not exclude yourself from the Class, you may receive the benefit of, and you will be bound by, the terms of the Settlement described in this Notice, upon approval by the Court.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely complete and return the Proof of Claim and Release that accompanies this Notice. A Proof of Claim and Release is enclosed with this Notice and also may be downloaded at www.ARCPSecuritiesLitigation.com. Read the instructions carefully; fill out the Proof of Claim and Release; sign it; and mail or submit it online so that it is **postmarked (if mailed) or received (if submitted online) no later than January 23, 2020**. The Proof of Claim and Release may be submitted online at www.ARCPSecuritiesLitigation.com. If you do not submit a timely Proof of Claim and Release with all of the required information, you will not receive a payment from the Settlement Fund; however, unless you expressly excluded yourself from the Class as described above, you will still be bound in all other respects by the Settlement, the Judgment, and the release contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

If the Settlement is approved by the Court, the Court will enter a Judgment. If the Judgment becomes final pursuant to the terms of the Stipulation, all Class Members shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged any and all of the Released Persons from all Released Claims.

- “Released Claims” means any and all rights, liabilities, suits, debts, obligations, demands, damages, losses, judgment matters, issues, claims (including Unknown Claims), and causes of action of every nature and description whatsoever, in law, equity, or otherwise, whether accrued or unaccrued, fixed or contingent, liquidated or unliquidated, whether arising under federal, state, local, statutory, common law, foreign law, or any other law, rule, or regulation, and whether class and/or individual in nature, concerning, based on, arising out of, or in connection with both: (i) the purchase or other acquisition of ARCP Securities by Lead Plaintiff or any other Class Member during the period between February 28, 2013 and October 29, 2014; and (ii) the allegations, transactions, acts, facts, matters, occurrences, disclosures, statements, filings, representations, omissions, or events that were or could have been alleged or asserted in the Litigation. Released Claims do not include claims to enforce the Settlement, any shareholder derivative claims on behalf of ARCP, or governmental agency actions against the Released Persons.
- “Related Parties” means each Defendant’s respective present and former parents, subsidiaries, divisions, controlling persons, associates, entities and affiliates and each and all of their respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, agents, attorneys, advisors (including financial or investment advisors), accountants, auditors, consultants, underwriters, investment bankers, commercial bankers, entities providing fairness opinions, general or limited partners or partnerships, limited liability companies, members, joint ventures and insurers and reinsurers of each of them; as well as the predecessors, successors, assigns, estates, immediate family members, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives, assigns, and assignees of each of them, in their capacity as such.
- “Released Persons” means each and all of the Defendants and their Related Parties.
- “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 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(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or seek exclusion from the Class; and (b) any and all Released Defendants’ Claims that the Released Persons do not know or suspect to exist in his, her, or its favor at the time of the release of the Plaintiffs, the Class and Plaintiffs’ Counsel, which, if known by him, her, or it, might have affected his, her, or its settlement and release of Plaintiffs, the Class and Plaintiffs’ Counsel. With respect to (a) any and all Released Claims against the

Released Persons, and (b) any and all Released Defendants' Claims against Plaintiffs, the Class and Plaintiffs' Counsel, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each Releasing Plaintiff Party and Released Person 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 Person 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 Persons acknowledge that they may hereafter discover facts in addition to or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but (a) the Releasing Plaintiff Parties shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, and each Releasing Plaintiff 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 against the Released Persons, 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, and (b) the Released Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, 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 Defendants' Claims against the Plaintiffs, the Class and Plaintiffs' Counsel, 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 Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

THE SETTLEMENT FAIRNESS HEARING

The Court will hold a Settlement Fairness Hearing on January 21, 2020, at 11:00 a.m., before the Honorable Alvin K. Hellerstein at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, for the purpose of determining whether: (1) the Settlement as set forth in the Stipulation for \$1,025,000,000.00 in cash should be approved by the Court as fair, reasonable and adequate; (2) Judgment as provided under the Stipulation should be entered; (3) to award Lead Counsel attorneys' fees and expenses out of the Settlement Fund and, if so, in what amount; (4) to award Plaintiffs pursuant to 15 U.S.C. §78u-4(a)(4) in connection with their representation of the Class out of the Settlement Fund and, if so, in what amount; and (5) the Plan of Allocation should be approved by the Court. The Court may adjourn or continue the Settlement Fairness Hearing without further notice to Members of the Class.

