

## NOTICE OF PROPOSED CLASS ACTION SETTLEMENT<sup>1</sup>

**If you purchased ImmunoCellular Therapeutics, Ltd. (“IMUC”) common stock between May 1, 2012 and May 30, 2014, inclusive, on a United States stock exchange, and are not otherwise excluded from the Settlement Class (see Question 6 below) you could receive a payment from a class action settlement.**

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

- The proposed Settlement, if approved by the Court, will provide \$1,150,000 to pay claims from investors who bought IMUC common stock between May 1, 2012 and May 30, 2014, inclusive (the “Class Period”).
- The Settlement resolves a U.S. lawsuit over whether IMUC disseminated materially false and misleading statements and omissions during the Class Period. Plaintiffs and Defendants disagree on whether the investors could have won at trial, and if so, how much money they could receive. Defendants have expressly denied and continue to deny all charges of wrongdoing or liability against them.
- Lead Plaintiffs estimate that 77.4 million shares of IMUC common stock are eligible under the Plan of Allocation (described below). If claims are submitted for all of these shares, the estimated distribution per share will be approximately \$0.015 *before* deduction of Court-approved administrative costs, awards to Plaintiffs, and any attorneys’ fees and expenses awarded to Co-Lead Counsel for their representation of the Settlement Class.
- Co-Lead Counsel have litigated this matter on a contingent basis and advanced all expenses incurred on behalf of the Settlement Class. They will ask the Court for \$287,500 in attorneys’ fees (25% of the Settlement Fund) and reimbursement for expenses of up to \$80,000 for their work litigating the case and negotiating the Settlement, and awards to Plaintiffs of \$2,500 each. If approved, these amounts will be deducted from the \$1,150,000 settlement (totaling \$0.0048 per share assuming claims are submitted based on 77.4 million shares).
- After deducting for any attorneys’ fees and expenses and administration costs, the estimated average recovery from the Settlement is \$0.01 per share (assuming claims are submitted on behalf of 77.4 million shares).
- The Court has not yet approved the Settlement. Payments will be made only if the Court approves the Settlement and after any appeals are resolved. Please be patient.
- **Your legal rights are affected whether you act or don’t act. Read this Notice carefully.**

<b><u>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</u></b>	
<b>SUBMIT A CLAIM FORM NO LATER THAN JULY 24, 2019</b>	The only way to get a payment if you have a Recognized Loss.
<b>EXCLUDE YOURSELF NO LATER THAN JUNE 4, 2019</b>	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against the Released Persons about the Released Claims.
<b>OBJECT NO LATER THAN JUNE 4, 2019</b>	Write to the Court about why you do not like the Settlement. You may, but are not required to, appear at the Final Approval Hearing.
<b>GO TO A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	Get no payment. Give up rights.

<sup>1</sup> This Notice incorporates by reference the definitions in the Amended Stipulation of Settlement dated as of December 10, 2018 (the “Stipulation”). All capitalized terms used, but not defined herein, shall have the same meaning as in the Stipulation. The Stipulation can be obtained at [www.imucsecuritieslitigation.com](http://www.imucsecuritieslitigation.com).

For more information, you may contact the Claims Administrator or Co-Lead Counsel:

Co-Lead Counsel: Robert Finkel, Esq., WOLF POPPER LLP  
845 Third Avenue, 12<sup>th</sup> Floor, New York, New York 10022  
Tel: (212) 759-4600; fax: (212) 486-2093

Claims Administrator: *ImmunoCellular Therapeutics Ltd. Sec. Litig.*, c/o A.B. DATA, LTD. – CLASS ACTION  
ADMINISTRATION  
P.O. Box 173054, Milwaukee, WI 53217  
Tel: 800-391-9724  
Email: info@imucsecuritieslitigation.com

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**BASIC INFORMATION**

**1. Why did I get this notice package?**

You or someone in your family may have purchased or otherwise acquired IMUC common stock on a United States stock exchange during the Class Period. The Court directed that this Notice be sent to potential Settlement Class Members because they have a right to know about a proposed settlement of a class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and any appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the Central District of California, and the case is *Kaye v. ImmunoCellular Therapeutics, Ltd. et al.*, Case No. 2:17-cv-03250-FMO-SK (the “Action”).

