

43. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.
44. Persons and entities who are either excluded from the Settlement Class by definition or who choose to be excluded in accordance with the process described in this Notice will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

PROPOSED PLAN OF ALLOCATION

How will my claim be calculated?

45. As discussed above, the Settlement provides \$2,800,000 in cash for the benefit of the Settlement Class. The Settlement Amount and any interest it earns constitute the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Notice and Administration Expenses, Taxes, and 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 Settlement Class who timely submit valid Proof of Claim and Release 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. Settlement Class Members who do not timely submit valid Proof of Claim and Release forms will not share in the Net Settlement Fund but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Settlement Class. Any order modifying the Plan of Allocation will be posted on the settlement website, www.HIIQSecuritiesLitigation.com.
46. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged misstatements and omissions, as opposed to losses caused by market- or industry-wide factors, or company-specific factors unrelated to the alleged fraud. The Claims Administrator shall determine each Authorized Claimant’s share of the Net Settlement Fund based upon the recognized loss formula (“Recognized Loss”) described below.
47. A Recognized Loss will be calculated for each share of HIIQ Class A Common Stock and each exchange-traded Call Option on HIIQ Class A Common Stock purchased or otherwise acquired during the Class Period, and for each exchange-traded Put Option on HIIQ Class A Common Stock sold (written) during the Class Period.³ The calculation of

³ Exchange-traded options are traded in units call “contracts.” Each call option contract entitles the holder of the call option contract to purchase 100 shares of the underlying stock upon exercise, in this case HIIQ Class A Common Stock. Similarly, each put option contract entitles the holder of the put option contract to sell 100 shares of HIIQ Class A Common Stock.

Recognized Loss will depend on several factors, including when HIIQ Securities were purchased or otherwise acquired during the Class Period, and in what amounts, and whether such securities were sold, and if sold, when they were sold, and for what amounts. The Recognized Loss is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Claims Administrator will use its best efforts to administer and distribute the Net Settlement Fund to the extent that it is equitably and economically feasible.

48. The Plan of Allocation was created with the assistance of a consulting damages expert and reflects the assumption that the price of HIIQ Class A Common Stock was artificially inflated throughout the Class Period. The estimated alleged artificial inflation in the price of HIIQ Class A Common Stock during the Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of HIIQ Class A Common Stock during the Class Period is based on certain misrepresentations alleged by Lead Plaintiff and the price change in the stock, net of market- and industry-wide factors, in reaction to the public announcements that allegedly corrected the misrepresentations alleged by Plaintiff.
49. The U.S. federal securities laws allow investors to seek to recover losses caused by disclosures which corrected the defendants' previous misleading statements or omissions. Thus, in order to have recoverable damages, the corrective disclosures of the allegedly misrepresented information must be the cause of the decline in the price of value of HIIQ Class A Common Stock. In this Litigation, Lead Plaintiff alleges that Defendants made false statements and/or omitted material facts during the Class Period, which had the purported effect of artificially inflating the price of HIIQ Class A Common Stock. Plaintiff further alleges that corrective disclosures removed artificial inflation from the price of HIIQ Class A Common Stock on September 11, 2017 and September 12, 2017 (the "Corrective Disclosure Dates"). Thus, in order for a Settlement Class Member to have a Recognized Loss under the Plan of Allocation, HIIQ Class A Common Stock must have been purchased or otherwise acquired during the Class Period and held through at least one of these Corrective Closure Dates. With respect to Call Options on HIIQ Class A Common Stock purchased during the Class Period and Put Options on HIIQ Class A Common Stock sold during the Class Period, such options must have been open and outstanding at the opening of trading in the U.S. financial markets on at least one of the Corrective Disclosure Dates in order to have a Recognized Loss greater than \$0.00.

