

UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT

ROBERT SCOTT BATCHELAR, : Case No. 3:15-cv-01836-AWT  
: :  
Plaintiff, : :  
v. : :  
: :  
INTERACTIVE BROKERS, LLC, : :  
INTERACTIVE BROKERS GROUP, INC., : :  
and THOMAS A. FRANK, : :  
: :  
Defendants. : January 20, 2026

**STIPULATION AND SETTLEMENT AGREEMENT**

THIS SETTLEMENT AGREEMENT is made and entered into as of the 20 day of January 2026, by and between Plaintiff Robert Scott Batchelar (“Plaintiff”), on behalf of the Settlement Class (defined below) and Defendants Interactive Brokers LLC; Interactive Brokers Group, Inc.; and Thomas A. Frank (together “Defendants”).

Plaintiff, the Settlement Class, and Defendants are referred to collectively as the “Parties” and individually as a “Party.”<sup>1</sup>

WHEREAS, Plaintiff alleges in this Action that the A-L Software designed, developed, maintained, owned and/or used by Defendants to liquidate securities in the accounts of Settlement Class members was negligently coded, maintained and used and did in fact proximately result in damages to Settlement Class members, and Defendants deny and continue to deny all material allegations in the Action.

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<sup>1</sup> All terms with initial capitalization shall have the meanings set forth in Paragraph 1 below or as otherwise defined herein.

WHEREAS, Defendants maintain they complied with all applicable standards of care, including standards of care concerning the design, development, coding, maintenance, ownership and/or use of the A-L Software, and did not cause damages to Settlement Class members.

WHEREAS, the Parties wish to resolve all claims asserted and all claims that could have been asserted in the Action concerning Defendants' design, development, coding, maintenance, ownership and/or use of the A-L Software.

WHEREAS, counsel for the Parties have engaged in arm's-length negotiations on the terms of this Agreement, as recorded below, and this Agreement embodies all of the terms and conditions of this Settlement;

WHEREAS, Class Counsel have litigated this case, conducted an investigation and completed discovery relating to the claims brought against Defendants, have analyzed the legal issues in this case, and have engaged in substantial motion practice and trial preparation over ten (10) years of litigation. Class Counsel believe that this settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class and that this Settlement Agreement should be approved by the Court under Federal Rule of Civil Procedure 23(e);

WHEREAS, without admitting liability or that the Action is suitable for class treatment other than in the settlement context, and without waiving any argument on liability or decertification, Defendants agree to enter into this Agreement to avoid the costs, expenses, and uncertainties of this complex litigation;

NOW THEREFORE, in consideration of the foregoing, the terms and conditions set forth below, and other good and valuable consideration, it is agreed by and among the Parties that the Class claims be settled and compromised, and dismissed on the merits with prejudice, subject to the terms and conditions set forth herein and further subject to Court approval:

1. Definitions: The following terms shall have the following meanings for purposes of this Agreement.
  - a) “Action” shall mean the above-captioned lawsuit *Batchelar v. Interactive Brokers, LLC, et al.*, 3:15-cv-01836-AWT (D. Conn.).
  - b) “Additional Plaintiff Counsel” shall mean the additional counsel assisting Class Counsel in the representation of Plaintiff and/or the Class: Jack Carroll and Gilbert I. Low of Orgain, Bell and Tucker, LLP; Wayne A. Reaud and Reagan Reaud of Reaud & Associates P.C.; and William S. Shepherd of The Shepherd Law Firm.
  - c) “Agreement” means this Stipulation and Settlement Agreement between the Parties.
  - d) “A-L Software” means the software designed, developed, owned, maintained and used by one or more of the Defendants to autonomously execute liquidation transactions in Settlement Class members’ margin accounts during periods when that software determined the margin accounts were in deficiency.
  - e) “Class Action Complaint” shall mean the Third Amended Complaint as filed in the Action.
  - f) “Class Counsel” shall mean the Counsel previously appointed by the Court as Class Counsel: William M. Bloss and Christopher M. Mattei of Koskoff, Koskoff & Bieder, P.C.; Gary N. Reger of Orgain, Bell and Tucker, LLP; and L. DeWayne Layfield of the Law Office of L. DeWayne Layfield, PLLC.
  - g) “Class Period” shall mean the period from December 18, 2013 through July 14, 2025.
  - h) “Court” means the United States District Court for the District of Connecticut.
  - i) “Forgiven Debt” means debts owed to Defendant Interactive Brokers LLC by some Settlement Class members, including Plaintiff. A list of each Settlement Class member with debt to be forgiven as part of this Settlement along with the amount of debt to be

forgiven will be filed with the Court under seal. Each Settlement Class member with debt to be forgiven will be informed of the amount of debt to be forgiven as part of the Notice process.