2. What is this lawsuit about?

The Consolidated Third Amended Complaint (the “Consolidated Complaint”) filed on June 29, 2018, alleges that Defendants IMUC, David Fractor, Manish Singh, Lavos, LLC, Lidingo Holdings, LLC, Kamilla Bjorlin, Andrew Hodge, and Brian Nichols (“Defendants”) violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. Plaintiffs contend that these Defendants engaged in a pay-for-promotion scheme pursuant to which analysts who were purportedly independent published positive articles about IMUC on popular financial websites without disclosing that they were being paid for such coverage. The Consolidated Complaint alleges that, when the scheme became public through various partial announcements, IMUC’s share price fell and shareholders were damaged. The Action seeks money damages against Defendants. Defendants deny all of Plaintiffs’ allegations, deny that they made any false or misleading statements or otherwise did anything wrong, and deny that anything they did caused damages to Plaintiffs or the Settlement Class.

3. Why is this a class action?

In a class action, one or more people called “Class Representatives” (in this case, Arthur Kaye IRA FCC as Custodian DTD 6-8-00, and Hayden Leason), sue on behalf of people who have similar claims. All persons with similar claims are called a “Class” or “Class Members.” Bringing a case, such as this one, as a class action allows the collective adjudication of many similar claims that might be economically too small to bring in individual actions. One judge resolves the issues for all class members, except for those who exclude themselves from the class. United States District Judge Fernando M. Olguin of the Central District of California is overseeing the Action.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, the lawyers for both sides have negotiated a Settlement that they believe is in the best interests of their respective clients. The Settlement allows both sides to avoid the risks and cost of lengthy and uncertain litigation, trial, and appeals, and permits Settlement Class Members to be compensated more quickly.

In a decision dated May 29, 2018, the Court granted Defendants’ motion to dismiss Plaintiffs’ Second Amended Complaint with leave to amend. The Court stated in that Order that “[i]n preparing the Consolidated Third Amended Complaint, plaintiffs shall carefully evaluate the contentions set forth in defendants’ Motion. For example, the court is skeptical that the Consolidated Second Amended Complaint adequately pleads loss causation and scienter, particularly as to the individual defendants other than Singh, Bjorlin, and Hodge.”

If they continue to pursue litigation, Plaintiffs face the risk of failing to show, among other things, “loss causation” – a requirement under the federal securities laws to prove that the alleged harm became publicly known to investors and caused a decline in stock price. To do so, Plaintiffs would need proof that new information corrected old information and caused a drop in the value of IMUC’s stock. The Consolidated Complaint alleges that loss causation exists primarily as to two events. First, the stock price dropped \$0.61 in August 2012 when then-CEO Manish Singh resigned without explanation. Plaintiffs argue that this event alerted the market to the risk that Mr. Singh had engaged in alleged misconduct; although the market was not informed of the specific stock promotion scheme, Plaintiffs argue that enough information entered the market to associate the resignation with the alleged scheme. Second, the stock price dropped \$1.60 in December 2013 when IMUC announced disappointing results of a “Phase 2” medical trial for its cancer therapy. Plaintiffs argue that this disclosure corrected the allegedly false information that existed in the market as a result of the alleged scheme to publish positive promotional materials. Consequently, Plaintiffs believe they are entitled to damages associated with each of those drops. However, there is a significant risk that the Court, which has once rejected this loss causation theory with leave to amend, will find that the alleged misconduct did not cause the drops. Accordingly, and as explained above, Class Representatives and their attorneys think the Settlement is best for all Settlement Class Members.

**WHO IS PART OF THE SETTLEMENT?**

5. How do I know if I am part of the Settlement?

The Court directed that, for the purposes of the proposed Settlement, everyone who fits this description is a Settlement Class Member: all persons who purchased or otherwise acquired IMUC common stock on the open market on a United States stock exchange during the Class Period, and were damaged thereby.

6. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are Defendants; members of the Defendants’ immediate families; officers, directors, and subsidiaries of IMUC; any firm, entity, or corporation wholly owned by any Defendant and/or any member(s) of a Defendant’s immediate family; any trust of which a Defendant is the settlor or which is for his or her benefit and/or that of any member of his or her immediate family (as defined by SEC regulations); and the legal representatives, heirs, or successors-in-interest of the Settling

Defendants. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class in accordance with the instructions provided in this Notice.

