



Chicago Clearing Corporation (CCC)
The Securities Claim Filing Service for IPPFA Members

Presented by:

Jim Tharin- CEO

Gerry Boschwitz- Senior Account Executive

Who is CCC?

- Founded in 1993 to make markets in class action coupon settlements
- Transferred class action expertise to claim filing in 2006
- CCC is now the premiere claim filing service
- 840+ clients represent over 450,000 investors with AUM exceeding \$615M
- CCC has received over \$87M dollars for clients since 2009
- Clients include pension funds, investment advisors, brokerage firms, hedge funds, proprietary traders, mutual funds, and bank trust departments
- CCC is partnered with Advent, Schwab, TD Ameritrade and Orion
- Expert, committed staff

Money Available to your Clients

- \$35B dollars were paid in 2005-2011 to securities class action claimants
- Securities class action litigations have increased dramatically
- Increased securities litigations will lead to considerable settlements
- Current litigations affect most asset classes, not only securities
- Aggressive regulators are triggering even more litigations
- Widely held companies predominate these litigations
- There will be unusually large “mega-settlements”- BP, Toyota, etc.
- Total sum paid to claimants will be upwards of \$100B in next ten years
- These vast settlement dollars only go to the intrepid few that file claims

Typical Claim Filing Experience

- Pension fund manager receives settlement notice
- If you file currently, you cringe knowing the work ahead
- If you don't file, the soul searching begins
 - What is the fund manager's fiduciary duty or due care responsibility?
 - Who on your staff has the time to file claims?
 - Are we going to file for all clients all the time? Or only when asked?
 - What is the cost/benefit for the firm to file claims?
- Analysis shows that filing claims internally is very costly
- Can you outsource this task? The answer is YES!
- Should you outsource this task? Absolutely!

Why Outsource Securities Claim Filing?

- Captures all claims, for all clients, for every case
- Manages entire process from notice to distribution
- Transforms painful task into easy and user friendly process
- Enables efficient use of internal resources
- Satisfies fiduciary duty or due care responsibility to your clients
- Accommodates all client concerns

Why Outsource to CCC?

- Quick and easy data retrieval
- Online monitoring identifies all class action securities settlements
- Online reporting provides access to claims filed for your clients
- CCC cuts and sends client settlement checks per fund manager directions
- CCC's contingency fee perfectly aligns with client interests
- Monthly flat fee model—all costs inclusive—also available
- Expert and friendly customer service just an email or phone call away

CCC and Partnerships

- The Illinois Public Pension Fund Association and CCC formed a partnership August of 2012



- This one of many partnerships that CCC maintains. CCC also has partnerships with Advent, Schwab, and TD Ameritrade, to name but a few



3 steps to becoming a CCC Client

Assignment and Agency Agreement

This Assignment and Agency Agreement (the "Agreement") is entered into as of the acceptance date set forth below (the "Acceptance Date") between the undersigned customer ("Customer") and Chicago Clearing Corporation ("CCC").

Customer appoints CCC as Customer's agent and attorney-in-fact with full power and authority to act for the Customer and in the Customer's name (to the full extent the Customer could act in person) and authorizes CCC to take any action necessary or advisable in CCC's judgment to prepare, file, accept and process securities claims, distributions resulting from the claims ("Settlement Payments"), government filings, and any required supporting documentation with the Claims Administrator ("CA") on behalf of Customer or Customer's clients ("Clients"), for those securities class action settlements listed with claim forms and periodically updated at www.chicagoclearing.com ("Settlements"). Customer will give its best efforts to assist CCC in the timely submission of the Clients' claim(s) to the CA.

Customer authorizes CCC, without limitation, to: (a) request, gather and/or copy all necessary documentation to file claim(s) on each Client's behalf; (b) forward to the CA any materials necessary to complete Client's claim(s) in the Settlements; (c) accept, endorse, deposit and otherwise deal with any check, instrument or other payment from the CA; and (d) cause others to take these actions.

Customer represents and warrants to CCC that: (a) it is the authorized representative of the Clients; (b) it has the authority to appoint CCC as the Clients' duly authorized agent as set forth in this Agreement; (c) it will provide Client trade data that complies with CCC's data requirements; (d) all information provided to CCC will be accurate and complete, (e) it has not previously submitted documentation and claim form(s) to the CA in the Settlements on behalf of its Clients, nor will it submit the same or similar documentation and claim form(s) to the CA after the Acceptance Date; and (f) it has not and will not authorize any other person to file claim(s) or accept Settlement Payment(s) on Clients' behalf.

In consideration of filing claim(s), CCC will direct the CA to distribute Settlement Payments to CCC. Customer authorizes CCC to deduct its fee of 20% of the Clients' pro rata share of the Plan of Allocation of the Settlements, provided that the Customer complies with CCC data requirements, plus any other related expenses mutually agreed upon by the parties. CCC will forward the balance of the Settlement Payments per the Customer's instruction.

The following terms and conditions apply: (a) CCC's responsibilities to Customer and Clients are limited to those set forth above; (b) CCC is not providing legal or other advice; (c) CCC's obligations and liabilities under this Agreement shall be terminated 30 days after written notice from either party; (d) notwithstanding termination of this Agreement, CCC and Customer share a beneficial interest in the securities claims and distributions, and this appointment is coupled with an interest and is irrevocable for claims filed prior to termination; (e) CCC will continue to deduct its fee and forward the balance of the Settlement Payments per Customer's instructions for all claims filed prior to termination; (f) pursuant to 15 USC, Subchapter I, §6802, CCC will maintain any specific information in Customer's claim form(s) and supporting documentation as confidential and not use or disclose it for any reason, except to complete the claim(s) or by permission of the Customer; (g) Customer fully waives and agrees not to assert against CCC any known or unknown claims or liabilities which arise out of or relate to any act or omission of CCC in connection with this Agreement; (h) Customer shall indemnify CCC from and against all claims and liabilities relating to or arising out of this Agreement; (i) this Agreement solely benefits the parties hereto and creates no rights enforceable by any third party; (j) if Customer receives payment from the CA, Customer agrees to immediately forward the entire payment to CCC; (k) Customer's representations and warranties survive indefinitely; (l) this Agreement is governed by the internal laws of the State of Illinois, and proper venue lies in any Federal or State Court located in Chicago, Illinois; and (m) this Agreement supersedes all (and neither party is relying on) any prior agreements, representations and discussions concerning the subjects covered in this Agreement. This Agreement is accepted and agreed to by:

Chicago Clearing Corporation	Customer: _____
By: _____	Signature: _____
Its: _____	Name (printed): _____
Acceptance Date: _____	Title, If Representative: _____



Client signs CCC's one page Agency Agreement



Step 2

CCC conducts client intake meeting to kick off the service

Step 3

CCC works with client to retrieve historical data to file claims

- If you are a client of a current CCC partner, you may use the partner's simple and free extract or interface (if applicable).
- For legacy data or non-partner platforms, CCC will provide data template and guidelines for easy data export
- CCC has purchased historical data from the Illinois Department of Insurance

Data Integration and Filing Claims

CCC integrates data into its proprietary database

- CCC is SOC1, Level 2 (the former SAS70, Type II)

CCC begins filing claims

- Database then pinpoints specific qualifying trades
- Qualifying trades are formatted per administrators' specifications
- CCC files late and current claims electronically on behalf of client
- CCC communicates with all administrators regularly regarding claims
- CCC reports claim status to client online

Online Monitoring and Reporting

- Monitoring Site
 - Tracks all securities settlements
 - Case-specific information
 - Claim filing deadline
 - Settlement fund
 - Status
- Reporting Site
 - Claims filed for your clients
 - Claim-specific information
 - Date Filed
 - Claim data
 - Status



The screenshot displays the 'Securities Cases Microsite' interface. It features a navigation bar with 'HOME', 'SECURITIES CLAIM FILING', 'ABOUT', 'BLOG', 'PARTNERS', and 'CONTACT'. Below the navigation bar, there is a search bar and a 'Filter by Status' dropdown menu. The main content area contains a table with the following columns: Case Name, Status, Settlement Fund, Claims Filing Deadline, and Last Modified. The table lists several cases, including 'Monetta Power/Touch America B', 'Sennock', 'ShareTel', 'Leap Wireless', 'NovoGold Resources', 'Exchange MLP Total Return Fund (Jawerk Energy)', 'PE Corporation Calera Genomics Group', 'Santitas/Chrysler', 'Sutter General Corp', 'Loral Space & Communications', and 'Evesco TV Boxes'.

Case Name	Status	Settlement Fund	Claims Filing Deadline	Last Modified
Monetta Power/Touch America B	Distribution	\$15,000,000	09-25-2010	04-25-2011
Sennock	Current	\$20,000,000	07-26-2011	04-25-2011
ShareTel	Distribution Pending	\$2,000,000	09-26-2010	04-25-2011
Leap Wireless	Distribution Pending	\$13,750,000	09-26-2010	04-25-2011
NovoGold Resources	Distribution Pending	\$25,000,000	09-15-2010	04-25-2011
Exchange MLP Total Return Fund (Jawerk Energy)	Distribution Pending	\$2,000,000	09-26-2010	04-25-2011
PE Corporation Calera Genomics Group	Distribution Pending	\$15,000,000	09-16-2010	04-25-2011
Santitas/Chrysler	Distribution Pending	\$0,000,000	08-12-2010	04-25-2011
Sutter General Corp	Distribution Pending	\$07,000,000	03-26-2009	04-25-2011
Loral Space & Communications	Distribution	\$2,450,000	03-03-2009	04-25-2011
Evesco TV Boxes	Distribution	\$15,000,000	03-16-2010	04-25-2011



The screenshot displays the 'Reporting Microsite' interface. It features a navigation bar with 'HOME', 'SECURITIES CLAIM FILING', 'ABOUT', 'BLOG', 'PARTNERS', and 'CONTACT'. Below the navigation bar, there is a search bar and a 'Please Select' dropdown menu. The main content area contains a table with the following columns: Case Name, Date Filed, and Status. The table lists several claims, including 'Brigantine', 'General Motors', 'Huffco Inc.', 'TD Banknorth', 'Quest', 'Herril Lynch Securities Class Action', and 'Herril Lynch Shareholders Settlement'.

Case Name	Date Filed	Status
Brigantine	01-09-2008	Paid
General Motors	11-21-2008	Paid
Huffco Inc.	08-05-2008	Pending
TD Banknorth	04-21-2008	Paid
Quest	04-29-2008	Pending
Herril Lynch Securities Class Action	04-10-2008	Pending
Herril Lynch Shareholders Settlement	08-13-2007	Resolved

Distribution

- CCC receives settlement proceeds
- Reconciles claim and deducts contingency fee, sends net proceeds
- Cuts individual checks to sub-accounts, per advisor directions
- Distribution costs included in both contingency and monthly flat fee models

Q&A Discussion

Time for questions!

Contact Us

Get started today, contact:

Jim Tharin, CEO

jtharin@chicagoclearing.com

(312) 204-6970

Matt Murray, Sr. VP of Sales

mmurray@chicagoclearing.com

(312) 204-6960

Gerry Boschwitz, Sr. Account Executive

gboschwitz@chicagoclearing.com

(612) 804-8740

Jack Higgins, Sr. Account Executive

jhiggins@chicagoclearing.com

(224) 381-9427

Brian Blockovich, President

bblockovich@chicagoclearing.com

(312) 204-6968

Susan Reeve, Client Relationship Manager

sreeve@chicagoclearing.com

(803) 834-4296

Frank Petersen, Sr. Account Executive

fpetersen@chicagoclearing.com

(312) 204-6970

Peter Mabry, Account Executive

pmabry@chicagoclearing.com

(904) 270-2201

404 South Wells Street * Suite 600 * Chicago, IL 60607

Main Office: (312) 204-6970 Fax: (312) 204-6980


ChicagoClearing
CORPORATION