- j) “Defendants” shall mean Interactive Brokers LLC; Interactive Brokers Group, Inc.; and Thomas A. Frank.
- k) “Escrow Account” means the escrow account established under terms acceptable to all Parties at a depository institution insured by the Federal Deposit Insurance Corporation to receive and maintain funds contributed on behalf of Defendants for the benefit of the Settlement Class. Funds from the Escrow Account shall be disbursed only pursuant to an order of the Court.
- l) “Execution Date” means the date by which all Parties to this Agreement have signed this Agreement.
- m) “Final Approval” means an order and judgment by the Court which finally approves this Agreement and the Settlement pursuant to Federal Rule of Civil Procedure 23 and dismisses with prejudice the claims asserted against Defendants in the Action.
- n) “Final Judgment” means the first date upon which both of the following conditions shall have been satisfied:
  - i) Final Approval; and
  - ii) Either (1) thirty days have passed from the date of Final Approval with no notice of appeal having been filed with the Court; or (2) Final Approval has been affirmed by a mandate issued by any reviewing court to which any appeal has been taken, and any further petition for review (including certiorari) has been denied, and the time for any further appeal or review of Final Approval has expired.

- o) “IB” means Defendant Interactive Brokers LLC.
- p) “Notice and Administrative Costs” means the reasonable and authorized costs and expenses of disseminating Class Notice, as set forth in Paragraph 9 of this Agreement, and all reasonable and authorized costs and expenses incurred by the Settlement Administrator in administering the Settlement.
- q) “Notice” means the information that will be provided to Settlement Class members and the process by which it will be provided to enable Settlement Class members to make an informed decision whether to remain in the Settlement Class or to opt out and whether to object or not object to this settlement.
- r) “Preliminary Approval” means a ruling by the Court to preliminarily approve this Agreement and the Settlement pursuant to Federal Rule of Civil Procedure 23, certify the Settlement Class, and direct the form and manner Notice will be provided to members of the Settlement Class.
- s) “Released Claims” shall have the meaning set forth in Paragraphs 12-14 of this Agreement.
- t) “Releasing Party” or “Releasing Parties” shall refer individually and collectively to each member of the Settlement Class, including the Plaintiff, each on behalf of themselves and their agents, heirs, executors and administrators, successors, attorneys, representatives, and assigns. Conclusive evidence of membership in the Settlement Class shall be the final list of Settlement Class members filed under seal with the Court after timely opt-out requests have been processed.
- u) “Released Parties” means Defendants and their past, present, and future parent companies, subsidiaries, predecessors, successors, divisions, affiliates, assigns, heirs, and their respective past, present, and future officers, stockholders, directors, agents, employees,

attorneys, insurers, or representatives, any joint tortfeasor, as well as all persons acting by, through, under, or in concert with them, or any of them.

- v) “Service Award” means compensation, approved by the Court, for the Plaintiff for his time and effort undertaken in the Action, which will be paid from the Settlement Funds.
- w) “Settlement” means the settlement of this Action and the Released Claims (as defined herein) with respect to Defendants and the Released Parties, as set forth in this Agreement.
- x) “Settlement Administrator” means, subject to Court approval, Simpluris, Inc.
- y) “Settlement Class” is defined as:

Other than those excluded in the subsections A through K below, all United States residents who at any time from 12/18/2013 to 7/14/2025 had margin accounts with IB, which accounts had trades executed by the A-L Software, for which the actual execution price of the trade was such that the ratio of [*Margin Improvement*]/ [*Cost to Liquidate*] falls in the range greater than zero but less than three, excluding:

- A) Federal judges who preside or have presided over this case;
- B) The staff of federal judges who have presided over this case;
- C) The immediate family of federal judges who have presided over this case;
- D) Persons employed by any of the Defendants;
- E) Persons employed by any of the affiliates of any of the Defendants;
- F) Attorneys for any Defendant and other lawyers in those lawyer’s firms and the immediate family of those attorneys;
- G) Attorneys for Plaintiff or the Class and other lawyers in those lawyer’s firms and the immediate family of those attorneys;

- H) Persons and entities who have litigated, arbitrated or negotiated a resolution of this claim with one or more Defendants related to liquidation of their margin account, or who have otherwise previously executed a settlement agreement with one or more Defendants containing a general release concerning such person's or entity's IB account;
- I) Transactions on behalf of United States residents if those transactions were for the purchase or sale of currency (FX);
- J) Any liquidation transaction conducted by the A-L Software in "forced" or "immediate" mode, if any; and
- K) All Litigated/Excluded Accounts.