If one of the mutual funds in which you are invested purchased or otherwise acquired IMUC common stock during the Class Period, that does not make you a Settlement Class Member. You are a Settlement Class Member only if you directly purchased or otherwise acquired IMUC common stock during the Class Period. Contact your broker to see if you fall within the definition of a Settlement Class Member.

If you **sold** but did not purchase IMUC common stock during the Class Period, you are not a Settlement Class Member. You are a Settlement Class Member only if you **purchased or otherwise acquired** IMUC common stock during the Class Period.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator by writing to the address provided on page 2 above for more information.

**WHAT ARE THE SETTLEMENT BENEFITS?**

8. What does the Settlement provide?

IMUC has agreed to pay or cause to be paid \$1.15 million in cash (the “Settlement Fund”) on behalf of all Defendants. The Settlement Fund, plus interest earned from the date it is established, less costs, fees, and expenses (the “Net Settlement Fund”), will be divided among all eligible Settlement Class Members who send in valid and timely Proof of Claim and Release forms (“Authorized Claimants”). Costs, fees, and expenses include Court-approved attorneys’ fees and expenses; certain Notice and Administration Costs, including the costs of printing and mailing this Notice, the cost of publishing notice, and the costs of claims administration; and Taxes on the Settlement Fund.

In return, the Parties have agreed to dismiss the Action and Plaintiffs, and all Settlement Class Members who do not exclude themselves from the Settlement Class agree to release, relinquish, and discharge all Released Claims against the Defendants and their respective Related Persons (collectively, the “Released Persons”), whether or not these Settlement Class Members execute and deliver Proof of Claim and Release forms.

**PLAN OF ALLOCATION**

9. How will the Settlement be allocated among Settlement Class Members?

If the Settlement becomes Effective, the Net Settlement Fund will be distributed to the Settlement Class according to a Plan of Allocation to be approved by the Court. As discussed above, the Settlement provides \$1,150,000 in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Notice and Administration Expenses, Taxes, and any other fees or expenses approved by the Court, is the “Net Settlement Fund.” If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants – *i.e.*, Members of the Class who timely submit valid Claim Forms that are accepted for payment by the Court – in accordance with this proposed Plan of Allocation (“Plan of Allocation” or “Plan”) or such other plan of allocation as the Court may approve. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the settlement website, [www.imucsecuritieslitigation.com](http://www.imucsecuritieslitigation.com).

The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation is not a formal damage analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making *pro rata* allocations of the Net Settlement Fund.

The Plan of Allocation was developed in consultation with Plaintiffs’ damages expert. In developing the Plan of Allocation, Plaintiffs’ damages expert calculated the estimated amount of alleged artificial inflation in the per share prices of IMUC common stock that was caused by Defendants’ alleged false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Plaintiffs’ damages expert considered price changes in IMUC common stock in reaction to the public disclosures that allegedly corrected the respective alleged misrepresentations and omissions, adjusting the price change for factors that were attributable to market or industry forces, and for non-fraud related IMUC-specific information.

In order to have recoverable damages under the federal securities laws, disclosure of the alleged misrepresentations or omissions must be the cause of the decline in the price of IMUC common stock. In this case, Plaintiffs allege that Defendants’ misrepresentations and omissions during the period from May 1, 2012 through and including May 30, 2014, had the effect of artificially inflating the prices of IMUC common stock.

In order to have a “Recognized Loss Amount” under the Plan of Allocation, shares of IMUC publicly-traded common stock must have been

purchased or otherwise acquired during the Class Period and held through the issuance of at least one of the corrective disclosures. In this case, Plaintiffs allege that corrective disclosures removed artificial inflation from the price of IMUC common stock on August 21, 2012, August 22, 2012, December 12, 2013, and June 2, 2014.<sup>2</sup> Plaintiffs consider that the Class was ten times more likely to prevail on their claims for the period through August 21, 2012, than it was to prevail on its claims for the period starting on August 22, 2012. Accordingly, the Plan of Allocation discounts the Recognized Loss based on purchases after August 22, 2012, by 90 percent of the stock market declines on December 12, 2013, and June 2, 2014 (the first trading day, respectively, after allegedly corrective disclosures).