Any Class Member may appear at the Settlement Fairness Hearing and be heard on any of the foregoing matters; provided, however, that no such person shall be heard unless his, her, or its objection is made in writing and is filed, together with proof of membership in the Class and with copies of all other papers and briefs to be submitted by him, her, or it to the Court at the Settlement Fairness Hearing, with the Court no later than December 31, 2019, and showing proof of service on the following counsel:

Debra J. Wyman
ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Attorneys for Lead Plaintiff

Jed M. Schwartz
MILBANK LLP
55 Hudson Yards
New York, NY 10001

Attorneys for ARCP

Unless otherwise directed by the Court, any Class Member who does not make his, her or its objection in the manner provided shall be deemed to have waived all objections to this Settlement and shall be foreclosed from raising (in this or any other proceeding or on any appeal) any objection and any untimely objection shall be barred.

If you hire an attorney (at your own expense) to represent you for purposes of objecting, your attorney must serve a notice of appearance on counsel listed above and file it with the Court (at the address set out above) by no later than December 31, 2019.

INJUNCTION

The Court has issued an order enjoining all Class Members from instituting, commencing, maintaining or prosecuting any action in any court or tribunal that asserts Released Claims against

any Released Persons, pending final determination by the Court of whether the Settlement should be approved.

HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed Settlement. The records in this Litigation may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the Clerk of the United States District Court for the Southern District of New York. For a fee, all papers filed in this Litigation are available at www.pacer.gov. In addition, all of the Settlement documents, including the Stipulation, this Notice, the Proof of Claim and Release and proposed Judgment may be obtained by contacting the Claims Administrator at:

ARCP Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434
Email: info@ARCPSecuritiesLitigation.com
Telephone: 1-866-558-9236
www.ARCPSecuritiesLitigation.com

In addition, you may contact Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1(800)449-4900, if you have any questions about the Litigation or the Settlement.

DO NOT WRITE TO OR TELEPHONE THE COURT FOR INFORMATION

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you hold any ARCP Securities purchased or acquired during the Class Period, as a nominee for a beneficial owner, then, within fourteen (14) business 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:

ARCP Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434
E-mail: info@ARCPSecuritiesLitigation.com
Telephone: 1-866-558-9236
www.ARCPSecuritiesLitigation.com

If you choose to mail the Notice and Proof of Claim and Release 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 for or advancement of reasonable

administrative costs actually incurred or expected to be 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: Oct 4, 2019

BY ORDER OF THE
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

EXHIBIT A-2

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re AMERICAN REALTY CAPITAL	:	Civil Action No. 1:15-mc-00040-AKH
PROPERTIES, INC. LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
	:	
ALL ACTIONS.	:	
_____	X	

PROOF OF CLAIM AND RELEASE

EXHIBIT A-2

I. GENERAL INSTRUCTIONS

1. To recover as a member of the Class based on your claims in the action entitled *In re American Realty Capital Properties, Inc. Litigation*, Civil Action No. 1:15-mc-00040-AKH (the “Litigation”), you must complete and, on page __ hereof, sign this Proof of Claim and Release. If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim and Release form, postmarked or received by the date shown below, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed settlement of the Litigation (the “Settlement”).¹

2. Submission of this Proof of Claim and Release form, however, does not assure that you will share in the proceeds of the Settlement.

3. YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, NO LATER THAN JANUARY 23, 2020, TO THE COURT-APPOINTED CLAIMS ADMINISTRATOR IN THIS CASE, AT THE FOLLOWING ADDRESS:

ARCP Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434
Online Submissions: www.ARCPSecuritiesLitigation.com

If you are NOT a member of the Class (as defined in the Notice of Proposed Settlement of Class Action (the “Notice”)), DO NOT submit a Proof of Claim and Release form.

¹ This Proof of Claim and Release incorporates by reference the definitions in the Stipulation of Settlement (“Stipulation”), which can be obtained at www.ARCPSecuritiesLitigation.com.

4. If you are a member of the Class and you did not timely request exclusion from the Class, you will be bound by the terms of any judgment entered in the Litigation, including the releases provided therein, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE FORM.

