

Georgia State University College of Law
Reading Room

Georgia Business Court Opinions

11-9-2012

Order and Final Judgment (In re Transcend Services, Inc. Shareholder Litigation)

Elizabeth E. Long
Fulton County Superior Court

Follow this and additional works at: <http://readingroom.law.gsu.edu/businesscourt>



Part of the [Law Commons](#)

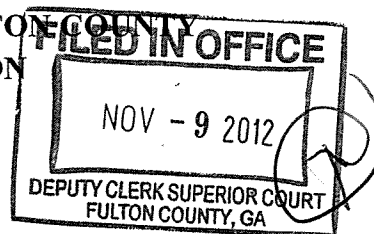
Institutional Repository Citation

Long, Elizabeth E., "Order and Final Judgment (In re Transcend Services, Inc. Shareholder Litigation)" (2012). *Georgia Business Court Opinions*. Paper 259.
<http://readingroom.law.gsu.edu/businesscourt/259>

This Court Order is brought to you for free and open access by Reading Room. It has been accepted for inclusion in Georgia Business Court Opinions by an authorized administrator of Reading Room. For more information, please contact jgermann@gsu.edu.

COPY

**IN THE SUPERIOR COURT OF FULTON COUNTY
BUSINESS CASE DIVISION
STATE OF GEORGIA**



**IN RE TRANSCEND SERVICES, INC.
SHAREHOLDER LITIGATION**

:
:
: **Civil Action File No. 2012CV213119**

ORDER AND FINAL JUDGMENT

This matter having come before the Court upon a motion for final approval of the terms of a Stipulation of Settlement (“Stipulation”) dated as of August 13, 2012, made and entered into by and among (i) plaintiffs Broadway Capital, David Krause and Samir Salva (collectively “Plaintiffs”) and (ii) defendants Transcend Services, Inc., Larry G. Gerdes, Joseph G. Bleser, Joseph P. Clayton, James D. Edwards, Walter S. Huff Jr., Charles E. Thoele, Nuance Communications, Inc. and Townsend Merger Corporation (collectively “Defendants,” together with Plaintiffs, the “Parties”) in the above-captioned consolidated class action (the “Consolidated Action”), by and through their respective attorneys; and the Court, having held a hearing, as noticed, on November 5, 2012, at 10:00 a.m. (the “Settlement Hearing”) to consider the proposed settlement as embodied in the Stipulation (the “Settlement”); and the Court having determined that due and adequate notice has been given in accordance with the Order For Notice and Scheduling of Hearing of Settlement (the “Notice Order”) and that such notice was adequate and sufficient, and the parties having appeared by their attorneys of record; and the attorneys for the respective parties having been heard in support of the Settlement of the Consolidated Action for which the Stipulation provides therein; and an opportunity to be heard having been given to all other persons desiring to be heard as provided in the Notice; and the entire matter of the Settlement having been heard and considered by the Court;

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED
THAT:**

1. This Court has jurisdiction over the subject matter of the Consolidated Action and, for the purposes of the Settlement of the Consolidated Action only, over all parties to the Consolidated Action, including but not limited to, Plaintiffs, all members of the Class (as defined at paragraph 3 below), and the Defendants.

2. The Court finds that each of the requirements of O.C.G.A. § 9-11-23 has been satisfied with respect to certification of a class for settlement purposes, in that (a) the class is so numerous that joinder of all members is impracticable, (b) there are questions of law or fact common to the class, (c) the claims or defenses of the representative parties are typical of the claims or defenses of the class, (d) the representative parties will fairly and adequately protect the interests of the class, (e) the questions of law or fact common to the members of the class predominate over any questions affecting only individual members, and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

3. Pursuant to O.C.G.A. § 9-11-23, the Court hereby certifies a settlement class consisting of all persons or entities who owned Transcend's common stock from March 6, 2012 through and including April 27, 2012, and all of their successors in interest and transferees, immediate and remote, through and including April 26, 2012, but not Defendants and persons or entities related to or affiliated with Defendants (the "Class").

4. Plaintiffs Broadway Capital, David Krause and Samir Salva are hereby certified as the settlement class representatives (the "Class Representatives"). The Court finds that the Class Representatives and their counsel have fairly and adequately represented the interests of the Class.

5. Commencing on or about September 13, 2012, the Notice of Pendency and Proposed Settlement of Class Action (the "Notice") was sent to the Settlement Class pursuant to and in the manner directed by the Notice Order. A full opportunity to be heard has been afforded to all parties, the Settlement Class and persons in interest. The form and manner of the Notice is hereby determined to have been the best notice practicable under the circumstances and is due and sufficient notice to the Class members pursuant to Georgia law and due process, and it is further determined that all members of the Class are bound by this Order and Final Judgment.

6. The Court finds that the Settlement set forth in the Stipulation should be approved, except as otherwise provided herein. Accordingly, the Stipulation and the terms of the Settlement as described in the Stipulation, except for those provisions providing for the resolution of Plaintiffs' counsel's claims for attorneys fees and reimbursement for expenses, are hereby approved in their entirety, pursuant to the requirements of O.C.G.A. § 9-11-23. With regard to Plaintiffs' counsel's claims for attorneys' fees and reimbursement for expenses, the Court approves the sum total of \$350,000. The parties to the Settlement are hereby directed to consummate the Settlement in accordance with the terms and provisions of the Stipulation and this Order. Plaintiff, all Settlement Class Members and Defendants are hereby bound by the terms of the Settlement as set forth in the Stipulation and this Order.

7. The Court dismisses the Consolidated Action without court costs to any party as against any other party and permanently bars and enjoins the institution and prosecution by Plaintiffs and any member of the Class of any other action against any Released Party (as defined in the Stipulation) in any court asserting any Settled Claims (as defined in the Stipulation).

8. All parties to the Consolidated Action and their counsel, including but not limited to Defendants, and all of their present or past heirs, executors, estates, administrators,

predecessors, successors, assigns, parents, subsidiaries, associates, affiliates, employers, employees, agents, consultants, insurers, directors, managing directors, officers, partners, principals, members, attorneys, accountants, financial and other advisors, investment bankers, underwriters, lenders, and any other representatives of any of these persons or entities (the “Released Parties”) are released with respect to all claims, rights, causes of action, liabilities, damages, losses and obligations, whether known or unknown, direct or derivative, belonging to Plaintiffs and any or all members of the putative class and, to the extent their claims derive from the above, their present or past heirs, executors, estates, administrators, predecessors, successors, assigns, parents, subsidiaries, associates, affiliates, employers, employees, agents, consultants, insurers, directors, managing directors, officers, partners, principals, members, attorneys, accountants, financial and other advisors, investment bankers, underwriters, lenders, and any other representatives of any of these persons and entities (including, without limitation, any claims, whether direct, derivative, representative or in any other capacity, arising under federal, state, local, statutory or common law or any law, rule or regulation, including the law of any jurisdiction outside the United States) that relate in any way to any alleged misstatement or omission, any breach of duty, any negligence or fraud (or any other alleged wrongdoing or misconduct) and also relate in any way to the Consolidated Action, the Merger, Merger Agreement, the Recommendation Statement, the Tender Offer Documents, the Supplemental Disclosures, the fiduciary and other duties owed by Defendants to shareholders of Transcend in connection therewith, Defendants’ disclosure obligations under federal, state or any other law in connection with the Merger, Merger Agreement, Recommendation Statement, Tender Offer Documents, Supplemental Disclosures, or any other claim related in any way to any of the foregoing (but excluding any statutory claims for appraisal and also claims to enforce this

Settlement) (the “Settled Claims”). Additionally, the Released Parties release all claims they may have against Plaintiffs, Plaintiffs’ Counsel or any member of the Class relating to their filing, prosecution and settlement of the Consolidated Action and any of its constituent actions (the “Defendants’ Claims”), including claims that Plaintiffs, Defendants, any or all members of the putative class, and any or all other persons and entities whose claims are being released, do not know or suspect to exist, which, if known by him, her or it, might affect his, her or its agreement to release the Released Parties and the Released Claims, or might affect his, her or its decision to object to or not object to the Settlement (the “Unknown Claims”).


9. This Order and Final Judgment shall not constitute any evidence, or an admission by Plaintiff or any of the Released Parties (as defined in the Stipulation), that any acts of wrongdoing have been committed or not been committed and shall not be deemed to create any inference that there is any liability or lack of liability on the part of any of the Released Parties.

10. The Court reserves jurisdiction, without affecting the finality of this Judgment, over the enforcement and administration of the Settlement.

11. There being no just reason for delay, the Court hereby directs that this Order and Final Judgment be entered by the Clerk of the Court.

12. In the event that the “Effective Date” does not occur in accordance with paragraph B.1(h) of the Stipulation, then this judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation, and this Order and Final Judgment shall be vacated. In such event, all orders entered in connection with the Stipulation shall be void, and the Settlement Class shall be decertified. In such event, the Action shall return to its status prior to execution of the Stipulation.

Dated: Nov. 7, 2012


ELIZABETH E. LONG, SENIOR JUDGE
Superior Court of Fulton County
Atlanta Judicial Circuit

Copies to:

Attorneys for Plaintiffs	Attorneys for Defendants
<p>Jesse A. Davis III DAVIS ADAMS, LLC 125 Clairemont Ave., Suite 525 Decatur, Georgia 30030 Tel: (404) 373-8466 Fax: (404) 373-8455 jad@davis-adams.com</p> <p>Richard B. Brualdi (<i>pro hac vice</i>) 29 Broadway, 24th Floor New York, New York 10006 Tel: (212) 952-0602 Fax: (212) 952-0608 rbrualdi@brualdilawfirm.com</p> <p>Cullin A. O'Brien (<i>pro hac vice</i>) ROBBINS GELLER RUDMAN & DOWD, LLP 120 E. Palmetto Park Road, Suite 500 Boca Raton, Florida 33438 cobrien@rgdlaw.com</p> <p>John C. Herman 3424 Peachtree Road, NE, Suite 1650 Atlanta, GA 30326 jherman@rgdlaw.com</p> <p>Emily Komlossy Juan Monteverde Faruqi & Faruqi 369 Lexington Avenue, 10th Floor New York, NY 10017 ekomlossy@faruqilaw.com jmonteverde@faruqilaw.com</p> <p>David Bain Law Offices of David Bain, LLC David A. Bain 1050 Promenade II 1230 Peachtree Street, NE Atlanta, GA 30309 dbain@bain-law.com</p>	<p><i>Attorneys for Transcend Services, Inc. and the Individual Defendants</i></p> <p>John G. Despriet Robert R. Ambler, Jr. Mark A. Rogers WOMBLE CARLYLE SANDRIDGE & RICE, LLP 271 17th Street, Suite 2400 Atlanta, Georgia 30363 Tel: (404) 872-7000 Fax: (404) 888-7490 jdespriet@wcsr.com rambler@wcsr.com marogers@wcsr.com</p> <p>Blair Connelly LATHAM & WATKINS, LLP 885 Third Avenue New York, New York 10022 Tel: (212) 906-1200 Fax: (212) 751-4864 blair.connelly@lw.com</p> <p>Michael J. Faris 233 South Wacker Driver, Suite 5800 Chicago, Illinois 60606 Tel: (312) 876-6579 Fax: (312) 993-9767 michael.faris@lw.com</p> <p><i>Attorneys for Defendants Nuance Communications, Inc. and Townsend Merger Corp.</i></p> <p>John A. Jordak, Jr. Brandon R. Williams ALSTON & BIRD, LLP One Atlantic Center 1201 W. Peachtree Street, N.W. Atlanta, Georgia 30309 Tel: (404) 881-7868 Fax: (404) 253-8358 john.jordak@alston.com brandon.williams@alston.com</p>

	<p>David J. Berger Steve Guggenheim (<i>pro hac vice</i>) Luke Liss (<i>pro hac vice</i>) WILSON SONSINI GOODRICH & ROSATI 650 Page Mill Road Palo Alto, California 94304 Tel: (650) 493-9300 Fax: (650) 493-6811 dberger@wsgr.com ssguggenheim@wsgr.com</p>
--	---