Based on the formulas stated below, a “Recognized Loss Amount” will be calculated for each purchase or acquisition of IMUC publicly-traded common stock during the Class Period that is listed on the Claim 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.

For each share of IMUC publicly-traded common stock purchased or otherwise acquired during any of the periods shown below in Table-1, and:

- (a) Sold within the same period, the Recognized Loss Amount per share is zero.
- (b) Sold in a subsequent period, the Recognized Loss Amount per share is the lesser of (i) the decline in inflation per share shown in Table-1; or (ii) the purchase price per share less the sales price per share.
- (c) Retained at the end of June 2, 2014, and sold on or before August 29, 2014, the claim per share shall be the lesser of: (i) the decline in inflation per share shown in Table-1; (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-2 below.
- (d) Held as of the close of trading on August 29, 2014, or sold thereafter, the claim per share shall be the lesser of (i) the decline in inflation per share shown in Table-1; and (ii) the difference between the purchase price and \$1.04 per share.<sup>3</sup>

**TABLE-1**

Purchase Date	Sale Date				Retained Beyond 5/30/2014
	5/1/2012 – 8/20/2012	8/21/2012	8/22/2012 – 12/11/2013	12/12/13 - 5/30/2014	
5/1/2012 – 8/20/2012	\$0.00	\$0.48	\$0.61	\$0.77	\$0.79
8/21/2012		\$0.00	\$0.13	\$0.29	\$0.31
8/22/2012 – 12/11/2013			\$0.00	\$0.16	\$0.18
12/12/2013 – 5/30/2014				\$0.00	\$0.02

<sup>2</sup>Any transactions in IMUC common stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session.

<sup>3</sup> 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, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of IMUC common stock during the 90-day look-back period. The mean (average) closing price for IMUC common stock during this 90-day look-back period was \$1.04 as shown in Table-2.

**TABLE-2**

**IMUC Closing Price and Average Closing Price  
June 2, 2014 – August 29, 2014**

Date	Closing Price	Average Closing Price
06/02/14	\$1.15	\$1.15
06/03/14	\$1.17	\$1.16
06/04/14	\$1.14	\$1.15
06/05/14	\$1.14	\$1.15
06/06/14	\$1.20	\$1.16
06/09/14	\$1.18	\$1.16
06/10/14	\$1.19	\$1.17
06/11/14	\$1.21	\$1.17
06/12/14	\$1.20	\$1.18
06/13/14	\$1.19	\$1.18
06/16/14	\$1.18	\$1.18
06/17/14	\$1.20	\$1.18
06/18/14	\$1.19	\$1.18
06/19/14	\$1.20	\$1.18
06/20/14	\$1.18	\$1.18
06/23/14	\$1.16	\$1.18
06/24/14	\$1.17	\$1.18
06/25/14	\$1.13	\$1.18
06/26/14	\$1.13	\$1.17
06/27/14	\$1.15	\$1.17
06/30/14	\$1.12	\$1.17
07/01/14	\$1.13	\$1.17
07/02/14	\$1.12	\$1.17
07/03/14	\$1.13	\$1.16
07/07/14	\$1.11	\$1.16
07/08/14	\$1.08	\$1.16
07/09/14	\$1.08	\$1.16
07/10/14	\$1.06	\$1.15
07/11/14	\$1.07	\$1.15
07/14/14	\$1.09	\$1.15
07/15/14	\$1.06	\$1.15
07/16/14	\$0.98	\$1.14

Date	Closing Price	Average Closing Price
07/17/14	\$0.94	\$1.13
07/18/14	\$0.96	\$1.13
07/21/14	\$0.90	\$1.12
07/22/14	\$0.93	\$1.12
07/23/14	\$1.00	\$1.11
07/24/14	\$0.97	\$1.11
07/25/14	\$0.99	\$1.11
07/28/14	\$0.98	\$1.10
07/29/14	\$0.99	\$1.10
07/30/14	\$1.00	\$1.10
07/31/14	\$0.98	\$1.10
08/01/14	\$0.98	\$1.09
08/04/14	\$0.92	\$1.09
08/05/14	\$0.95	\$1.09
08/06/14	\$0.97	\$1.08
08/07/14	\$0.94	\$1.08
08/08/14	\$0.92	\$1.08
08/11/14	\$0.91	\$1.07
08/12/14	\$0.92	\$1.07
08/13/14	\$0.91	\$1.07
08/14/14	\$0.90	\$1.07
08/15/14	\$0.90	\$1.06
08/18/14	\$0.91	\$1.06
08/19/14	\$0.91	\$1.06
08/20/14	\$0.91	\$1.05
08/21/14	\$0.90	\$1.05
08/22/14	\$0.91	\$1.05
08/25/14	\$0.91	\$1.05
08/26/14	\$0.91	\$1.04
08/27/14	\$0.95	\$1.04
08/28/14	\$0.98	\$1.04
08/29/14	\$0.99	\$1.04