Table 1		
Artificial Inflation in HIIQ Common Stock		
From	To	Per-Share Price Inflation
August 4, 2017	September 10, 2017	\$10.95
September 11, 2017	September 11, 2017	\$3.81
September 12, 2017	Thereafter	\$0.00

50. The “90-day look back” provision of the Private Securities Litigation Reform Act of 1995 (“PSLRA”) is incorporated into the calculation of the Recognized Loss for HIIQ Class A Common Stock. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on HIIQ Class A Common Stock purchased during the Class Period and held as of the close of the 90-day period subsequent to the Class Period (the “90-Day Lookback Period”) cannot exceed the difference between the purchase price paid for such stock and its average price during the 90-Day Lookback Period. The Recognized Loss on HIIQ Class A Common Stock purchased during the Class Period and sold during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such stock and its rolling average price during the portion of the 90-Day Lookback Period elapsed as of the date of sale.
51. In the calculations below, all purchase and sale prices shall exclude any fees, taxes and commissions. If a Recognized Loss amount is calculated to be a negative number, that Recognized Loss shall be set to zero. Any transactions in HIIQ Securities executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session for the U.S. financial markets.
52. A Recognized Loss will be calculated as set forth below for each share of HIIQ Class A Common Stock and Call Option on HIIQ Class A Common Stock purchased or otherwise acquired during the Class Period and for each Put Option on HIIQ Class A Common Stock sold (written) during the Class Period, that is listed in the Proof of Claim and Release form and for which adequate documentation is provided.

CALCULATION OF RECOGNIZED LOSS

HIIQ Class A Common Stock

53. For each share of HIIQ Class A Common Stock purchased or otherwise acquired during the Class Period (*i.e.*, August 4, 2017 through September 11, 2017, inclusive), the Recognized Loss per share shall be calculated as follows:
 - a. For each share of HIIQ Class A Common Stock that was purchased during the period August 4, 2017 through September 10, 2017, inclusive, and sold prior to September 11, 2017, the Recognized Loss per share is \$0.00.
 - b. For each share of HIIQ Class A Common Stock that was purchased during the period August 4, 2017 through September 10, 2017, inclusive, and sold on September 11, 2017, the Recognized Loss per share is \$7.14.
 - c. For each share of HIIQ Class A Common Stock that was purchased during the period August 4, 2017 through September 10, 2017, inclusive, and sold during the period September 12, 2017 through December 8, 2017, inclusive, (*i.e.*, sold during the 90-day Lookback Period), the Recognized Loss per share is *the lesser of*:

- i \$10.95; or

- ii the purchase price *minus* the “90-Day Lookback Value” on the date of sale as provided in Table 2 below.
- d. For each share of HIIQ Class A Common Stock that was purchased during the period August 4, 2017 through September 10, 2017, inclusive, and still held as of the close of trading on December 8, 2017, the Recognized Loss per share is *the lesser of*:
 - i \$10.95; or
 - ii the purchase price *minus* the average closing price for HIIQ Class A Common Stock during the 90-Day Lookback Period, which is \$21.26.
- e. For each share of HIIQ Class A Common Stock that was both purchased and sold on September 11, 2017, the Recognized Loss per share is \$0.00.
- f. For each share of HIIQ Class A Common Stock that was purchased on September 11, 2017, and sold during the period September 12, 2017 through December 8, 2017, inclusive, (*i.e.*, sold during the 90-Day Lookback Period), the Recognized Loss per share is *the lesser of*:
 - i \$3.81; or
 - ii the purchase price *minus* the “90-Day Lookback Value” on the date of sale as provided in Table 2 below.
- g. For each share of HIIQ Class A Common Stock that was purchased on September 11, 2017, and still held as of the close of trading on December 8, 2017, the Recognized Loss per share is *the lesser of*:
 - i \$3.81; or
 - ii the purchase price *minus* the average closing price for HIIQ Class A Common Stock during the 90-Day Lookback Period, which is \$21.26.

Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
9/12/2017	\$19.75	10/11/2017	\$19.15	11/9/2017	\$20.28
9/13/2017	\$20.50	10/12/2017	\$19.10	11/10/2017	\$20.36
9/14/2017	\$20.80	10/13/2017	\$19.09	11/13/2017	\$20.45
9/15/2017	\$21.23	10/16/2017	\$19.17	11/14/2017	\$20.53

9/18/2017	\$21.55	10/17/2017	\$19.28	11/15/2017	\$20.58
9/19/2017	\$21.79	10/18/2017	\$19.41	11/16/2017	\$20.65
9/20/2017	\$21.81	10/19/2017	\$19.49	11/17/2017	\$20.72
9/21/2017	\$21.81	10/20/2017	\$19.56	11/20/2017	\$20.78
9/22/2017	\$21.80	10/23/2017	\$19.61	11/21/2017	\$20.85
9/25/2017	\$21.78	10/24/2017	\$19.66	11/22/2017	\$20.91
9/26/2017	\$21.53	10/25/2017	\$19.70	11/24/2017	\$20.98
9/27/2017	\$21.29	10/26/2017	\$19.73	11/27/2017	\$21.03
9/28/2017	\$20.73	10/27/2017	\$19.77	11/28/2017	\$21.09
9/29/2017	\$20.29	10/30/2017	\$19.81	11/29/2017	\$21.13
10/2/2017	\$19.97	10/31/2017	\$19.85	11/30/2017	\$21.17
10/3/2017	\$19.74	11/1/2017	\$19.89	12/1/2017	\$21.19
10/4/2017	\$19.58	11/2/2017	\$19.90	12/4/2017	\$21.19
10/5/2017	\$19.42	11/3/2017	\$19.97	12/5/2017	\$21.21
10/6/2017	\$19.29	11/6/2017	\$20.02	12/6/2017	\$21.22
10/9/2017	\$19.26	11/7/2017	\$20.11	12/7/2017	\$21.23
10/10/2017	\$19.23	11/8/2017	\$20.19	12/8/2017	\$21.26

Call Options on HIIQ Class A Common Stock

54. For each Call Option on HIIQ Class A Common Stock purchased or otherwise acquired during the Class Period (*i.e.*, August 4, 2017 through September 11, 2017, inclusive), the Recognized Loss per Call Option shall be calculated as follows:
- a. For each Call Option not held at the opening of trading on September 11, 2017 or September 12, 2017, the Recognized Loss per Call Option is \$0.00;
 - b. For each Call Option that was sold on September 11, 2017 or sold on September 12, 2017, the Recognized Loss per Call Option is the purchase price minus the sale price.
 - c. For each Call Option that was exercised on September 11, 2017, the Recognized Loss per Call Option is the purchase price minus the intrinsic value of the option as of the close of trading on September 11, 2017, where the intrinsic value shall be *the greater of*: (i) \$0.00 or (ii) \$23.35 minus the strike price of the option.
 - d. For each Call Option that was exercised on September 12, 2017, or still held as of the close of trading on September 12, 2017, the Recognized Loss per Call Option is the purchase price minus the intrinsic value shall be *the greater of*: (i) \$0.00 or (ii) \$19.75 minus the strike price of the option.
55. No loss shall be recognized based on a sale or writing of any Call Option that was

subsequently repurchased, exercised or expired.

Put Options on HIIQ Class A Common Stock

56. For each Put Option on HIIQ Class A Common Stock sold during the Class Period (*i.e.*, August 4, 2017 through September 11, 2017, inclusive), the Recognized Loss per Put Option shall be calculated as follows:
- a. For each Put Option not open (not outstanding) at the opening of trading on September 11, 2017 or September 12, 2017, the Recognized Loss per Put Option is \$0.00.
 - b. For each Put Option that was purchased on September 11, 2017, or purchased on September 12, 2017, the Recognized Loss per Put Option is the purchase price minus the sale price.
 - c. For each Put Option that was exercised (assigned) on September 11, 2017, the Recognized Loss per Put Option is the intrinsic value of the option as of the close of trading on September 11, 2017 minus the sale price, where the intrinsic value shall be *the greater of*: (i) \$0.00 or (ii) strike price of the option minus \$23.35.
 - d. For each Put Option that was exercised (assigned) on September 12, 2017, or that was still open (outstanding) as of the close of trading on September 12, 2017, the Recognized Loss per Put Option is the intrinsic value of the option as of the close of trading on September 12, 2017 minus the sale price, where the intrinsic value shall be *the greater of*: (i) \$0.00 or (ii) the strike price of the option minus \$19.75.
57. No loss shall be recognized based on a purchase of any Put Option that was subsequently sold, exercised or expired.

