

**SUPREME COURT FOR THE STATE OF NEW YORK
NEW YORK COUNTY**

JOHN SOLAK, derivatively on behalf of
INTRA-CELLULAR THERAPIES, INC.,

Index No.: 652377/2022

Plaintiff,

-v-

SHARON MATES, Ph.D., JOEL S. MARCUS,
SIR MICHAEL RAWLINS, M.D., RORY B.
RIGGS, E. RENE SALAS, and ROBERT L.
VAN NOSTRAND,

**STIPULATION AND
~~PROPOSED~~ ORDER REGARDING
PRELIMINARY APPROVAL OF
PROPOSED SETTLEMENT**

Defendants,

-and-

INTRA-CELLULAR THERAPIES, INC., a
Delaware corporation,

Nominal Defendant.

WHEREAS, the Parties to the above-captioned action (the "Action") have entered into a Stipulation of Compromise and Settlement dated March 6, 2023 (the "Stipulation"), which sets forth the terms and conditions for the proposed settlement and dismissal with prejudice of the Action (the "Settlement"), subject to review and approval by this Court pursuant to Section 626, and upon notice of the current stockholders of nominal defendant Intra-Cellular Therapies, Inc. ("Intra-Cellular" or the "Company");

WHEREAS, the Court has read and considered the Stipulation and the accompanying documents; and

WHEREAS all Parties have consented to the entry of this Order.

NOW, upon application of the Parties, after review and consideration of the Stipulation filed with the Court and the exhibits annexed thereto,

IT IS HEREBY STIPULATED AND AGREED, SUBJECT TO THE COURT'S APPROVAL AND ORDER, THIS 6TH DAY OF MARCH, 2023, AS FOLLOWS:

1. For purposes of this Scheduling Order, the Court incorporates by reference the definitions in the Stipulation and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation unless otherwise defined herein.

2. A hearing (the "Settlement Hearing") shall be held on July 17, 2023, at 9:30 a.m. ~~xxxx/xxxx~~. (which date shall be at least sixty (60) calendar days after entry of this Preliminary Approval Order) in the Supreme Court for the State of New York, New York County Courthouse, 60 Centre St., New York, New York 10007, to: (i) determine whether the proposed Settlement, on the terms and conditions provided for in the Stipulation, is fair, reasonable, and adequate and in the best interests of Intra-Cellular and its current stockholders; (ii) determine whether the Court should finally approve the Stipulation and enter the Order and Final Judgment (the "Judgment") as provided in the Stipulation, dismissing the Action with prejudice and extinguishing and releasing the Released Claims; (iii) hear and determine any objections to the proposed Settlement; (iv) determine whether the Court should approve Plaintiff's Fee and Expense Application; and (v) rule on such other matters as the Court may deem appropriate.

3. The form, substance, and dissemination of information to Securities Holders regarding the proposed Settlement in the manner set out in this order ("Preliminary Approval Order") constitutes the best notice practicable under the circumstances and complies fully with Rules 904 and 908 of the New York Civil Practice Law and Rules, all other applicable law and due process.

4. The Settlement Hearing may be adjourned by the Court from time to time without further notice to anyone other than the parties to the Action and any Objectors (as defined herein). The Court reserves the right to approve the Stipulation at or after the Settlement Hearing with such

modifications as may be consented to by the Parties and without further notice.

5. The Court approves, in form and content, the Notice of Pendency of Settlement of Derivative Action (the "Notice") filed by the Parties with the Norton Affirmation as Exhibit B and finds that the giving of notice substantially in the manner set forth herein meets the requirement of N.Y. Business Corporation Law § 626 and due process, and is the best notice practicable under the circumstances.

6. Within ten (10) business days after the entry of this Scheduling Order, Intra-Cellular shall mail or cause to be mailed the Notice, substantially in the form filed herewith, to all record Intra-Cellular stockholders at their respective addresses currently set forth in Intra-Cellular's stock records. All record holders who were not also the beneficial owners of the shares of Intra-Cellular's common stock held by them of record shall be requested to forward the Notice to the beneficial owners of those shares. The Company shall use reasonable efforts to give notice to such beneficial owners by: (i) making additional copies of the Notice available to any record holder who, prior to the Settlement Hearing, requests the same for distribution to beneficial owners, or (ii) mailing or causing to be mailed additional copies of the Notice to beneficial owners as reasonably requested by record holders who provide names and addresses for such beneficial holders. The Defendants and/or their insurers shall be responsible for all costs associated with the mailing of the Notice. If additional notice is required by the Court, then the cost and administration of such additional notice will be borne by the Defendants and/or their insurers.

7. Within ten (10) business days after the entry of this order, Newman Ferrara LLP shall post copies of the Notice and the Stipulation on its website (www.nfllp.com).

8. At least ten (10) business days prior to the Settlement Hearing, Defendants' counsel shall serve on counsel in the Action and file with the Court an appropriate affidavit with respect to the preparation and mailing of the Notice in the manner set forth in this Scheduling Order, and

Plaintiff's Counsel shall serve on counsel in the Action and file with the Court an appropriate affidavit with respect to posting of the Notice and Stipulation in the manner set forth in this Scheduling Order.

9. As set forth in the Notice, any record or beneficial stockholder of Intra-Cellular who objects to the Stipulation, the proposed Judgment to be entered, and/or the Fee and Expense Application who wishes to be heard ("Objector"), may appear in person or by his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; provided, however, that no Objector shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon, unless he, she, or it has, no later than ten (10) calendar days before the Settlement Hearing (unless the Court in its discretion shall thereafter otherwise direct, upon application of such person and for good cause shown), filed with the Clerk of the Supreme Court for the State of New York, New York County, 60 Centre St., New York, New York 10007, and served (electronically, by hand, or by overnight mail) on Plaintiff's Counsel and Defendants' counsel, at the addresses below, the following: (i) proof of current ownership of Intra-Cellular stock; (ii) a written notice of the Objector's intention to appear, including identifying, if represented, the Objector's counsel; (iii) a detailed statement of the objections to any matter before the Court; and (iv) a detailed statement of all of the grounds thereon and the reasons for the Objector's desire to appear and to be heard, as well as all documents or writings which the Objector desires the Court to consider. In addition to the aforementioned Court address, the addresses to which such information should be sent (electronically, by hand, or by overnight mail) are as follows:

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(212) 619-5400

Attorneys for Plaintiff

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MINTZ, LEVIN, COHN, FERRIS,
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John F. Sylvia
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(617) 348-1820

Attorneys for Intra-Cellular

10. Any person or entity who fails to object in the manner prescribed above shall be deemed to have waived such objection (including the right to appeal), unless the Court in its discretion allows such objection to be heard at the Settlement Hearing, and shall forever be barred from raising such objection in the Action or any other action or proceeding or otherwise contesting the Stipulation or the Fee and Expense Application, and will otherwise be bound by the Judgment to be entered and the releases to be given.

11. At least twenty-one (21) calendar days prior to the Settlement Hearing, Plaintiff's Counsel shall file with the Court a brief in support of the Settlement, including the Fee and Expense Amount. Any objections to the Settlement and/or the Fee and Expense Amount shall be filed and served no later than ten (10) calendar days prior to the Settlement Hearing.

12. At least five (5) calendar days prior to the Settlement Hearing, the Parties may serve and file with the Court a response brief to any objections made by an Objector pursuant to paragraph 9, above.

13. In the event that the Stipulation is not approved by the Court, the Settlement and

any actions taken in connection therewith shall become null and void for all purposes, and all negotiations, transactions, and proceedings connected with it: (i) shall be without prejudice to the rights of any Party thereto; (ii) shall not be deemed to be construed as evidence of, or an admission by any Party of any fact, matter, or thing; and (iii) shall not be admissible in evidence or be used for any purpose in any subsequent proceedings in the Action or any other action or proceeding. The Parties shall be deemed to have reverted to their respective status in the Action as of the date and time immediately prior to the execution of the Stipulation, and, except as otherwise expressly provided, the Parties shall proceed in all respects as if the Stipulation and any related orders had not been entered.

14. All proceedings in this Action (except proceedings as may be necessary to carry out the terms and conditions of the proposed Settlement) are hereby stayed and suspended until further order of the Court. Except as provided in the Stipulation, pending final determination of whether the Settlement should be approved, Plaintiff in the action and all Intra-Cellular stockholders are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Released Claim against Defendants or any of the Released Persons.

15. The Court may, for good cause shown, extend any of the deadlines set forth in this Order without further notice to anyone other than the Parties to the Action and any Objectors.

SO ORDERED:



HON. MELISSA A. CRANE, J.S.C. Dated: 4/12/23

Dated: New York, New York
March 6, 2023

NEWMAN FERRARA LLP

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WHARTON & GARRISON LLP

/s/ Jeffrey M. Norton

/s/ Geoffrey Chepiga

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Attorneys for Intra-Cellular

IT IS SO ORDERED:

J.S.C.