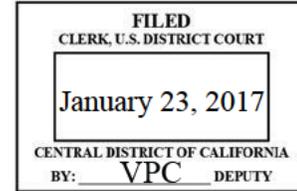


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8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA**

10 JOHN M. FLYNN, Individually and on  
11 Behalf of All Others Similarly Situated,

: No. 2:15-cv-07548-SJO-RAO

12 Plaintiff,

: **ORDER PRELIMINARILY**  
: **APPROVING SETTLEMENT**  
: **AND PROVIDING FOR**  
: **NOTICE**

13 v.

: **EXHIBIT A**

14 SIENTRA, INC., HANI ZEINI,  
15 MATTHEW PIGEON, NICHOLAS  
16 SIMON, TIMOTHY HAINES, R.  
17 SCOTT GREER, KEVIN O'BOYLE,  
18 JEFFREY NUGENT, PIPER  
19 JAFFRAY & CO., STIFEL,  
20 NICOLAUS & CO., INC., LEERINK  
21 PARTNERS LLC., and WILLIAM  
22 BLAIR & CO., L.L.C.,

23 Defendants.

1 WHEREAS, the parties to the above-entitled action (the “Federal Action”) and the  
2 parties to related litigation (the “State Action”) pending in San Mateo Superior Court of  
3 the State of California (the “State Court”) (and collectively, the “Actions”) entered into a  
4 Stipulation of Settlement dated December 16, 2016 (the “Stipulation” or “Settlement”),  
5 which is subject to review by this Court and the State Court and which, together with the  
6 Exhibits thereto, sets forth the terms and conditions for the Settlement of the claims  
7 alleged in the Actions; and the Court having read and considered the Stipulation and the  
8 accompanying documents, including the Motion For Preliminary Approval Of Class  
9 Action Settlement and Memorandum Of Points And Authorities In Support Of Lead  
10 Plaintiffs’ Motion; and the parties to the Stipulation having consented to the entry of this  
11 Order; and all capitalized terms used herein having the meanings defined in the  
12 Stipulation;

13 NOW, THEREFORE, IT IS HEREBY ORDERED, this 23<sup>RD</sup> day of January  
14 2017, that:

15 1. The Court preliminarily finds that:

16 (a) the Settlement resulted from informed, extensive arm’s-length  
17 negotiations, including mediation under the direction of an experienced mediator, Robert  
18 Meyer;

19 (b) the Settlement is sufficiently fair, reasonable, and adequate to warrant  
20 providing notice of the Settlement to the Class; and

21 (c) the Class, defined in paragraph 1.5 of the Stipulation as: “all Persons  
22 who purchased or otherwise acquired Sientra Common Stock ... pursuant or traceable to  
23 Sientra’s secondary offering in September 2015, and all Persons who purchased or  
24 acquired Sientra Common Stock during the period May 14, 2015 through and including  
25 October 28, 2015[,]” and excluding “Defendants, members of the immediate families of  
26 Defendants, any firm, trust, partnership, corporation, officer, director or other individual  
27 or entity in which any Defendant has a controlling interest, and the legal representatives,  
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1 heirs, successors-in-interest or assigns of any such excluded person[,]” as well as “any  
2 Person who validly requests exclusion pursuant to the requirements set forth in the  
3 Notice,” is certified solely for purposes of this Settlement.

4 2. A hearing (the “Final Approval Hearing”) is hereby scheduled to be held  
5 before the Court on Monday, May 22, 2017 at 10:00 a.m., to determine:

6 (a) whether the Court should finally certify the Class and whether the Lead  
7 Plaintiffs and Co-Lead Counsel have adequately represented the Class;

8 (b) whether the Settlement, on the terms and conditions provided for in the  
9 Stipulation, should be finally approved by the Court as fair, reasonable and adequate;

10 (c) whether the Judgment substantially in the form attached as Exhibit B to the  
11 Stipulation should be entered, dismissing the Action on the merits and with prejudice,  
12 and whether the Release of the Released Persons as set forth in the Stipulation should be  
13 ordered;

14 (d) whether the Court should permanently enjoin and bar the assertion of any  
15 Released Claims;

16 (e) whether the Fee and Expense Application submitted by Co-Lead Counsel  
17 should be approved;

18 (f) whether the proposed Plan of Allocation should be approved;

19 (g) whether any Class Member’s timely objection to the Settlement, the Fee and  
20 Expense Application, and/or the Plan of Allocation should be sustained; and

21 (h) such other matters as the Court may deem necessary or appropriate.

22 3. The Court reserves the right to approve the Settlement with or without  
23 modification and with or without further notice to the Class and may adjourn the Final  
24 Approval Hearing without further notice to the Class. The Court reserves the right to  
25 enter the Judgment approving the Settlement regardless of whether it has approved the  
26 Plan of Allocation, or Co-Lead Counsel’s request for an award of attorneys’ fees and  
27 expenses.  
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1           4.       The Court approves the form, substance and requirements of the Notice of  
2 Proposed Settlement of Class Actions (the “Notice”), the Proof of Claim and Release  
3 (the “Proof of Claim”) and the Summary Notice of Proposed Settlement of Class  
4 Actions (the “Summary Notice”), annexed hereto as Exhibits A-1, A-2 and A-3,  
5 respectively.

6           5.       The Court approves the appointment of Gilardi & Co. LLC as the Claims  
7 Administrator.

8           (a)       The Claims Administrator shall cause the Notice and the Proof of  
9 Claim, substantially in the forms annexed hereto, to be mailed, by First-Class Mail,  
10 postage prepaid, within fourteen (14) calendar days of the entry of this Order, to all Class  
11 Members who can be identified with reasonable effort. Within five (5) calendar days of  
12 this Order, Sientra, at its expense, shall promptly make, or cause to be made, the last  
13 known addresses of Class Members, or other identifying information, as set forth in the  
14 books and records regularly maintained by the Company or its transfer agent, available  
15 to the Claims Administrator for the purpose of identifying and giving notice to the Class.

16           (b)       The Claims Administrator shall cause the Summary Notice to be  
17 published once in the national edition of *The Wall Street Journal*, and once over the  
18 *Business Wire*, within ten (10) calendar days after the mailing of the Notice.

19           6.       Co-Lead Counsel shall, at least fourteen (14) calendar days before the Final  
20 Approval Hearing, file with the Court and serve on the settling Parties proof of mailing  
21 of the Notice and Proof of Claim and proof of publication of the Summary Notice.

22           7.       The form and content of the Notice and the Summary Notice, and the  
23 method set forth herein of notifying the Class of the Settlement and its terms and  
24 conditions, meet the requirements of the Federal Rules of Civil Procedure and due  
25 process, constitute the best notice practicable under the circumstances, and shall  
26 constitute due and sufficient notice to all persons and entities entitled thereto.

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1           8.     In order to be entitled to participate in the Net Settlement Fund, in the  
2 event the Settlement is consummated in accordance with its terms set forth in the  
3 Stipulation, each Class Member shall take the following actions and be subject to the  
4 following conditions:

5                 (a)     Within ninety (90) days after such time as set by the Court to mail  
6 notice to the Class, each Person claiming to be an Authorized Claimant shall be required  
7 to submit to the Claims Administrator a completed Proof of Claim, substantially in a  
8 form contained in Exhibit A-2 attached hereto and as approved by the Court, signed  
9 under penalty of perjury.

10                (b)     Except as otherwise ordered by the Court, all Class Members who fail  
11 to timely submit a Proof of Claim within such period, or such other period as may be  
12 ordered by the Court, or otherwise allowed, shall be forever barred from receiving any  
13 payments pursuant to the Stipulation and the Settlement set forth therein, but will in all  
14 other respects be subject to and bound by the provisions of the Stipulation, the releases  
15 contained therein, and the Judgment. Notwithstanding the foregoing, Co-Lead Counsel  
16 may, in their discretion, accept for processing late submitted claims so long as the  
17 distribution of the Net Settlement Fund to Authorized Claimants is not materially  
18 delayed, but shall incur no liability for declining to accept a late-submitted claim.

19                (c)     As part of the Proof of Claim, each Class Member shall submit to the  
20 jurisdiction of the State Court and the Federal Court with respect to the claim submitted,  
21 and shall (subject to effectuation of the Settlement) release all Released Claims as  
22 provided in the Stipulation.

23           9.     Class Members shall be bound by all determinations and judgments in the  
24 Actions, whether favorable or unfavorable, unless they request exclusion from the Class  
25 in a timely and proper manner, as hereinafter provided. A Class Member wishing to  
26 make such request shall, no later than thirty (30) calendar days prior to the date  
27 scheduled herein for the Final Approval Hearing, mail a request for exclusion in written  
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1 form by First-Class Mail postmarked to the address designated in the Notice. Such  
2 request for exclusion shall indicate the name, address and telephone number of the  
3 person seeking exclusion, that the person requests to be excluded from the Settlement,  
4 and must be signed by such person. Such persons requesting exclusion are also  
5 requested to state the number of shares of Sientra common stock they purchased or  
6 acquired that are subject to the Actions. The request for exclusion shall not be effective  
7 unless it is made in writing within the time stated above, and the exclusion is accepted  
8 by the Court. Class Members requesting exclusion from the Class shall not be entitled  
9 to receive any payment out of the Net Settlement Fund as described in the Stipulation  
10 and Notice.

11 10. The Court will consider objections to the Settlement, the Plan of  
12 Allocation, and/or the award of attorneys' fees and expenses. Any person wanting to  
13 object may do so in writing and/or by appearing at either of the Final Approval  
14 Hearings. To the extent any person wants to object in writing, such objections and any  
15 supporting papers, accompanied by proof of Class membership, copies of all such  
16 papers shall be served no later than May 8, 2017, which is fourteen calendar days prior  
17 to the date scheduled herein for the Final Approval Hearing, upon the following: the  
18 Claims Administrator, Gilardi & Co., LLC; Ellen Gusikoff Stewart, Robbins Geller  
19 Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101; and  
20 Leigh Handelman Smollar, Pomerantz LLP, 10 S. LaSalle Street, Chicago, IL 60603, on  
21 behalf of all Plaintiffs and the Class in the State and Federal Actions, respectively.  
22 Persons who intend to object in writing to the Settlement, the Plan of Allocation, and/or  
23 the request for an award of attorneys' fees and expenses and desire to present evidence  
24 at either of the Final Approval Hearings must include in their written objections copies  
25 of any exhibits they intend to introduce into evidence at the Final Approval Hearing. If  
26 an objector hires an attorney to represent him, her or it for the purposes of making an  
27 objection, the attorney must both effect service of a notice of appearance on counsel  
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1 listed above and file it with the Court by no later than May 8, 2017. A Class Member  
2 who files a written objection does not have to appear at either of the Final Approval  
3 Hearings for the Courts to consider his, her or its objection. Any Class Member who  
4 does not make his, her, or its objection in the manner provided shall be deemed to have  
5 waived such objection and shall be foreclosed from making any objection to the fairness  
6 or adequacy of the Settlement set forth in the Stipulation, to the Plan of Allocation, or to  
7 the award of attorneys' fees and expenses to Co-Lead Counsel.

8 11. All papers in support of the Settlement, the Plan of Allocation, and any  
9 application by Co-Lead Counsel for attorneys' fees and expenses shall be filed thirty  
10 days prior to the Final Approval Hearing. All reply papers shall be filed and served at  
11 least seven (7) calendar days prior to the Final Approval Hearing.

12 12. All funds held by the Escrow Agent shall be deemed and considered to be  
13 *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court,  
14 until such time as such funds shall be distributed pursuant to the Stipulation and/or  
15 further order(s) of the Court.

16 13. Defendants' counsel and Co-Lead Counsel shall promptly furnish each  
17 other with copies of any and all objections that come into their possession.

18 14. Pending final determination of whether the Settlement should be approved,  
19 Lead Plaintiffs, all Class Members, and each of them, and anyone who acts or purports  
20 to act on their behalf, shall not institute, commence, maintain or prosecute, and are  
21 hereby barred and enjoined from instituting, commencing, maintaining or prosecuting,  
22 any action in any court or tribunal that asserts any Released Claims against any  
23 Released Person.

24 15. All reasonable expenses incurred in identifying and notifying Class  
25 Members, as well as administering the Settlement Fund, shall be paid as set forth in the  
26 Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails  
27 to become effective, neither Lead Plaintiffs nor any of their counsel shall have any  
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1 obligation to repay any amounts actually and properly disbursed, or due and owing from  
2 the Settlement Fund as provided for in the Stipulation.

3 16. If any specified condition to the Settlement set forth in the Stipulation is  
4 not satisfied and Lead Plaintiffs or Defendants elect to terminate the Settlement then, in  
5 any such event, the Stipulation, including any amendment(s) thereof, shall be null and  
6 void, of no further force or effect without prejudice to any party, and may not be  
7 introduced as evidence or referred to in any action or proceedings by any person or  
8 entity for any purpose, and each party shall be restored to his, her or its respective  
9 position as it existed on December 16, 2016.

10 17. The Court may adjourn or continue the Final Approval Hearing without  
11 further written notice.

12 18. The Court retains exclusive jurisdiction over this Action to consider all  
13 further matters arising out of or connected with the Settlement. The Court may approve  
14 the Settlement, with such modifications as may be agreed by the Settling Parties, if  
15 appropriate, without further notice to the Class.

16 IT IS SO ORDERED.



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18 Dated: January 23, 2017

19 HONORABLE S. JAMES OTERO  
20 UNITED STATES DISTRICT JUDGE  
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