ADDITIONAL PROVISIONS

58. The payment you receive will reflect your proportionate share of the Net Settlement Fund. Such payment will depend on the number of eligible shares that participate in the Settlement, and when those shares were purchased and sold. The number of claimant who send in claims varies widely from case to case.
59. A purchase or sale of HIIQ Securities shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.
60. If a Settlement Class Member acquired HIIQ Securities during the Class Period by way of gift, inheritance or operation law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. To the extent that HIIQ Class A Common Stock or a Call Option on HIIQ Class A Common Stock was originally purchased prior to commencement of the Class Period, the Recognized Loss for that acquisition shall be deemed to be zero (\$0.00). To the extent that a Put Option on HIIQ

Class A Common Stock was originally sold prior to commencement of the Class Period, the Recognized Loss for that sale shall be deemed to be zero (\$0.00).

61. Notwithstanding any of the above, receipt of HIIQ Securities during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of HIIQ Securities.
62. If a Settlement Class Member made more than one purchase/acquisition or sale of any HIIQ Security during the Class Period, all purchases/acquisitions and sales of the like security shall be matched on a First In, First Out (“FIFO”) basis. With respect to HIIQ Class A Common Stock and Call Options on HIIQ Class A Common Stock, Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against the purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period. For Put Options on HIIQ Class A Common Stock, Class Period purchases will be matched first to close out positions open at the beginning of the Class Period, and then against Put Options on HIIQ Class A Common Stock sold (written) during the Class Period in chronological order.
63. The date of covering a “short sale” of HIIQ Class A Common Stock is deemed to be the date of purchase of HIIQ shares. The date of a “short sale” of HIIQ Class A Common Stock is deemed to be the date of sale of HIIQ shares. In accordance with the Plan of Allocation, however, the Recognized Loss on “short sales” is zero. In the event that a claimant has an opening short position in HIIQ Class A Common Stock, the earliest Class Period purchases shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.
64. With respect to HIIQ Class A Common Stock purchased through the exercise of a call or put option,⁴ the purchase date of the stock shall be exercise date of the option and the purchase price shall be the closing price of HIIQ Class A Common Stock on the exercise date. Any Recognized Loss arising from purchases of HIIQ Class A Common Stock acquired during the Class Period through the exercise of an option on HIIQ Class A Common Stock shall be computed as provided for other purchases of HIIQ Class A Common Stock in the Plan of Allocation.
65. Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its total Recognized Losses as compared to the total Recognized Losses of all Authorized Claimants.
66. No distribution will be made to Authorized Claimants who would otherwise receive a

⁴ Including (1) purchases of HIIQ Class A Common Stock as the result of the exercise of a call option, and (2) purchases of HIIQ Class A Common Stock by the seller of a put option as a result of the buyer of such put option exercising that put option.

distribution of the less than \$10.00.

67. Cumulative payments of all claims associated with Call Options and Put Options on HIIQ Class A Common Stock will be limited to 1.5% of the Net Settlement Fund.⁵ Thus, if the cumulative Recognized Loss amounts for Call and Put Options claims exceeds 1.5% of all Recognized Losses, then the Recognized Loss for Call and Put Options claims will be reduced proportionately until they collectively equal 1.5% of all Recognized Losses. In the unlikely event that the Net Settlement Fund, allocated as such, is sufficient to pay 100% of the HIIQ Class A Common Stock claims, any excess amount will be used to pay the balance on the remaining Call and Put Options claims.
68. Settlement Class Members who do not submit an acceptable Proof of Claim and Release form will not share in the Settlement proceeds. The Stipulation and the Order and Final Judgment dismissing this Litigation will nevertheless bind Settlement Class Members who do not submit a request for exclusion or submit an acceptable Proof of Claim and Release form.
69. Please contact the Claims Administrator or Lead Class Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim and Release form. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Settlement Class Members and the claims-administration process, to decide the issue by submitting a written request.
70. Defendants, their respective counsel, and all other Released Persons will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any claim. Lead Plaintiff and Settlement Class Counsel likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.
71. Distribution will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Fund by reason of uncashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Settlement Class Members who are entitled to participate in the distribution of the Net Settlement Fund cash their distributions, any balance remaining in the Net Settlement Fund after at least six (6) months after the initial distribution of such funds will be used in the following fashion: (i) first, to pay any amounts mistakenly omitted from the initial disbursement; (ii) second, to pay any additional settlement administration fees, costs, and expenses, including those of Settlement Class Counsel as may be approved by the Court; and (iii) finally, to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second

⁵ Call and Put Options account for approximately 1.5% of the combined dollar trading volume of HIIQ Class A Common Stock and Call and Put Options on HIIQ Class A Common Stock during the Class Period.

distribution, if such second distribution is economically feasible. At such time as it is determined that the re-distribution of funds remaining in the Settlement Fund is not cost-effective, the remaining balance shall be contributed to an appropriate non-profit 501(c)(3) organization, to be recommended by Lead Class Counsel and approved by the Court.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE LITIGATION AND THE SETTLEMENT?

72. If you are a Settlement Class Member, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”), which will dismiss with prejudice the claims against Defendants. The Judgment will also provide that, upon the Effective Date of the Settlement, Lead Plaintiff and each and all other Settlement Class Members and anyone claiming through or on behalf of any of them, will fully, finally, and forever waive, release, relinquish, discharge, and dismiss all Released Claims against all Released Persons, to the fullest extent that the law permits.
73. “Released Claims” means any and all claims (including “Unknown Claims” as defined ¶ 75 below), rights, demands, obligations, damages, actions, suits, matters, issues, causes of action, or liabilities whatsoever, in law or in equity, accrued or unaccrued, fixed or contingent, direct, individual, or representative, of every nature and description, whether known or unknown, whether arising under federal, state, local, common or foreign law or any other law, rule, or regulation, that arise out of or relate in any way, in whole or in part, directly or indirectly, to the purchase or sale of HIIQ Securities during the Class Period and the act, facts, transactions, events, occurrences, statements, disclosures, representatives, filings, publications, disseminations, press releases, presentations, omissions, or failures to act that were, could have been, or could be in the future be alleged or asserted by Lead Plaintiff or any member of the Settlement Class in the Litigation or in any other action in any court or forum. Released Claims do not include claims asserted on HIIQ’s purported behalf in shareholder derivative actions, except that Lead Plaintiff agrees not to bring, or in any way to cause any other person to bring, any derivative claims in connection with, arising out of, related to, and/or based upon, in whole or in part, directly or indirectly, in any way, any acts, facts, wrongdoing, or any other matter alleged or asserted, or which could have been alleged or asserted, in the Litigation.
74. “Released Persons” means each and every past and current defendant named in this Litigation, and, whether or not identified in any complaint filed in the Litigation, each past and current defendant’s respective families, associates, affiliates, and each and all of their past or present directors, officers, employees, partners, member firms or affiliates, principals, agents, predecessors, successors, parents, subsidiaries, divisions, departments, joint ventures, attorneys, accountants, insurers, co-insurers and reinsurers, assigns, spouses, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, stockholders, underwriters, personal or legal advisors or representatives, estates, administrators, predecessors, successors and assigns or other individuals or entities in which the respective past or current defendants, their associates, any related or affiliated entities, or any members of their immediate families, or any trusts for which any of them are trustees, settlors, or beneficiaries, and the predecessors,