The Plan of Allocation also includes the following provisions:

1. There shall be no Recognized Loss attributed to any IMUC common stock purchased on a foreign exchange.
2. Purchases or acquisitions and sales of IMUC common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of IMUC common stock during the Class Period shall not be deemed a purchase, acquisition, or sale of IMUC common stock for the calculation of Recognized Loss, unless (i) the donor or decedent purchased or otherwise acquired such shares of IMUC common stock during the Class Period; (ii) no Proof of Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of IMUC common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.
3. The following matching principle will be applied if you have both purchases and sales within the Class Period. Lead Plaintiffs have divided the Class Period into four periods – May 1, 2012 through August 20, 2012, August 21, 2012, August 22, 2012 through December 11, 2013, and December 12, 2013 through May 30, 2014. If a Class Member made multiple purchases, acquisitions, or sales of IMUC common stock during or after the Class Period, the IMUC common stock sold during the Class Period will be matched, in chronological order first against IMUC common stock purchased during the same Period, regardless of the order of the transaction. Any excess sales within a Period will be matched against purchases in a subsequent Period.
4. Settlement Class Members who do not submit a valid and timely Proof of Claim and Release form will not share in the Settlement proceeds, but will nevertheless be bound by the Settlement, the Judgment of the Court dismissing this Action, and the releases provided therein.
5. If you did not incur a Recognized Loss as defined in the Plan of Allocation, you will not receive a cash distribution from the Net Settlement Fund, but you will be bound by all determinations and judgments of the Court in connection with the Settlement, including being barred from asserting any of the Released Claims against the Released Parties.
6. If the sum total of Recognized Loss of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant’s Recognized Loss divided by the total of the Recognized Loss of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. Given the costs of distribution, the Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶ 10<sub>below</sub>) is \$10.00 or greater. Consequently, no cash payment will be made on a claim where the potential distribution amount is less than \$10.00.
7. If the Net Settlement Fund exceeds the sum total amount of the Recognized Losses of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.

#### 10. How much will my payment be?

If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of Authorized Claimants. Payments will be calculated on a *pro rata* basis, meaning that the Net Settlement Fund will be divided among the Authorized Claimants and distributed accordingly (the “Distribution Amount”) after the deadline for submission of Proof of Claim and Release forms has passed.

To the extent that any amount of the Net Settlement Fund remains after the Claims Administrator has caused distributions to be made to all Authorized Claimants, whether by reason of uncashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their distributions, any balance remaining in the Settlement Fund six (6) months after the initial distribution of such funds shall be redistributed to Authorized Claimants who have cashed their initial distributions, after payment of any unpaid costs or fees incurred in administering the Settlement Fund, if Co-Lead Counsel, in consultation with the Claims Administrator, determines that additional redistributions, after deduction of any additional fees and expenses that would be incurred with respect to such redistribution, would be cost-effective. At such time as it is determined that the redistribution of funds remaining in the Settlement Fund is not cost-effective, the remaining balance in the Settlement Fund shall be contributed to non-sectarian, not-for-profit 501(c)(3) organization(s), to be recommended by Co-Lead Counsel and approved by the Court.

#### 11. How can I get a payment?

To qualify for a payment, you must be an eligible Settlement Class Member and send in a valid and timely Proof of Claim and Release form. You may download a Proof of Claim and Release form from the Claims Administrator’s website, [www.imucsecuritieslitigation.com](http://www.imucsecuritieslitigation.com). Read the instructions carefully, fill out the Proof of Claim and Release form, include all the documents the form asks for, sign it, and mail it postmarked no later than **July 24, 2019** to the Claims Administrator (address provided on page 2). Any Settlement Class Member who fails to submit a Proof of Claim and Release form by such date shall be forever barred from receiving any distribution from the Net Settlement Fund (unless by order of the Court the deadline is extended or such

Settlement Class Member's Proof of Claim and Release form is accepted), but otherwise shall be bound by all of the terms of the Stipulation and the Judgment, including the releases therein, and will be permanently barred and enjoined from asserting any of the Released Claims against any of the Released Persons.

12. When would I get my payment?

The Court will hold a hearing on August 22, 2019, to decide whether to approve the Settlement. If the Settlement is approved, the Claims Administrator will complete the administration process and determine how much each Authorized Claimant is entitled to receive. Co-Lead Counsel will then seek permission from the Court to distribute the Net Settlement Fund on a *pro rata* basis to Authorized Claimants. This is necessarily a long process.

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

Unless you exclude yourself, you will remain a Settlement Class Member, and that means that, upon the "Effective Date," you will release all "Released Claims" against the "Released Persons."

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue Defendants on your own about the Released Claims, then you must take steps to exclude yourself—or as it is sometimes referred to, you must "opt out" of the Settlement Class.

14. How do I exclude myself from the proposed Settlement?

To exclude yourself from the Settlement Class, you must send by mail either (i) a completed Exclusion Form (available at the Claims Administrator's website or by mail at the addresses listed on page 2) or (ii) a letter stating that you "request exclusion from the Settlement Class in *Kaye v. ImmunoCellular Therapeutics, Ltd. et al.*, Case No. 2:17-cv-03250-FMO-SK (C.D. Cal.)." Your Exclusion Form or letter must legibly state the date(s), price(s), and number(s) of shares of all your purchases, acquisitions, and sales of IMUC securities during the Class Period, and append supporting documentation. You must also include your name, mailing address, daytime telephone number, email address, and your signature. You must mail your exclusion request **no later than June 4, 2019** to the Claims Administrator, at the address provided on page 2, above. Your exclusion request **must be postmarked on or before June 4, 2019**.

**You cannot exclude yourself by telephone, by fax, or by e-mail.** If you ask to be excluded, you will not get any payment or other benefit in the Settlement, and you cannot object to the Settlement. You will not be legally bound by the Settlement or Judgment or the releases therein, and you may be able to sue IMUC and the other Released Persons about the Released Claims in the future.

15. If I do not exclude myself, can I sue IMUC, Defendants, or the other Released Persons later for the Released Claims?

No. Unless you exclude yourself, you give up any rights to sue Defendants and the other Released Persons, or to enforce any existing judgments against any of the Released Persons, for any and all Released Claims. If you have a pending lawsuit against Defendants or the other Released Persons, speak to your lawyer in that case immediately to determine if you have to exclude yourself from *this* Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is **June 4, 2019**.

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

No. If you exclude yourself, do not send in a Proof of Claim and Release form to ask for any money. But, you may exercise any right you may have to sue, continue to sue, or be part of a different lawsuit against Defendants and the other Released Persons.

**THE LAWYERS REPRESENTING YOU**

17. Do I have a lawyer in this case?

The Court appointed the law firms of Levi & Korsinsky LLP and Wolf Popper LLP to represent all Settlement Class Members. These lawyers are called "Co-Lead Counsel." You will **not** be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

Co-Lead Counsel will ask the Court to award attorneys' fees from the Settlement Fund in an amount not to exceed twenty-five percent (25%) of the Settlement Fund and for reimbursement of their expenses of approximately \$80,000, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund.

The attorneys' fees and expenses requested will be the only payment to Co-Lead Counsel for their efforts in achieving the Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Co-Lead Counsel have not been paid for their services in conducting this Action on behalf of Plaintiffs and the Class, nor for their substantial out-of-pocket expenses. The fees and expenses requested will compensate Co-Lead Counsel for their work in obtaining the Settlement Fund for the Settlement Class.

The Court may, however, award less than this amount. In that case, the difference will remain in the Settlement Fund. Co-Lead Counsel will also seek payments of \$2,500 to each of the Class Representatives as compensation for their time and effort in representing the Class.