II. CLAIMANT IDENTIFICATION

You are a member of the Class if you purchased or otherwise acquired American Realty Capital Properties, Inc. ("ARCP") common stock, preferred stock or debt securities between February 28, 2013 and October 29, 2014. Excluded from the Class are: Defendants, members of the immediate families of each of the Defendants, any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any Defendant, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party. For the avoidance of doubt, this exclusion does not extend to: (1) any investment company or pooled investment fund in which a Third-Party Underwriter Defendant² may have a direct or indirect interest, or as to which its affiliates may act as an advisor, but of which a Third-Party Underwriter Defendant or its respective affiliates is not a majority owner or does not hold a majority beneficial interest; or (2) any employee benefit plan as to which a Third-Party Underwriter Defendant or its affiliates acts as an investment advisor or otherwise may be a fiduciary; provided, however, that membership in the

² Third-Party Underwriter Defendants are defined as Barclays Capital Inc., BMO Capital Markets Corp., Capital One Securities, Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Janney Montgomery Scott, LLC, JMP Securities LLC, J.P. Morgan Securities LLC, KeyBanc Capital Markets Inc., Ladenburg Thalmann & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mizuho Securities USA LLC (f/k/a Mizuho Securities USA Inc.), Morgan Stanley & Co. LLC, Piper Jaffray & Co., PNC Capital Markets LLC, RBS Securities Inc., Robert W. Baird & Co. Incorporated, and Wells Fargo Securities, LLC.

Class by such investment company, pooled investment fund or employee benefit plan is limited to transactions in ARCP Securities made on behalf of, or for the benefit of, persons other than persons that are excluded from the Class by definition. In other words, the Third-Party Underwriter Defendants cannot make a claim on their own behalf for their ownership share in any of the above entities. The Class also excludes any person or entity that entered into any other settlement agreement or otherwise provided a release to any Defendant relating to or arising from the purchase or other acquisition of ARCP Securities prior to October 29, 2014. Also excluded from the Class is any Class Member that validly and timely requested exclusion in accordance with the requirements set by the Court in connection with the Notice of Pendency of Class Action previously provided to the Class.

Use Part I of this form entitled "Claimant Identification" to identify each purchaser or acquirer of record ("nominee"), if different from the beneficial purchaser or acquirer of the securities which form the basis of this claim. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR ACQUIRER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OR ACQUIRER(S) OF THE ARCP SECURITIES UPON WHICH THIS CLAIM IS BASED.

All joint purchasers or acquirers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

If you are acting in a representative capacity on behalf of a Class Member (for example, as an executor, administrator, trustee, or other representative), you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request to, or may be requested to, submit information regarding their transactions in electronic files. All claimants **MUST** submit a manually signed paper Proof of Claim and Release form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at edata@gilardi.com to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgement of receipt and acceptance of electronically submitted data.

III. CLAIM FORM

Use Part II of this form entitled “Schedule of Transactions in ARCP Common Stock,” Part III of this form entitled “Schedule of Transactions in ARCP Debt Securities” and Part IV of this form entitled “Schedule of Transactions in ARCP Preferred Stock” to supply all required details of your transaction(s) in ARCP Securities. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to ***all*** of your purchases and acquisitions and ***all*** of your sales of ARCP common stock, debt securities and preferred stock between February 28, 2013 and October 28, 2014, whether such transactions resulted in a profit or a loss. You must also provide all of the requested information with respect

to *all* of the shares of ARCP common and preferred stock you held at the close of trading on February 27, 2013, October 28, 2014, and January 30, 2015. Failure to report all such transactions may result in the rejection of your claim.

List these transactions separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

For short-sale transactions, the date of covering a “short sale” is deemed to be the date of purchase of ARCP common stock, and the date of a “short sale” is deemed to be the date of sale of ARCP common stock.

For each transaction, you must provide, together with this claim form, copies of stockbroker confirmation slips, stockbroker statements, or other documents adequately evidencing your transactions in ARCP Securities. If any such documents are not in your possession, please obtain a copy or equivalent documents from your broker because these documents are necessary to prove and process your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

In re American Realty Capital Properties, Inc. Litigation

Civil Action No. 1:15-mc-00040-AKH

PROOF OF CLAIM AND RELEASE

Must Be Postmarked (if mailed) or Received (if submitted online) No Later Than:

January 23, 2020

Please Type or Print

**REMEMBER TO ATTACH COPIES OF BROKER CONFIRMATIONS OR
OTHER DOCUMENTATION OF YOUR TRANSACTIONS IN ARCP SECURITIES.
FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION
OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.**

PART I: CLAIMANT IDENTIFICATION									
Last Name					M.I.	First Name			
Last Name (Co-Beneficial Owner)					M.I.	First Name (Co-Beneficial Owner)			
<input type="radio"/> IRA <input type="radio"/> Joint Tenancy <input type="radio"/> Employee <input type="radio"/> Individual <input type="radio"/> Other (specify)									
Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA									
Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)									
Account#/Fund# (Not Necessary for Individual Filers)									
Social Security Number					Taxpayer Identification Number				
Telephone Number (Primary Daytime)					Telephone Number (Alternate)				
Email Address									
MAILING INFORMATION									
Address									
Address									
City					State		Zip Code		
Foreign Province				Foreign Postal Code			Foreign Country Name/Abbreviation		