The identity of all Settlement Class members is known and the full list of Settlement Class members will be filed with the Court under seal. That list will be used to provide personal notice, pursuant to the Notice Plan, to each Settlement Class Member. The list of all Litigated/Excluded Accounts and the list of persons and entities who have previously, individually litigated, arbitrated or negotiated a resolution of this claim with one or more Defendants related to liquidation of their margin account (or who have otherwise previously executed a settlement agreement with one or more Defendants containing a general release concerning such person's or entity's IB account) will also be filed under seal. After all timely opt-out notices have been received, a final list of Settlement Class Members will be filed with the Court under seal and that final list, after elimination of opt-outs, will comprise the members of the Settlement Class for all purposes, including compensation, release, res judicata, and otherwise.

z) “Settlement Funds” means the payments required to be made by Defendants pursuant to this Agreement, as set forth and subject to Paragraphs 6 and 7.

2. Motion for Preliminary Approval. No later than January 23, 2026, Plaintiff, through Class Counsel, shall submit to the Court a motion for Preliminary Approval of the Settlement memorialized by this Agreement. The Preliminary Approval motion shall include: (a) a proposed form of, content of, method for dissemination of, and date of dissemination of Notice; (b) a proposed schedule for the filing of any motion for fees and expenses and Service Award as well as the filing of a motion to approve finally this Agreement, and a fairness hearing; and (c) a proposed form of order preliminarily approving this Agreement. The items referred to in clauses (a) through (c) above shall be proposed by Plaintiff, through Class Counsel, subject to the agreement of Defendants, which agreement shall not be unreasonably withheld. The Parties shall take all reasonable actions as may be necessary to obtain Preliminary Approval of the Settlement memorialized by this Agreement.
3. Class Notice. After Preliminary Approval, and subject to approval by the Court of a Notice Plan:
  - a) As set forth in Paragraph 8 below, Defendants shall use their best efforts to provide the last known names, addresses, and all known email addresses of all members of the Settlement Class.
  - b) Class Notice shall be provided in accordance with a Notice Plan, which shall be submitted to the Court for approval in connection with the motion for Preliminary Approval and the Notice Plan shall be approved by the Court as part of the Preliminary Approval process. The content of the Notice and plan for distribution of the notice shall comply with the requirements of Federal Rule of Civil Procedure 23 and applicable due process standards.

The Notice shall advise Settlement Class members that they have the right to opt-out of the Settlement Class and describe the procedure to have their opt-out recorded. The Notice shall also advise Settlement Class members who do not opt-out of the Settlement Class that they have the right to object to the settlement and/or appear at the final fairness hearing in person or through counsel at their own expense. The Notice shall also inform each Settlement Class member of the details of the proposed settlement and shall provide them with Plaintiff's calculation of damages according to Plaintiff's alleged damage model for 100% of the damage alleged to have been suffered by the recipient of that notice, a good faith estimate of the likely amount of damages that will be received in cash by that Settlement Class member, if that Settlement Class member will also have debt released as part of the Settlement and, if applicable, the amount of the debt to be released. Notice shall be delivered to each Settlement Class member by first class United States mail at the last known postal address (updated with any more recent National Change of Address Database information) and also by email at all known email addresses.

c) All Notice and Administrative Costs will be paid out of the Settlement Funds.