### **OBJECTING TO THE SETTLEMENT**

19. How do I tell the Court that I do not like the proposed Settlement?

If you are a Settlement Class Member, you can object to the Settlement or any of its terms, the proposed Plan of Allocation, the application by Co-Lead Counsel for an award of fees and reimbursement of expenses, or the application for awards to Plaintiffs. You may write to the Court setting out your objections. You may give reasons why you think the Court should not approve any or all of the settlement terms or arrangements and submit any documentation you believe is appropriate. The Court will only consider your views if you file a proper objection within the deadline identified and according to the following procedures.

To object, you must send a signed letter or other court submission stating that you object to the proposed Settlement in *Kaye v. ImmunoCellular Therapeutics, Ltd. et al.*, Case No. 2:17-cv-03250-FMO-SK (C.D. Cal.). You must include your name, mailing address, daytime telephone number, email address, and signature. In addition, your objection must be accompanied by documentation showing the date(s), price(s), and number(s) of shares of all purchases and sales of IMUC common stock you made during the Class Period. Further, your objection should state the reasons why you object to the Settlement and be accompanied by any legal support or evidence that you wish the Court to consider. Your objection must be filed with the Court at the following address so that **it is actually received, not merely postmarked, on or before June 4, 2019:**

Clerk of the Court  
United States District Court Central District of California  
First Street Federal Courthouse  
350 W. 1st Street, Suite 4311  
Los Angeles, CA 90012-4565

20. What is the difference between objecting and excluding?

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

### **THE COURT'S SETTLEMENT HEARING**

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

The Court will hold a Final Approval Hearing at 10:00 a.m. on August 22, 2019, before the Honorable Fernando M. Olguin in Courtroom 6D of the United States District Court for the Central District of California, 350 W. 1st Street, 9th Floor, Los Angeles, CA 90012. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. At the Final Approval Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement, the application of Co-Lead Counsel for attorneys' fees and reimbursement of expenses, and the application for awards to Plaintiffs. The Court will take into consideration any written objections and will listen to Settlement Class Members who have asked to speak at the hearing. The Court may change the date and time of the Final Approval Hearing without notice. Please check with Co-Lead Counsel before coming to be sure that the date and/or time has not changed.

22. Do I have to come to the hearing?

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

23. May I speak at the hearing?

If you object to the Settlement, you may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must indicate in your written objection (or in a separate writing filed and served in the same manner) that it is your "Intention to Appear in *Kaye v. ImmunoCellular Therapeutics, Ltd. et al.*, Case No. 2:17-cv-03250-FMO-SK (C.D. Cal.)." Settlement Class Members who object to the Settlement, the Plan of Allocation, Co-Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses, or an award to Plaintiffs and desire to present evidence at the Final Approval Hearing must include in their written objections the identity of any witnesses they propose to call to testify and any exhibits they intend to offer into evidence at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class or if you fail to provide written notice of your intention to speak at the Final Approval Hearing by the deadline identified.

**IF YOU DO NOTHING**

24. What happens if I do nothing at all?

If you do nothing, you will get no money from this Settlement and, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Persons about the claims being released in the Settlement. All Settlement Class Members who do not submit valid and timely Proof of Claim and Release forms shall be forever barred from receiving any payments from the Settlement, but will in all other respects be subject to and bound by the provisions of the Stipulation and any Judgment entered, including the releases set forth therein.

**GETTING MORE INFORMATION**

25. Are there more details about the proposed Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation. You may obtain a copy of the Stipulation by contacting the Claims Administrator by email or mail at the address and website provided on page 2, above, to obtain information and forms. The pleadings and other court filings in the Action are available for inspection during regular business hours at the Office of the Clerk of the United States District Court for the Central District of California, Western Division, 350 W. 1st Street, Los Angeles, CA 90012.

**DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.**

**SPECIAL NOTICE TO NOMINEES**

If you hold IMUC common stock pursuant to a transaction that took place within the United States within the Class Period, as nominee for a beneficial owner, then you must either: (1) send a copy of this Notice by first-class mail to all such persons or entities within ten (10) days of receipt of this Notice; or (2) provide a list of the names and addresses of such persons or entities to the Claims Administrator at the address provided at page 2, above, within ten (10) days of receipt of this Notice.

If you choose to mail this Notice and the Proof of Claim and Release form 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 (not to exceed \$0.75 per unit) actually incurred or expected to be incurred in connection with forwarding this Notice, and which would not have been incurred but for the obligation to forward this Notice, upon submission of appropriate documentation to the Claims Administrator.

Dated: February 4, 2019

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA