

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND

WILLIAM CARTER, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

v.

COLONY CAPITAL, INC., et. al.,

Defendants.

Case No. 1:16-cv-03282-JFM

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING**

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF COMMON STOCK OF COLONY CAPITAL, INC. WHO HELD OR OWNED SUCH STOCK AT ANY TIME BETWEEN AND INCLUDING MAY 6, 2016, AND JANUARY 17, 2017, EITHER OF RECORD OR BENEFICIALLY (THE "SETTLEMENT CLASS" AND "CLASS MEMBER(S)").

*This Notice is for your information only. **You are not being sued. You do not need to appear in court. You do not need to hire an attorney in this case.***

*This Notice describes (i) a class action lawsuit against Colony Capital, Inc. ("Colony Capital" or the "Company"), and the members of the board of directors (the "Board") of Colony Capital (the "Director Defendants") and (ii) the proposed settlement of that lawsuit. You have received this Notice because you may be one of the people whose rights will be affected by the lawsuit and the proposed settlement. If you wish to object to the proposed settlement, you must do so in the manner described below on or before Friday, October 6, 2017.*

*The remainder of this Notice contains important information. You should read the entire Notice carefully.*

**I. THE PURPOSE OF THIS NOTICE.**

This Notice is given to you pursuant to Rules 23 and 23.1 of the Federal Rules of Civil Procedure and an order of the United States District Court for the District of Maryland, Northern Division (the "Court"), where the lawsuit is pending. This Notice tells you about the lawsuit, the proposed settlement, your right to object to the proposed settlement and your right to participate in the final hearing on the proposed settlement, which will be held on October 27, 2017.

Nothing in this Notice should be taken as an expression by the Court of any opinion as to what should be the ultimate outcome of the lawsuit in the event the proposed settlement is not approved, and nothing in this Notice should be taken to mean that there would necessarily be any recovery in the lawsuit in the event the proposed settlement is not approved.

**II. BACKGROUND AND DESCRIPTION OF THE LAWSUIT.**

On June 2, 2016, Colony Capital, NorthStar Asset Management Group Inc. ("NSAM"), NorthStar Realty Corp. ("NRF"), and certain other parties, entered into an Agreement and Plan of Merger (the "Merger Agreement"), pursuant to which (among other things) Colony Capital, NSAM, and NRF, agreed to combine in an all-stock merger of equals (the "Colony NorthStar Transaction," or "Transaction") that would result in the creation of a combined company, Colony NorthStar, Inc. ("Colony NorthStar"). As part of the Colony NorthStar Transaction, the class A and class B common stockholders of Colony Capital received 1.4663 shares of Colony NorthStar class A or class B common stock, respectively. Common stockholders of NRF received 1.0996 shares of Colony NorthStar class A common stock for each share of NRF common stock they owned. Common stockholders of NSAM received 1.000 shares of Colony NorthStar class A common stock for each share of NSAM common stock they owned. Holders of each series of preferred stock of Colony Capital or NRF received one share of a series of preferred stock of Colony NorthStar with substantially the same terms for each share of Colony Capital or NRF preferred stock they own.

On July 28, 2016, Colony NorthStar, a Maryland subsidiary of NSAM, filed a registration statement on Form S-4 with the Securities and Exchange Commission ("SEC") that included a joint proxy statement/prospectus of Colony Capital, NSAM, and NRF which, among other things, (i) summarized the Merger Agreement, (ii) provided an account of the events leading up to the execution of the Merger Agreement, (iii) stated that the Colony Capital, NSAM, and NRF boards of directors each determined that the Colony NorthStar Transaction was in the best interests of their respective stockholders and recommended the Colony NorthStar Transaction for approval by their respective stockholders, and (iv) summarized the valuation analyses and fairness opinions by Bank of America Merrill Lynch ("Bank of America"), the financial advisor to Colony Capital's board of directors, Goldman, Sachs & Co., ("Goldman"), the financial advisor to NSAM's board of directors, Evercore Group L.L.C. ("Evercore"), the financial advisor to NSAM's special committee of independent directors, and UBS Securities LLC ("UBS"), the financial advisor to NRF's special committee of independent directors, which preliminary joint proxy statement/prospectus was amended and supplemented on September 15, 2016, October 17, 2016, and November 14, 2016 (as so amended and supplemented, the "Proxy Statements").

On September 29, 2016, William Carter (the “Colony Capital Plaintiff”) filed a putative class action in the United States District Court for the District of Maryland, *William Carter v. Colony Capital, Inc., et al.*, Case No. 16-cv-03282 (the “Colony Action”), on behalf of himself and the other public shareholders of Colony Capital, alleging, among other things, that Colony Capital, Thomas J. Barrack, Jr., Richard B. Saltzman, Nancy A. Curtin, George G.C. Parker, John A. Somers, and John L. Steffens, (collectively, the “Individual Colony Capital Defendants” and together with Colony Capital, the “Colony Capital Defendants”) violated Section 14(a) of the Securities and Exchange Act of 1934 (the “Exchange Act”) and Rule 14a-9 promulgated thereunder by soliciting stockholder votes with the Proxy Statements that the Colony Plaintiff alleged were false and/or misleading, and that the Individual Colony Capital Defendants were liable under Section 20(a) of the Exchange Act, and sought, among other things, an order enjoining the Colony NorthStar Transaction unless or until the alleged material deficiencies in the Proxy Statements were corrected.

On November 18, 2016, Cindy Kessler (the “NSAM Plaintiff”) filed a putative class action in the United States District Court for the District of Maryland, *Cindy Kessler v. NorthStar Asset Management Group, Inc., et al.*, Case No. 16-cv-03745 on behalf of herself and the other public shareholders of NSAM, alleging that NSAM, David T. Hamamoto, Judith A. Hannaway, Albert Tylis, Stephen Cummings, Oscar Junquera, Justin Metz, Wesley Minami, and Louis J. Paglia (the “Individual NSAM Defendants,” and together with NSAM, the “NSAM Defendants”), violated Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder by soliciting NSAM stockholder votes with the Proxy Statements that the NSAM Plaintiff alleged were false and/or misleading, and that the Individual NSAM Defendants were liable under Section 20(a) of the Exchange Act, and sought, among other things, an order enjoining the Colony NorthStar Transaction unless or until the alleged material deficiencies in the Proxy Statements were corrected.

On November 18, 2016, Jack Boothe (the “NRF Plaintiff”), filed a putative class action entitled *Jack Boothe v. NorthStar Realty Finance Corp., et al.*, Case No. 16-cv-03742 (the “NRF Action,” and together with the NSAM Action and the Colony Capital Action, the “Actions”), on behalf of himself and the other public shareholders of NRF, against NRF, David T. Hamamoto, Judith A. Hannaway, Wesley D. Minami, Louis J. Paglia, Gregory Rush, and Charles W. Schoenherr (the “Individual NRF Defendants,” and together with NRF, the “NRF Defendants”), alleging that the NRF Defendants violated Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder by soliciting stockholder votes with the Proxy Statements that the NRF Plaintiff alleged were false and/or misleading, and that the Individual NRF Defendants were liable under Section 20(a) of the Exchange Act, and sought, among other things, an order enjoining the Colony NorthStar Transaction unless or until the alleged material deficiencies in the Proxy Statements were corrected.

On November 15, 2016, counsel for Plaintiff proffered a written demand to counsel for Defendants seeking the dissemination of certain additional information regarding the Colony NorthStar Transaction, which demand thereafter was joined by the NSAM Plaintiff and the NRF Plaintiff (together with the Plaintiff, the “Plaintiffs”) and subsequently, counsel to Plaintiffs and counsel to the Defendants engaged in negotiations concerning the terms to settle the Actions.

On November 29, 2016, Plaintiff filed a Motion for Temporary Restraining Order and Preliminary Injunction (the “Motion”), which asked the Court to enjoin the Colony NorthStar Transaction unless or until the alleged material deficiencies in the Proxy Statements were corrected.

The Court scheduled a hearing on the Motion for December 1, 2016 at 4:00 p.m. (the “December 1 Hearing”).

Thereafter the parties engaged in extensive, arm’s-length negotiations regarding potential terms to settle the Actions. On December 9, 2016, counsel to the parties in the Actions reached an agreement on the supplemental disclosures (the “Supplemental Disclosures”) that the counsel for Plaintiff demanded and was joined in the request by NSAM Plaintiff’s counsel and NRF Plaintiff’s counsel. Colony Capital agreed to disseminate the Supplemental Disclosures to Colony Capital shareholders on December 9, 2016. The Supplemental Disclosures formed the basis for a tentative settlement of the Actions, as reflected in a Memorandum of Understanding dated December 9, 2016 (“MOU”). Defendants acknowledge that the Supplemental Disclosures were filed with the SEC and issued to shareholders as a direct result of the prosecution of class claims in the Actions.

On December 9, 2016, Colony Capital disseminated the Supplemental Disclosures to Colony Capital shareholders pursuant to the MOU, a copy of which is attached hereto as Exhibit A.

On December 20, 2016, at a special meeting of the shareholders of Colony Capital, the holders of the majority of the outstanding shares of Colony Capital voted to approve the Colony NorthStar Transaction.

On January 10, 2017, Colony Capital filed Articles of Merger with the Department of Assessments and Taxation of the State of Maryland, pursuant to which Colony Capital was merged into Colony NorthStar, a Maryland corporation.

Pursuant to the terms of the MOU, counsel for Plaintiffs have conducted an investigation to confirm the potential settlement terms are fair and reasonable to stockholders, that included, among other things, a review of publicly available documents related to the Transaction, non-public documents produced to Plaintiffs by Defendants, and the depositions of Colony Capital Director John Somers, Cavan Yang, a representative of Bank of America, NRF Director and special committee member Charles Schoenherr, Alan Felder, a representative of UBS, NSAM Director and special committee member Justin Metz, and Keith Wetzel, a representative of Goldman.

The Defendants vigorously deny all fault or liability alleged in the Colony Capital Action or otherwise in relation to the Merger, the Merger Agreement, the Preliminary Proxy Statement or the Definitive Proxy Statement, or with respect to any of the Released Claims (as defined below), and the Defendants specifically deny that any supplemental disclosures to Colony Capital shareholders were or are required under any applicable rule, statute, regulation, or law. However, to avoid the substantial burden, expense, risk, inconvenience, and distraction of continued litigation, including the risk of delaying or adversely affecting the Merger, the Defendants considered and consider it desirable to fully and finally resolve the claims made against them.

Plaintiff and Co-Lead Counsel represent they brought the claims in good faith and continue to believe the claims asserted in the Colony Capital Action have merit. However, they have determined that a settlement of the Colony Capital Action (the "Settlement") on the terms and with the benefits reflected in the Stipulation (as defined below) is fair, reasonable, adequate, and in the best interest of Plaintiff and the Settlement Class, thereby avoiding the uncertain outcome and inherent delays and risks of further litigation and trial. They further believe, based on the information available to them, that the Definitive Proxy Statement, with the addition of the Supplemental Disclosures, was and is adequate so that Colony Capital shareholders were able to make a meaningful decision regarding whether to vote for or against the Merger.

On July 10, 2017, the Court entered an Order Preliminarily Approving Settlement (the "Preliminary Approval Order"), which preliminarily found and determined, for purposes of the proposed Settlement only, that the Colony Capital Action may proceed as a non-opt-out class action under Rules 23(a), 23(b)(1), and/or 23(b)(2) of the Federal Rules of Civil Procedure, on behalf of the Settlement Class, which excludes Defendants, their subsidiaries or other affiliates, their assigns, members of the immediate family of any Defendant, officers of Defendant, and the legal representatives, heirs, successors or assigns of any such excluded person, and further found and determined that Plaintiff and the law firms of Co-Lead Counsel Brower Piven, P.C. and Monteverde & Associates PC (collectively "Class Counsel") will fairly and adequately represent the interest of the Settlement Class in enforcing their rights in the Colony Capital Action. The Preliminary Approval Order further preliminarily approved the Settlement as set forth in the Stipulation.

The Court has not made any decisions on the claims made in the Colony Capital Action. The sending of this Notice is not an indication of how the Court may, or may not, view the parties' respective allegations, claims, and defenses. The Settlement is being proposed in order to resolve, by agreement, claims that are disputed and undecided.

### **III. THE PROPOSED SETTLEMENT.**

After investigation, review, and analysis of the facts and law relating to the matters at issue in this lawsuit, Plaintiff and Class Counsel have negotiated the Settlement with the Defendants on behalf of the Settlement Class, now memorialized in a Stipulation of Settlement executed by Class Counsel and Defendants' respective counsel as of June 30, 2017 (the "Stipulation"), and preliminarily approved by the Court by the Preliminary Approval Order dated July 10, 2017. The Court must give formal, final approval to the Settlement before it can become effective.

What follows is a summary of the terms of the Settlement that are fully described in the Stipulation. The summary is not all-inclusive; further information may be had by referring to the Stipulation and other papers in the Colony Capital Action that are filed with the Court, all of which may be inspected during regular business hours at the Clerk of Court, U.S. District Court for the District of Maryland, Northern Division, 101 West Lombard Street, Baltimore, MD 21201. Questions regarding the Settlement also may be directed in writing to Class Counsel at the address listed below. Please do not call the Court or the Clerk of Court with questions about the Settlement.

The principal terms of the Settlement are as follows:

#### **A. Consideration To Class Members.**

Pursuant to the negotiations conducted by Class Counsel and counsel for Defendants, the Company agreed to and did disclose additional information in the form of a Current Report on Form 8-K relating to the Merger, filed with the SEC on December 9, 2016. As a result, Class Members obtained additional disclosure in advance of the shareholder meeting to vote on the proposed Merger, as set forth in the Form 8-K.

#### **B. Dismissal With Prejudice Of Claims Against Defendants; Release By Plaintiff And Class Members Of Claims Against Defendants And Released Parties.**

If the Settlement is given final approval by the Court, all claims in the Colony Capital Action will be dismissed with prejudice against all Defendants, and the Plaintiff and all Class Members deemed to have forever released, relieved, settled, and discharged, fully and completely, among other things, claims, demands, rights, liabilities, losses, obligations, duties, damages, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys' fees actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature, or description whatsoever, whether direct, derivative, individual, class, representative, legal, equitable, or of any other type (known or unknown), whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule, that Plaintiff or any or all members of the Class, in his, her, or their capacity as a Colony Capital shareholder ("Releasing Parties") ever had, now have, or may have, or otherwise could, can, or might assert, against the Defendants, the NSAM Defendants, the NRF Defendants, Colony NorthStar, Bank of America, Evercore, Goldman, UBS or any of their respective families, parent entities, controlling persons, associates, predecessors, successors, affiliates, or subsidiaries, and each and all of their respective past or present officers, directors, executives, stockholders, principals, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, auditors, investment bankers, commercial bankers, entities providing fairness opinions, underwriters, brokers, dealers, insurers, advisors or agents, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors, and assigns, and each of their respective affiliates, controlling persons, directors, officers, employees and agents, (the "Released Parties") that relate to or challenge: (i) the Colony NorthStar Transaction, (ii) any actions, deliberations or negotiations in connection with the Colony NorthStar Transaction or any agreements, disclosures, or events related thereto, (iii) the consideration received by the Class members or any Released Parties in connection with the Colony NorthStar Transaction, (iv) the fiduciary or other obligations of the Released Parties in connection with the Colony NorthStar Transaction, (v) the fees, expenses or costs incurred in prosecuting, defending or settling the Colony Capital Action, the NSAM Action, or the NRF Action, (vi) any of the allegations in any complaint or amendment(s) thereto filed in the Colony Capital Action, the NSAM Action, or the NRF Action, (vii) the Colony Capital Action, the NSAM Action, or the NRF Action, (viii) the Merger Agreement or any preliminary or definitive joint proxy

statement or other disclosures filed or distributed to unitholders or stockholders in connection with the Colony NorthStar Transaction (including without limitation the Proxy Statements and the Supplemental Disclosures, and any other materials related to the Colony NorthStar Transaction that has been or will be filed with the SEC), including without limitation any disclosures, non-disclosures or public statements made in connection with any of the foregoing, and (ix) any and all conduct by any of the Defendants or any of the other Released Parties arising out of or relating in any way to the negotiation or execution of this Settlement, the MOU, or the Related MOUs; *provided, however*, that the Released Claims shall not include claims by the parties to enforce the terms of this Stipulation, the Settlement, or the MOU.

The Settlement is intended to extinguish all of the Released Claims and, consistent with such intention, the Releasing Parties shall waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits of any state, federal or foreign law or principle of common law, which may have the effect of limiting the release set forth above. This shall include a waiver by the Releasing Parties of any rights pursuant to Section 1542 of the California Civil Code (or any similar, comparable, or equivalent provision of any federal, state, or foreign law, or principle of common law), which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

Plaintiff acknowledges, and the members of the Class shall be deemed by operation of the entry of a final order and judgment approving the Settlement to have acknowledged, that the foregoing waiver was separately bargained for, is an integral element of the Settlement, and was relied upon by each and all of the Defendants in entering into the Settlement.

In entering into the Settlement, Plaintiff assumes the risk of any mistake of fact or law if Plaintiff should later discover that any fact he relied upon in entering into the Settlement is not true, or that their understanding of the facts or law was incorrect. In such event, Plaintiff shall not be entitled to seek rescission of this Settlement, or otherwise attack the validity of the Settlement, based on any such mistake. The Settlement is intended to be final and binding upon Plaintiff regardless of any mistake of fact or law.

From the date of the Preliminary Approval Order until the Court determines whether a final judgment should be entered, Plaintiff and all other Class Members, and any of them, and anyone acting on their behalf, are barred and enjoined from commencing, prosecuting, instigating or in any way participating in the commencement or prosecution of any action asserting any Released Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Party.

The release does not affect, create, enhance, diminish, or release any rights that any Company shareholder, including but not limited to the representative plaintiff, may otherwise have regarding statutory appraisal of his or her Colony Capital common shares, or to enforce in the Court the terms of the Stipulation.

**C. Payment Of Attorneys' Fees And Reimbursement Of Expenses To Class Counsel.**

Class Counsel reserves the right to seek an award of attorneys' fees and expenses. Defendants reserve the right to oppose the amount of any such request, but acknowledge that Class Counsel is entitled to seek an award of attorneys' fees and expenses in connection with the Settlement, subject to the Court's approval. Class Counsel agrees not to seek an award of fees in any other court in connection with the Colony Capital Action and the Settlement. In the event the parties are unable to reach an agreement on attorneys' fees and expenses prior to the execution of a Stipulation, the parties agree to submit this Stipulation for final approval, notwithstanding approval of Class Counsel's application for attorneys' fees and expenses. In any event, any fees and expenses awarded by the Court in connection with the Settlement shall be payable within ten (10) calendar days of the entry of the Order and Final Judgment or, if addressed separately by the Court entry of an order awarding such fees, but in any event such fee and expense award shall be subject to the refund provisions in Section 10(c) below, *provided, however*, that no fees or expenses shall be paid to Class Counsel in the absence of approval by the Court of the Settlement and a complete release of all the Released Persons in the form customarily approved in connection with the Settlement. Class Counsel shall be jointly and severally responsible for the repayment of any such fees as may be reduced or rescinded upon a successful appeal or collateral attack. Class Counsel warrants that no portion of any such fees, costs and expenses shall be paid to Plaintiff or to any member of the Settlement Class, except as approved by the Court.

Final resolution by the Court of the amount of fees and expenses to be paid to Class Counsel shall not be a condition to the Settlement or entry of the Order and Final Judgment. Any failure by the Court to approve any amount of fees or any request for attorneys' fees, costs and expenses in whole or in part shall not affect the validity or effectiveness of the Settlement.

Colony Capital and/or its insurers, on behalf of itself and for the benefit of the other Defendants, shall pay or cause to be paid the Court-ordered amount of fees, costs and expenses in the manner directed by the Court to Class Counsel within ten (10) calendar days of entry of an order by the Court awarding Class Counsel such fees, costs or expenses, *provided* that Class Counsel has delivered to Defendants' counsel in timely fashion a W-9 for Class Counsel and instructions for delivery by mail and wire transfer; *further provided, however*, that Class Counsel shall have a joint and several obligation to refund to Colony Capital and/or its insurers, as the case may be, within ten (10) calendar days, all amounts received, if and when, as a result of any appeal and/or further proceeding on remand, or successful collateral attack, the fee or expense award is reduced or reversed, the Settlement is voided by any party as provided in this Stipulation, or the Settlement is reversed or vacated by any court. Class Counsel shall determine the allocation and distribution among Class Counsel of any attorneys' fees, costs or expenses approved by the Court. The Released Parties shall have no responsibility for, and no liability with respect to, the fee and/or expense allocation among any of the Class Counsel and/or any other person who may assert any claim thereto.

Unless otherwise ordered by the Court, Class Counsel will file their application for attorneys' fees and reimbursement of expenses on or before September 22, 2017, thirty-five (35) calendar days prior to the date of the Final Settlement Hearing (as defined below). All papers will be available for review at the office of the Clerk of Court, at the address set forth above. The Settlement described in this Notice is in no way conditioned on the award of attorneys' fees or reimbursement of expenses. Approval or disapproval in whole or in part of Class Counsel's application for payment of fees and expenses will not affect the finality or binding nature of the Settlement or releases described in this Notice.

#### **IV. THE FINAL SETTLEMENT HEARING AND CLASS MEMBERS' RIGHT TO BE HEARD**

On October 27, 2017, beginning at 9:30 a.m., before The Honorable J. Frederick Motz, in the U.S. District Court for the District of Maryland, Northern Division, at the United States Courthouse, 101 West Lombard Street, Baltimore, MD 21201, the Court will hold a hearing (the "Final Settlement Hearing") to consider and determine: (a) whether the Settlement Class should be finally certified; (b) whether the Settlement should be finally approved as fair, reasonable, adequate, and in the best interests of the Settlement Class; (c) whether a final judgment should be entered dismissing the claims of Plaintiff and Class Members with prejudice, as required by the Stipulation, and releasing claims as required by the Stipulation; (d) in what amount to award attorneys' fees and reimbursement of expenses to Class Counsel; and (e) any objections to the Settlement and/or the request for payment of attorneys' fees and expenses. The Final Settlement Hearing may be continued or adjourned by the Court without further notice to Class Members other than announcement at the Final Settlement Hearing or at any adjournment thereof. The Court has also reserved the right to approve the Settlement at or after the Final Settlement Hearing with such modifications as may be consented to by Plaintiff and Defendants and without further notice to the Settlement Class.

If you are a Class Member, you will be bound by any judgment entered in the Colony Capital Action. You may not opt out of the Settlement Class.

Class Counsel will represent the interests of the members of the Settlement Class at the Final Settlement Hearing. Class Members may also: (a) personally be heard at the hearing; (b) at their own expense, have an attorney other than Class Counsel appear at the hearing; and/or (c) submit written materials for the Court's consideration in connection with its review of the proposed settlement and the request of Class Counsel for an award of attorneys' fees and reimbursement of expenses. Class Members may make any comments or objections to the Settlement and/or the request of Class Counsel for an award of attorneys' fees and reimbursement of expenses that they wish. However, **Class Members and/or their attorneys will be heard at the Final Settlement Hearing, and written materials submitted for the Court's consideration will be considered, only if written notice of an intent to appear at the Final Settlement Hearing, a statement of the position to be asserted at the Final Settlement Hearing, and copies of any written materials to be submitted for the Court's consideration, are filed with the Clerk of Court and served upon Class Counsel and Defendants' counsel, by no later than Friday October 6, 2017.** All documents filed with the Court must include the caption and case number set forth at the beginning of this Notice.

Notices of intent to appear and any written materials for the Court's consideration shall be deemed filed on the date they are received by the Clerk of Courts via hand delivery or via first class, postage prepaid, at:

Clerk of Court  
U.S. District Court for the District of Maryland, Northern Division  
101 West Lombard Street  
Baltimore, MD 21201

And shall be deemed served on Class Counsel and Defendants' counsel on the date they are hand delivered or mailed, first class, postage prepaid, to:

Charles J. Piven (Md. Fed. Bar No. 00967)  
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**If you are satisfied with the proposed Settlement and do not wish to be heard with respect to its terms or with respect to the request of Class Counsel for an award of attorneys' fees and reimbursement of expenses, you need not appear at the Final Settlement Hearing or take any other action.**

**V. INTERIM INJUNCTION.**

Pending final determination of whether the Settlement should be approved, Plaintiff and all Class Members are barred and enjoined from commencing, prosecuting, instigating or in any way participating in the commencement, prosecution or instigation of any action asserting any Released Claims, either directly, representatively, derivatively, or in any other capacity, against any Released Party.

**VI. WHAT HAPPENS IF THE PROPOSED SETTLEMENT IS NOT APPROVED BY THE COURT?**

Should the Stipulation not be executed or not be consummated in accordance with the terms described herein, the Settlement shall be null and void and of no force and effect, and shall not be deemed to prejudice in any way the position of any party with respect to the Colony Capital Action. In such event, and consistent with the applicable evidentiary rules, neither the existence of the Stipulation and the MOU nor their contents shall be admissible in evidence or shall be referred to for any purpose in the Colony Capital Action or in any other proceeding. Further, in such event, (1) the parties shall be restored to their respective positions as they initially existed, and the Stipulation and all negotiations, transactions, and proceedings in connection herewith shall not be deemed to prejudice in any way their respective positions, and (2) the conditional certification of the Settlement Class as provided for herein shall be vacated and of no further force and effect with respect to Defendants, and Defendants shall not be precluded from challenging whether the Colony Capital Action may proceed as a class action.

**VII. NOTICE TO NOMINEES.**

If you held any Company stock as a nominee for the beneficial owner, in "street name," or in your name as trustee or fiduciary, please within ten (10) calendar days of receipt of this Notice either (1) advise the notice administrator in writing so that an appropriate quantity of this Notice can be sent to you for distribution to all beneficial owners for whom you held such stock, or (2) provide the names and addresses of such beneficial owners, preferably in electronic format (e.g., Excel, CSV, etc.), setting forth (a) title/registration, (b) street address, and (c) city/state/zip, to the notice administrator at the following address:

Colony Capital Inc. Shareholder Litigation Notice Administrator  
c/o GCG  
PO Box 10483  
Dublin, Ohio 43017-4083

Each nominee may, if it does so promptly, apply to the notice administrator for reimbursement of actual out-of-pocket costs reasonably incurred in forwarding the Notice to beneficial owners, or in identifying the beneficial owners to the notice administrator so that the Notice may be mailed.

By the Court, this 10<sup>th</sup> day of July, 2017.

Clerk of Court  
United States District Court  
District of Maryland, Northern Division

**PLEASE DO NOT CONTACT THE COURT OR CLERK OF COURT WITH ANY QUESTIONS REGARDING THIS NOTICE.**

## IMPORTANT UPDATE

Plaintiffs' Counsel and counsel for Defendants have agreed to request an award of fees, costs, and expenses of \$400,000 to settle the Colony Capital Action, \$400,000 to settle the NRF Action, and \$450,000 to settle the NSAM Action.