4. Motion for Final Approval and Entry of Final Judgment. If the Court grants Preliminary Approval of this Agreement, Plaintiff, through Class Counsel, shall, in accordance with the schedule set forth in the Court's Preliminary Approval order, submit to the Court a separate motion for Final Approval of this Agreement by the Court. The motion for Final Approval shall seek entry of an order and Final Judgment:

a) finally approving the Settlement as being a fair, reasonable, and adequate settlement for the Settlement Class within the meaning of Federal Rule of Civil Procedure 23, and directing the implementation of the Settlement pursuant to the terms and conditions set

forth in this Agreement;

- b) dismissing the Action, with prejudice;
- c) discharging and releasing the Released Parties from all Released Claims; and
- d) reserving continuing and exclusive jurisdiction over the Settlement for all purposes.
- e) The Final Approval of this Agreement, and the items referred to in subparagraphs (a) through (d) above shall be proposed by Plaintiff, through Class Counsel, subject to the agreement of Defendants, which agreement shall not be unreasonably withheld. The Parties shall take all reasonable actions as may be necessary to obtain Final Approval of this Agreement.

5. Escrow Account. The Escrow Account will be established and shall be administered under the Court's continuing supervision and control. No disbursements of funds from the Escrow Account will occur without order of the Court.
6. Settlement Consideration. Subject to the provisions hereof, and in consideration of the Release of the Released Claims, Defendants agree to pay a sum total of five million United States dollars (\$5,000,000) into the Escrow Account not later than fifteen (15) business days after the Preliminary Approval. No additional payments will be made by Defendants to Plaintiff or the Settlement Class. The Settlement Funds represent all sums owed and payable by Defendants pursuant to this Agreement, including payment of damages, attorneys' fees, litigation expenses and costs incurred by Class Counsel and Additional Plaintiff Counsel, Service Awards, notice costs, and costs of administration. The Parties agree and acknowledge that none of the Settlement Funds paid by or on behalf of Defendants under this Agreement shall be deemed to be, in any way, a penalty or a fine of any kind. In addition, Defendant Interactive Brokers LLC shall release and forgive debts owed by Settlement Class members in the individual

amounts shown on a list filed under seal with the Court. In total Defendant Interactive Brokers LLC is releasing and forgiving approximately one million, eight hundred four thousand, eight hundred two United States dollars and seventy-seven cents (\$1,804,802.77) in debt owed by Settlement Class members to Defendant Interactive Brokers LLC, as explained below. The amount of the Settlement Funds and Debt Forgiven is subject to adjustment as set out in Paragraph 7 of this Agreement as the opt-out requests are processed and the final list of Settlement Class members and list of debt released and forgiven is prepared and filed under seal with the Court in advance of the Final Approval hearing. Membership in the class, the overall damage model, and each Settlement Class Member's individual share of the overall damage model will be determined using the same algorithm as was used as the basis of settlement negotiations. If a Settlement Class member receives neither a cash payment nor release of debt, then the release provided by this Settlement cannot be enforced against that Settlement Class member. If there are any such persons identified during the administration of the Settlement, a list of their names and addresses will be prepared and filed under seal with the Court.

7. Potential Adjustment After Opt-Outs Determined. If, due to Settlement Class member opt outs, there is a decrease in Settlement Class damages incurred during the period of March 1, 2025 through July 14, 2025, of more than \$1,000,000, then the cash payment to the Settlement Fund (Escrow Account) by Defendants shall be reduced from \$5,000,000 to \$4,588,000, and thus \$412,000 shall be refunded to Defendants from that Escrow Account.
8. Cooperation. Defendants shall provide cooperation to the Settlement Class through Class Counsel and the Claims Administrator as specified below.
  - a) **Preliminary Approval.** The Parties agree to cooperate to the extent reasonably necessary

in connection with Class Counsel's preparation of the motion for Preliminary Approval and any related documents necessary to effectuate and implement the terms and conditions of this Agreement.

- b) **Data for Class Notice.** Within fifteen (15) business days after the Execution Date, Defendants shall supply to Class Counsel at Defendants' expense and in electronic format the last known names, addresses, and all known email addresses of Settlement Class Members, the list of debts to be released and forgiven for each Settlement Class member having such debt, a list of Litigated/Excluded Accounts, and a list of persons who have litigated, arbitrated or negotiated a resolution of this claim with one or more Defendants related to liquidation of their margin account.

9. Distribution of Settlement Funds to Settlement Class.

- a) From the Settlement Funds, the costs of Notice and Administration, any Service Award to Plaintiff as ordered by the Court, attorneys' fees as well as costs and expenses of counsel in representing Plaintiff and the Settlement Class as ordered by the Court will be paid from the Settlement Fund (Escrow Account). From the cash remainder, members of the Settlement Class who have not timely and validly excluded themselves from the Class shall each be entitled to a cash payment in proportion to their damages divided by the total damages calculated for all members of the Settlement Class multiplied by the cash remainder.
- b) If Defendants choose to distribute Notice or cash benefits to Settlement Class members rather than allowing the Claims Administrator to do so, then Defendants' costs for these activities will not be reimbursed from the Settlement Fund (Escrow Account).
- c) In addition, subject to the terms of this Agreement, Settlement Class members with a debt

owing to Defendant Interactive Brokers LLC shall receive a full release and forgiveness of that debt. The specific amounts of debt to be released for each Settlement Class member will be disclosed in the individual Notice sent to that member. At this time the total debt of Settlement Class members to be released is at least \$1,804,802.77, but the debt to be released may fluctuate to some extent by the time Notice is sent to the Settlement Class members.

10. Settlement Class members need make no claim to receive their payment or the release of debt to which they are entitled. The amounts will be calculated, and the funds will be delivered or mailed within fifteen (15) business days after Final Judgment by electronic payment delivered as selected by the Settlement Class member if feasible, or check mailed to the most recent known and updated address for the Settlement Class member. Presumptively, payments by checks of less than \$5.00 will not be made due to the associated administrative cost. The Claims Administrator will maintain a website that allows Settlement Class members, using unique credentials provided by the Claims Administrator, to update their respective mailing addresses or elect a method for electronic receipt of funds to the extent feasible in a manner that is secure. If cash payments are made to Settlement Class members by check and any of those checks remain uncashed 180 days after the day the check was issued, or payments made by electronic transfer are returned, then the funds from those uncashed checks and returned electronic transfers will, if economically feasible, be distributed pro-rata to Settlement Class members who did receive the prior electronic transfer or who did receive and negotiate the payment by check. The redistribution of the funds from unnegotiated checks and returned electronic transfers will be done only pursuant to Court order. If the amount of these funds is too small to make any redistribution economically feasible on a pro rata basis, then the Parties

may make a joint motion to the Court to designate an appropriate cy pres recipient.

11. Attorneys' Fees, Costs, and Service Award. Class Counsel's entitlement to an award of attorneys' fees, costs, and/or expenses, and Plaintiff's entitlement to a Service Award for serving as the representative of the Settlement Classes, will be determined by the Court.

- a) Plaintiff will file a motion with the Court prior to the hearing on Plaintiff's motion for Final Approval of the Settlement requesting an award of attorneys' fees of no more than 33% of the Settlement Funds and a separate award of their out-of-pocket litigation expenses and costs of no more than \$1,700,000. Such amounts shall be paid exclusively from, and not in addition to, the Settlement Funds. Plaintiff will likewise file a motion with the Court prior to the final fairness hearing requesting a Service Award for Plaintiff of no more than \$100,000. The Parties agree that the single named Plaintiff's diligent participation in this litigation for over ten years, providing discovery and sitting for deposition are factors favoring awarding the maximum Service Award permitted by current Second Circuit law. The amount of any such Service Award shall be paid exclusively from, and not in addition to, the Settlement Funds. Should the Court award less than the amounts sought by Plaintiff and Class Counsel, the difference shall remain in the Settlement Funds for distribution to Settlement Class Members.
- b) Defendants will not appeal the Court's rulings concerning attorneys' fees, expenses and out of pocket costs, and Service Award if those rulings are consistent with the terms of this Agreement.
- c) No order of the Court or modification or reversal on appeal of any order of the Court concerning an award of attorneys' fees, costs and expenses, and Service Award shall constitute grounds for cancellation or termination of this Agreement.

d) The Parties acknowledge and agree that an award of attorneys' fees, costs and expenses, and Service Award shall be paid from the Settlement Funds within 20 calendar days of Final Judgment.

12. Release. Upon Final Judgment and in consideration of payment of the Settlement Funds into the Escrow Account, and for release of debts as set out above, Settlement Class members, on behalf of themselves and their agents, heirs, executors and administrators, successors, attorneys, representatives, and assigns (collectively, the "Releasing Parties") who have not properly and timely opted out as required shall be conclusively deemed to have fully, finally, and forever released the Released Parties (as defined below) from any and all Released Claims (as defined below), and further that final order shall permanently bar and enjoin the Settlement Class members (and their agents, heirs, executors and administrators, successors, attorneys, representatives, and assigns) from asserting such claims directly or indirectly against any of the Released Parties. The "Released Parties" are defined to include the Defendants and their past, present, and future parent companies, subsidiaries, predecessors, successors, divisions, affiliates, assigns, any joint tortfeasor, and their respective past, present, and future officers, stockholders, directors, agents, employees, attorneys, insurers, or representatives. The "Released Claims" means and includes, in addition to all claims set forth in all versions of the complaints filed herein, any and all claims, demands, rights, liabilities, actions, causes of action, proceedings, judgments, liens, obligations, damages, equitable, legal and administrative relief, interest, attorneys' fees, expenses and costs, disbursements, losses, consequential damages, penalties, punitive damages, exemplary damages, damages based on a multiplication of compensatory damages, damages based on emotional distress and mental anguish, demands, obligations, rights, liens, entitlements, indemnities, and contributions of

any kind or nature whatsoever related to the allegations herein, whether known, unknown or presently unknowable, suspected or unsuspected, latent or patent, accrued or unaccrued, asserted or unasserted, fixed or contingent, liquidated or unliquidated, matured or unmatured, and whether based on federal or state statute, regulation, ordinance, contract, common law, or any other source that has been, could have been, may be, or could be directly or indirectly alleged, asserted, described, set forth or referred on, or at any time before, July 14, 2025, by the Settlement Class or any member thereof either in this litigation, or in any other court action or proceeding, or before any administrative or regulatory body, tribunal or arbitration panel, whether in the United States or anywhere in the world. The “Released Claims” include, without limitation, all causes of action related to the design, development, specification, coding, manufacture, production, maintenance, ownership, use, and/or operation of the Defendants’ software and computer systems, existing on, or at any time before, July 14, 2025, without regard to whether such cause of action is or could be brought pursuant to common law, or any federal or state statute, regulation, or ordinance. For the avoidance of doubt, the “Released Claims” do not include claims for physical bodily injury.

13. Further Release. In addition to the provisions of Paragraph 12, Settlement Class members acknowledge that they may hereafter discover facts or law other than or different from those which they know or believe to be true with respect to the claims which are the subject matter of this Action. Nevertheless, each of the Settlement Class members shall fully, finally, and forever settle and release any and all known or unknown, suspected or unsuspected, contingent or non-contingent claims that would otherwise fall within the definition of Released Claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts or law.

14. Waiver of Unknown Claims: Settlement Class Members shall acknowledge that they are aware of the existence of California Civil Code § 1542 and its meaning and effect and that they have read and understand the following provision of that section which provides: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.” The Releasing Parties hereby expressly waive and release, solely with respect to the Released Claims, upon Final Judgment, to the fullest extent they may do so lawfully, any and all provisions, rights, and benefits conferred by Section 1542 of the California Civil Code, or by any law or rule of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Section 1542 of the California Civil Code. Each Releasing Party may hereafter discover facts other than or different from those which each Releasing Party knows or believes to be true with respect to the claims which are released pursuant to the provisions of Paragraph 12, but each Releasing Party hereby expressly waives and fully, finally, and forever settles and releases, upon Final Judgment, any known or unknown, suspected or unsuspected, contingent or non-contingent claim that the Releasing Parties have agreed to release pursuant to Paragraphs 12 and 13, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

15. Effect of Disapproval. If the Court does not grant Preliminary Approval of this Agreement in all material respects, or if the Court does not grant Final Approval, or if any Final Judgment approving this Agreement is materially modified or set aside on appeal, or if all of the conditions for Final Judgment do not occur, then this Agreement may be cancelled and

terminated. A Party must provide written notice of its intent to terminate this Agreement no later than ten (10) business days after the mandate issues from the appeal that materially modifies or sets aside this Agreement. If cancelled and terminated, this Agreement shall become null and void, the Settlement Funds, net of expended or incurred escrow fees, taxes, and amounts expended or incurred for Class Notice and notice administration pursuant to approval by the Court (subject to a maximum of \$150,000), shall be returned to Defendants within ten (10) days of such termination; the Parties shall be returned to their respective positions in the Action as if this Agreement had never been entered into without prejudice to any claims, rights or defenses of the Parties; the Release (set forth in Paragraphs 12 and 13) and the release and forgiveness of debt (set forth in Paragraphs 6 and 9(c)) shall be voided and shall be of no force or effect; any dismissal with prejudice of the Action or Final Judgment shall be of no force or effect; and the Plaintiff (on behalf of the Certified Class) shall be entitled to have any Final Judgment vacated and have their respective claims alleged in the Class Action Complaint reinstated as if they had never been dismissed or compromised, with all statutes of limitation deemed tolled between the time of dismissal and re-instatement, and without the need to re-serve any Defendant with process. The Parties and the Settlement Class expressly reserve all of their rights if Final Judgment is not entered in accordance with the terms of this Agreement. For avoidance of doubt, if this Agreement is terminated pursuant to this Paragraph, all orders of the Court will be reinstated including the Court's orders on class certification.

16. Consent to Jurisdiction. The Parties and any Releasing Parties hereby irrevocably submit to the exclusive jurisdiction of the Court for any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement. Without limiting the generality of the foregoing, it is hereby agreed that any dispute concerning the provisions of

Paragraph 12 or 13, including but not limited to, any suit, action, or proceeding in which the provisions of Paragraphs 12 or 13 are asserted as a defense in whole or in part to any claim or cause of action or otherwise raised as an objection, constitutes a suit, action, or proceeding arising out of or relating to this Agreement. In the event that the provisions of Paragraph 12 or 13 are asserted by any Released Party as a defense in whole or in part to any claim or cause of action or otherwise raised as an objection in any suit, action or proceeding, it is hereby agreed that such Released Party shall be entitled to a stay of that suit, action, or proceeding until the Court has entered a Final Judgment. Solely for purposes of such suit, action, or proceeding, to the fullest extent that they may effectively do so under applicable law, the Parties and any Releasing Parties irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim or objection that they are not subject to the *in personam* jurisdiction of the Court. Nothing shall be construed as a submission to jurisdiction for any purpose other than enforcement of this Agreement. Notwithstanding the foregoing, the Released Parties shall not assert the provisions of Paragraphs 12 or 13 as a defense in whole or in part to any claim or cause of action asserted based on conduct occurring after July 14, 2025.

17. Class Action Fairness Act. Defendants, at their sole expense, shall submit all materials required to be sent to appropriate Federal and State officials pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715.
18. No Responsibility or Liability for Administration of Settlement Funds. Defendants and the Released Parties shall have no responsibility or liability relating to the administration, investment, or distribution of the Settlement Funds unless Defendants elect to distribute payment to Settlement Class members, in which case Defendants will be responsible to act with reasonable care.

19. Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the successors, assigns, and heirs of the Parties, Settlement Class members, the Releasing Parties, and the Released Parties. Without limiting the generality of the foregoing, upon Final Judgment, each and every covenant and agreement herein by the Plaintiff shall be binding upon all Settlement Class members and Releasing Parties who have not validly excluded themselves from the Class.

20. Authorization to Enter this Agreement.

- a) The undersigned representative of Defendants covenants and represents that he or she is fully authorized to enter into and to execute this Agreement on behalf of Defendants.
- b) Class Counsel represent that they are fully authorized to conduct settlement negotiations with defense counsel on behalf of the Plaintiff and Settlement Class and that they have been authorized by Plaintiff to execute this Settlement Agreement.
- c) The Parties further acknowledge that this Agreement represents the entire agreement by and between them and that each makes no other representation or warranty upon which the other can rely other than as stated herein.

21. Notices. All notices under this Agreement shall be in writing. Each such notice shall be given either by: (a) hand delivery; (b) registered or certified mail, return receipt requested, postage pre-paid; or (c) Federal Express, UPS, or similar overnight courier, and, in the case of either (a), (b) or (c) shall be addressed, if directed to Plaintiff or any Settlement Class Member, to:

DeWayne Layfield  
Law Office of L. DeWayne Layfield, PLLC  
P.O. Box 3829  
Beaumont, Texas 77704

Jack Carroll  
Orgain, Bell & Tucker, LLP  
470 Orleans St., 4<sup>th</sup> Floor

Beaumont, Texas 77701

William Bloss  
Koskoff, Koskoff & Bieder, PC  
350 Fairfield Avenue  
Bridgeport, Connecticut 06604

Defendants, to:

Gary J. Mennitt  
Dechert LLP  
1095 Avenue of the Americas  
New York, New York 10036

or such other address as the Parties may designate, from time to time, by giving notice to all parties hereto in the manner described in this Paragraph.

22. No Admission. Whether or not Final Judgment is entered, or this Agreement is terminated, the Parties expressly agree that this Agreement and its contents, and any and all statements, negotiations, documents, and discussions associated with it, are not and shall not be deemed or construed to be an admission or evidence of any violation of any statute or law or regulation or of any liability or wrongdoing by Defendants or any of the Released Parties, or that the Action is suitable for class treatment. Nothing in this Agreement shall affect the application of Federal Rule of Evidence 408 or any statute or rule concerning the inadmissibility of settlement negotiations in any instance where they would otherwise apply. Moreover, neither the fact of, nor any provision contained in, this Agreement, nor any action taken hereunder, shall constitute or be construed as an admission of any claim, allegation, or assertion of fact or law made in this litigation or in any other action or proceeding, and shall not be offered or admissible in evidence for such purpose in any action or proceeding of any kind whatsoever, civil, criminal or otherwise, before any court, administrative agency, regulatory body or any other body or authority, present or future. The Defendants specifically deny any tort or liability

alleged in this Action.

23. No Third-Party Beneficiaries. No provision of this Agreement shall provide any rights to, or be enforceable by, any person or entity that is not a Released Party, Plaintiff, Settlement Class member, or Class Counsel (on behalf of the Class and with respect to fees and disbursements to be paid from the Settlement Funds pursuant to Court order).
24. No Party Is the Drafter. None of the Parties hereto shall be considered to be the drafter of this Agreement or any provision hereof for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter hereof.
25. Choice of Law. All terms of this Agreement and the other documents contemplated herein shall be governed by and interpreted according to the substantive laws of the State of Connecticut, without regard to its choice-of-law or conflict-of-laws principles.
26. Amendment and Waiver. This Agreement shall not be modified in any respect except by a writing executed by the Parties, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving Party. The waiver by any Party of any particular breach of this Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous with this Agreement. This Agreement does not waive or otherwise limit the Parties' rights and remedies for any breach of this Agreement. Any breach of this Agreement may result in irreparable damage to a Party for which such Party will not have an adequate remedy at law. Accordingly, in addition to any other remedies and damages available, the Parties acknowledge and agree that the Parties may immediately seek enforcement of this Agreement by means of specific performance or injunction, without the requirement of posting a bond or other security.

27. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement. Signatures transmitted via facsimile or e-mail shall be considered as valid signatures as of the date hereof.
28. Integrated Agreement. This Agreement comprises the entire agreement between the Parties and the terms of this Agreement are contractual and are not a mere recital. The Parties agree that this Agreement may be modified only by a written instrument signed by the Parties and that no Party will assert any claim against another based on any alleged agreement affecting or relating to the terms of this Agreement not in writing and signed by the Parties.
29. Voluntary Settlement. The Parties agree that this Agreement and the Settlement were negotiated in good faith by the Parties and reflect a Settlement that was reached voluntarily after consultation with competent counsel and the participation of a Para-Judicial Officer assigned by the Court.
30. Non-Disclosure. The Parties and anyone acting on their behalf or at their request shall not, directly or indirectly, initiate communication with, or encourage communication from, the media regarding the negotiation, existence, terms, or proceedings related to this Agreement or Action, or cause any aspect of the Action or the negotiation, existence, terms, or proceedings to be reported in the media including, but not limited to, electronic media (e.g., blogs, podcasts, forums, X (f/k/a Twitter), Facebook, LinkedIn, YouTube, Instagram, TikTok, or other internet vehicles), television, radio, or news reporting services (individually and collectively, the “Media”). In the event of a Media contact to any of the parties or their counsel, the Parties and anyone acting on their behalf or at their request shall not make any oral or written statements, directly or indirectly, other than to confirm that there has been an amicable

settlement. Notwithstanding the foregoing, the Parties may make such disclosures as may be required by law, regulation, or the terms of any agreements applicable to them.

IN WITNESS WHEREOF, the parties, individually or through their duly authorized representatives, enter into this Agreement.

Respectfully submitted and agreed,

**ROBERT SCOTT BATCHELAR**

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**PLAINTIFF & CLASS REPRESENTATIVE**

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Robert Scott Batchelar

**DEFENDANTS INTERACTIVE BROKERS  
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By:  \_\_\_\_\_

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