PART II: SCHEDULE OF TRANSACTIONS IN ARCP COMMON STOCK

- A. Number of shares of ARCP common stock held at the close of trading on February 27, 2013:

Proof Enclosed?
☐ Y
☐ N

- B. Purchases or acquisitions of ARCP common stock between February 28, 2013 and October 28, 2014, inclusive:

PURCHASES										Total Purchase or Acquisition Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar										Proof of Purchase Enclosed?									
Trade Date(s) of Shares (List Chronologically)								Number of Shares Purchased or Acquired																					
M		M		D		D		Y		Y		Y		Y															
1.			/			/											\$											<input type="radio"/> Y	<input type="radio"/> N
2.			/			/											\$											<input type="radio"/> Y	<input type="radio"/> N
3.			/			/											\$											<input type="radio"/> Y	<input type="radio"/> N
4.			/			/											\$											<input type="radio"/> Y	<input type="radio"/> N
5.			/			/											\$											<input type="radio"/> Y	<input type="radio"/> N

IMPORTANT: (i) If any purchase listed covered a "short sale," please mark Yes: ☒ Yes
(ii) If you received shares through an acquisition or merger, please identify the date, the share amount and the company acquired:

Mo. / Day / Year Merger Shares Company

- C. Sales of ARCP common stock between February 28, 2013 and January 30, 2015, inclusive:

SALES								Total Sales Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar	Proof of Sales Enclosed?		
Trade Date(s) of Shares (List Chronologically)						Number of Shares Sold					
M	M	D	D	Y	Y	Y	Y				
1.			/					\$.00	<input type="radio"/> Y <input type="radio"/> N
2.			/					\$.00	<input type="radio"/> Y <input type="radio"/> N
3.			/					\$.00	<input type="radio"/> Y <input type="radio"/> N
4.			/					\$.00	<input type="radio"/> Y <input type="radio"/> N

- D. Number of shares of ARCP common stock held at the close of trading on October 28, 2014:

Proof Enclosed? ☐ Y ☒ N

- E. Number of shares of ARCP common stock held at the close of trading on January 30, 2015:

Proof Enclosed? ☐ Y ☐ N

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE _____. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

PART III: SCHEDULE OF TRANSACTIONS IN ARCP DEBT SECURITIES

Purchases or Acquisitions

Trade Date Month Day Year	Debt Offering	Number of Units Purchased or Acquired	Total Purchase or Acquisition Price

Sales (July 25, 2013 – October 28, 2014, inclusive) of ARCP Debt Securities:

Trade Date Month Day Year	Debt Offering	Number of Units Sold	Total Sales Price

Face value of ARCP Debt Securities held at the close of trading on October 28, 2014:

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

PART IV: SCHEDULE OF TRANSACTIONS IN ARCP PREFERRED STOCK

- A. Purchases or acquisitions of ARCP preferred stock between January 6, 2014 – October 28, 2014, inclusive:

PURCHASES				
Trade Date(s) of Shares (List Chronologically)		Number of Shares Purchased or Acquired	Total Purchase or Acquisition Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar	Proof of Purchase Enclosed?
M	M	D	D	Y
1.				
2.				
3.				
4.				
5.				

IMPORTANT: (i) If any purchase listed covered a "short sale," please mark Yes: ☐ Yes

(ii) If you received shares through an acquisition or merger, please identify the date, the share amount and the company acquired:

Mo.	Day	Year	Merger Shares	Company
-----	-----	------	---------------	---------

- B. Sales of ARCP preferred stock between January 6, 2014 – January 30, 2015, inclusive:

SALES				
Trade Date(s) of Shares (List Chronologically)		Number of Shares Sold	Total Sales Price (Excluding Commissions, Taxes and Fees) Please round off to the nearest whole dollar	Proof of Sales Enclosed?
M	M	D	D	Y
1.				
2.				
3.				
4.				

- C. Number of shares of ARCP preferred stock held at the close of trading on October 28, 2014:

Proof Enclosed?									
<input type="radio"/> Y									
<input type="radio"/> N									

- E. Number of shares of ARCP preferred stock held at the close of trading on January 30, 2015:

--	--	--	--	--	--	--	--

Proof Enclosed?
☐ Y
☐ N

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE __. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim and Release under the terms of the Stipulation described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern District of New York with respect to my (our) claim as a Class Member and for purposes of enforcing the releases set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of the Stipulation and any judgment that may be entered in the Litigation, including the releases and the covenants set forth herein. I (We) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other claim in connection with the purchase or acquisition of ARCP Securities during the Class Period and know of no other person having done so on my (our) behalf.

V. RELEASES

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Released Claims each and all of the Released Persons.

2. "Released Persons" means each and all of the Defendants and their Related Parties.

3. “Released Claims” means any and all rights, liabilities, suits, debts, obligations, demands, damages, losses, judgment matters, issues, claims (including Unknown Claims), and causes of action of every nature and description whatsoever, in law, equity, or otherwise, whether accrued or unaccrued, fixed or contingent, liquidated or unliquidated, whether arising under federal, state, local, statutory, common law, foreign law, or any other law, rule, or regulation, and whether class and/or individual in nature, concerning, based on, arising out of, or in connection with both: (i) the purchase or other acquisition of ARCP Securities by Lead Plaintiff or any other Class Member during the period between February 28, 2013 and October 29, 2014; and (ii) the allegations, transactions, acts, facts, matters, occurrences, disclosures, statements, filings, representations, omissions, or events that were or could have been alleged or asserted in the Litigation. Released Claims do not include claims to enforce the Settlement, any shareholder derivative claims on behalf of ARCP, or governmental agency actions against the Released Persons.

4. “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, that arise out of, are based upon, or relate in any way to the institution, prosecution, or settlement of the claims against Defendants in the Litigation, except for claims relating to the enforcement of the Settlement.

5. “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 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(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or seek exclusion from the Class; and (b) any and all Released Defendants’ Claims that the Released Persons do not know or suspect to exist in his, her, or its favor at the time of the

release of the Plaintiffs, the Class and Plaintiffs' Counsel, which, if known by him, her, or it, might have affected his, her, or its settlement and release of Plaintiffs, the Class and Plaintiffs' Counsel. With respect to (a) any and all Released Claims against the Released Persons, and (b) any and all Released Defendants' Claims against Plaintiffs, the Class and Plaintiffs' Counsel, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each Releasing Plaintiff Party and Released Person 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 Person 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 Persons acknowledge that they may hereafter discover facts in addition to or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but (a) the Releasing Plaintiff Parties shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, and each Releasing Plaintiff 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 against the Released Persons, 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, and (b) the Released Persons shall expressly fully, finally, and forever waive, compromise, settle, discharge, extinguish, and release, 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 Defendants' Claims against the Plaintiffs, the Class and Plaintiffs' Counsel, 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 Persons shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is an essential element of the Settlement of which this release is a part.

6. These releases shall be of no force or effect unless and until the Court approves the Stipulation and the Settlement becomes effective on the Effective Date.

7. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any claim or matter released pursuant to this release or any other part or portion thereof.

8. I (We) hereby warrant and represent that I (we) have included information about all of my (our) purchases, acquisitions and sales of ARCP common stock, preferred stock and debt securities during the Class Period and the number of shares of ARCP common and preferred stock held by me (us) at the close of trading on February 27, 2013, October 28, 2014, and January 30, 2015.

I (We) declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct and that the Claimant has not previously entered into any settlement agreement or provided a release of claims to any Defendant relating to or arising from the purchase or other acquisition of ARCP Securities prior to October 29, 2014.

Executed this _____ day of _____ in _____
(Month/Year) (City/State/Country)

(Sign your name here)

(Sign your name here)

(Type or print your name here)

(Type or print your name here)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Please sign the above release and declaration. 2. If this Claim is being made on behalf of Joint Claimants, then both must sign. 3. Remember to attach copies of supporting documentation, if available. 4. Do not send originals of certificates. 5. Keep a copy of your claim form and all supporting documentation for your records. | <ol style="list-style-type: none"> 6. If you desire an acknowledgment of receipt of your claim form please send it Certified Mail, Return Receipt Requested. 7. If you move, please send your new address to the address below. 8. Do not use red pen or highlighter on the Proof of Claim and Release form or supporting documentation. |
|--|---|

THIS PROOF OF CLAIM AND RELEASE FORM MUST BE SUBMITTED ONLINE OR MAILED NO LATER THAN JANUARY 23, 2020,

ADDRESSED AS FOLLOWS:

ARCP Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434

EXHIBIT A-3

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____	X	
In re AMERICAN REALTY CAPITAL	:	Civil Action No. 1:15-mc-00040-AKH
PROPERTIES, INC. LITIGATION	:	
_____	:	<u>CLASS ACTION</u>
	:	
This Document Relates To:	:	
	:	
ALL ACTIONS.	:	
_____	X	

SUMMARY NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

EXHIBIT A-3

TO: ALL PERSONS AND ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK, PREFERRED STOCK, OR DEBT SECURITIES OF AMERICAN REALTY CAPITAL PROPERTIES, INC. ("ARCP", NOW KNOWN AS VEREIT, INC.) OR ARC PROPERTIES OPERATING PARTNERSHIP, L.P. (NOW KNOWN AS VEREIT OPERATING PARTNERSHIP, L.P.) ("ARCP SECURITIES") DURING THE PERIOD BETWEEN FEBRUARY 28, 2013 AND OCTOBER 29, 2014 (THE "CLASS PERIOD")

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

YOU ARE HEREBY NOTIFIED that a hearing will be held on January 21, 2020, at 11:00 a.m., before the Honorable Alvin K. Hellerstein at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, to determine whether: (1) the proposed settlement (the "Settlement") of the above-captioned action as set forth in the Stipulation of Settlement ("Stipulation")¹ for \$1,025,000,000.00 in cash should be approved by the Court as fair, reasonable and adequate; (2) the Judgment as provided under the Stipulation should be entered dismissing the Litigation with prejudice; (3) to award Lead Counsel attorneys' fees and costs, charges and expenses out of the Settlement Fund (as defined in the Notice of Proposed Settlement of Class Action ("Notice"), which is discussed below) and, if so, in what amount; (4) to pay Plaintiffs for their costs and expenses in representing the Class out of the Settlement Fund and, if so, in what amount; and (5) the Plan of Allocation should be approved by the Court as fair, reasonable and adequate.

¹ The Stipulation can be viewed and/or obtained at www.ARCPSecuritiesLitigation.com. Capitalized terms not otherwise defined herein have the meaning given to them in the Stipulation.

IF YOU PURCHASED OR ACQUIRED ARCP SECURITIES BETWEEN FEBRUARY 28, 2013 AND OCTOBER 29, 2014, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION.

To share in the distribution of the Settlement Fund, you must establish your rights by submitting a Proof of Claim and Release form by mail (**postmarked no later than January 23, 2020**) or electronically (**no later than January 23, 2020**). Your failure to submit your Proof of Claim and Release by January 23, 2020, will subject your claim to rejection and preclude your receiving any of the recovery in connection with the Settlement of this Litigation. If you are a Member of the Class and did not timely and validly request exclusion therefrom in accordance with the requirements set forth by the Court in connection with the Notice of Pendency of Class Action, you will be bound by the Settlement and any judgment and release entered in the Litigation, including, but not limited to, the Judgment, whether or not you submit a Proof of Claim and Release.

If you have not received a copy of the Notice, which more completely describes the Settlement and your rights thereunder (including your right to object to the Settlement), and a Proof of Claim and Release, you may obtain these documents, as well as a copy of the Stipulation and other settlement documents, online at www.ARCPSecuritiesLitigation.com, or by writing to:

ARCP Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 43434
Providence, RI 02940-3434

Inquiries should NOT be directed to Defendants, the Court, or the Clerk of the Court.

Inquiries, other than requests for the Notice or for a Proof of Claim and Release, may be made to a representative of Lead Counsel:

ROBBINS GELLER RUDMAN & DOWD LLP

Rick Nelson

c/o Shareholder Relations

655 West Broadway, Suite 1900

San Diego, CA 92101

Telephone: 800/449-4900

IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE SETTLEMENT, THE PLAN OF ALLOCATION, THE REQUEST BY LEAD COUNSEL FOR AN AWARD OF ATTORNEYS' FEES AND EXPENSES AND/OR THE AWARDS TO PLAINTIFFS PURSUANT TO 15 U.S.C. §77z-1(a)(4) and/or 15 U.S.C. §78u-4(a)(4) IN CONNECTION WITH THEIR REPRESENTATION OF THE CLASS. ANY OBJECTIONS MUST BE FILED WITH THE COURT AND SENT TO LEAD COUNSEL AND ARCP'S COUNSEL **BY DECEMBER 31, 2019**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

DATED: Oct. 4, 2019



BY ORDER OF THE
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK