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CIRCUIT COURT
FOR MULTNOMAH COUNTY

Verified Correct Copy of Original 11/15/2018.

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IN THE CIRCUIT COURT FOR THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

IRA S. NATHAN,

Plaintiffs,

v.

SERGE MATTA, et al.,

Defendants.

Lead Case No. 16CV32458

**ORDER GRANTING CLAIMS BAR
ORDER AND INJUNCTION**

THIS MATTER came before the Court on November 13, 2018, on the unopposed motion of defendant Ernst & Young LLP (“EY”) for a claims bar order and injunction. The Court considered the motion, supporting authorities, memoranda, declarations, and pleadings filed in this case in support of the claim bar and injunction and in support of the parties Stipulation of Settlement to determine preliminarily that the proposed compromises and plan of distribution are fair and adequate. The Court makes the following findings and conclusions:

This is a class action in which Plaintiffs allege that defendants are liable under Section 11 of the Securities Act of 1933, 15 U.S.C. § 77k, pursuant to Plaintiffs’ allegations in the Complaint of John Hulme in these consolidated cases (the “Action”) (attached as Exhibit 1).

The Court entered an order that, among other things, determined this action would be maintained as a class action with respect to the proposed settlement with the EY, approved notice to members of the class, and preliminarily approved a proposed settlement and compromise of the class action between Plaintiffs and the other members of the class, on the one hand, and EY, on the other hand.

As part of that settlement, EY filed an unopposed motion seeking a claim bar order and

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injunction on October 23, 2018.


In light of the foregoing, EY's unopposed motion for a claim bar order and injunction is hereby granted, and it is hereby

ORDERED:

1. The Court hereby *permanently bars and enjoins*, to the fullest extent permitted by law, any and all claims by any individual or entity ("Barred Person") against the EY Releasees, and by the EY Releasees against any Barred Person, for (a) contribution or indemnity arising out of or related to the claims or allegations asserted by Plaintiffs in the Action, or (b) any other claim of any type, whether arising under state, federal, common, or foreign law, for which the injury or damages claimed is that Barred Person's actual or threatened liability to Plaintiffs or the Class.

2. Nothing in the injunction shall be construed to limit rights to indemnity created by contract or under a policy of insurance.

3. This claims bar order and injunction shall be incorporated by reference into the final judgment with respect to defendants entered by the Court in this case.

11/13/18 

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IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH

JOHN HULME, on behalf of himself and
all others similarly situated,

Plaintiff

v.

SERGE MATTA, MELVIN WESLEY III,
MAGID M. ABRAHAM, GIAN M.
FULGONI, RUSSELL FRADIN,
WILLIAM J. HENDERSON, WILLIAM
KATZ, RONALD J. KORN, JOAN
LEWIS, and ERNST & YOUNG LLP,

Defendants.

Case No. _____

CLASS ACTION COMPLAINT

CLAIMS NOT SUBJECT TO
MANDATORY ARBITRATION

Fee Authority: ORS 21.135(1),(2)(a)

JURY TRIAL DEMANDED

Plaintiff John Hulme (“Plaintiff”), individually and on behalf of all others similarly situated, brings this class action complaint against Serge Matta, Melvin Wesley III, Magid M. Abraham, Gian M. Fulgoni, Russell Fradin, William J. Henderson, William Katz, Ronald J. Korn, and Joan Lewis (collectively, the “Individual Defendants”) as well as Ernst & Young LLP (“E&Y”) on behalf of a class of former shareholders of Rentrak Corporation (“Rentrak”) whose Rentrak shares were converted to shares of comScore, Inc. (“comScore”) upon the closing of the merger between Rentrak and comScore on February 1, 2015 (the “Transaction” and the “Class”).¹

¹ Plaintiff, by and through his attorneys, alleges upon personal knowledge as to himself and his own acts, and upon information and belief as to all other matters. Plaintiff’s allegations are based upon the investigation conducted by and through his attorneys, which included, among other things, a review of documents filed by Defendants with the United States Securities and Exchange Commission (the “SEC”) news reports, press releases and other publicly available documents.

NATURE AND SUMMARY OF THE ACTION

1
2 1.

3 Plaintiff, on behalf of the Class, brings claims against all Defendants for violations of
4 Section 11 of the Securities Act of 1933 (the “Securities Act”). This court has jurisdiction over
5 claims arising under the Securities Act and such claims may not be removed to federal court. *See*
6 15 U.S.C. § 77v(a); *Luther v. Countrywide Home Loans Servicing LP*, 533 F.3d 1031, 1032 (9th
7 Cir. 2008) (“Section 22(a) of the Securities Act of 1933 creates concurrent jurisdiction in state
8 and federal courts over claims arising under the Act. It also specifically provides that such claims
9 brought in state court are not subject to removal to federal court.”); *Nathan v. Matta, et al.*, Case
10 No. 3:16-cv-02127 (D. Ore.) (Minute Order in substantially identical action stating, “In light of
11 briefing by the parties and oral argument on 3/10/2017, Plaintiff’s Motion to Remand [15] is
12 GRANTED. This case will be REMANDED to the Multnomah County Circuit Court. Ordered
13 by Judge Michael W. Mosman. (dls)”).

14 2.

15 The issuance of comScore common stock in connection with the Transaction was
16 registered under the Securities Act of 1933, as amended, pursuant to comScore’s registration
17 statement on Form S-4 (File No. 333-207714), filed with the SEC and declared effective on
18 December 23, 2015 (the “Registration Statement”). This case arises from untrue statements of
19 material fact contained in the Registration Statement.

20 3.

21 The Registration Statement provided historical consolidated financial data for comScore
22 for 2010 through 2014—including (i) revenue; (ii) total expenses from operations; and (iii) (loss)
23 income from operations—derived from comScore’s audited consolidated financial statements,
24 which were incorporated by reference. The Registration Statement also provided the same

25 _____
26 To avoid any confusion or delay, this Complaint is substantively identical to the Class Action
Complaint filed in *Nathan v. Matta, et al.*, Case No. 16CV32458.

1 information for the six months ended June 30, 2015 and June 30, 2014. comScore has now
2 admitted that this financial information was misstated and can no longer be relied upon.
3 Defendants are strictly liable for the losses that Plaintiff and the Class have incurred as a result of
4 these untrue statements of material fact.

5 **PARTIES**

6 4.

7 Plaintiff, at all relevant times, was a significant holder of Rentrak common stock in an
8 account held in joint tenancy with his wife. On the day the Transaction was announced,
9 Plaintiff's investment in Rentrak common stock was valued at over a million dollars. When the
10 Transaction closed, Plaintiff's Rentrak holdings were converted into shares of comScore
11 common stock and he has therefore suffered significant financial harm and damages from the
12 decline in the value of that comScore stock caused by the corrective disclosures described herein.

13 5.

14 Defendant Serge Matta was comScore's Chief Executive Officer from March 1, 2014 to
15 August 5, 2016. On September 9, 2016, Matta gave notice that he intended to resign from
16 employment with the Company, effective October 10, 2016. Matta joined comScore's Board of
17 Directors on April 15, 2014. On December 15, 2016, Matta resigned from the comScore Board,
18 effective immediately. Matta signed the Registration Statement.

19 6.

20 Defendant Melvin Wesley III was comScore's Chief Financial Officer from August 2014
21 to August 5, 2016. On September 1, 2016, Matta gave notice that he would resign from the
22 Company, effective October 10, 2016. Wesley signed the Registration Statement. In order to
23 effectuate the Transaction, comScore created an Oregon corporation called Rum Acquisition
24 Corporation. Wesley became an officer of Rum Acquisition Corporation and signed the merger
25 agreement on its behalf.

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7.

Defendant Magid M. Abraham joined comScore’s Board of Directors in 1999 and was its Executive Chairman from March 1, 2014 to July 22, 2016. On July 22, 2016, the Company announced that Abraham had resigned as Executive Chairman and would leave the Board on the expiration of his term in 2018. On December 5, 2016, the Company announced that Abraham had resigned from the Board. Abraham signed the Registration Statement.

8.

Defendant Gian M. Fulgoni has been comScore’s Chief Executive Officer since August 5, 2016. He has been a member of the Company’s Board of Directors since 1999 and has served as Chairman Emeritus since 2014. Fulgoni signed the Registration Statement.

9.

Defendant Russell Fradin has been a member of comScore’s Board of Directors since July 2014. Fradin signed the Registration Statement.

10.

Defendant William J. Henderson has been a member of comScore’s Board of Directors since August 2001. Henderson signed the Registration Statement.

11.

Defendant William Katz joined comScore’s Board of Directors in June 2008. On September 12, 2016, Katz notified the Company that he intended to provide notice of resignation to the Company’s Board of Directors on September 30, 2016, with service through October 30, 2016. Katz signed the Registration Statement.

12.

Defendant Ronald J. Korn has been a member of comScore’s Board of Directors since November 2005. Korn signed the Registration Statement.

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13.

Defendant Joan Lewis joined comScore’s Board of Directors in January 2015. On November 17, 2016, Lewis resigned from the Board, effective immediately. Lewis signed the Registration Statement.

14.

Defendant Ernst & Young LLP has served as comScore’s independent audit firm since 2000. The Registration Statement incorporated comScore’s consolidated financial statements for the year ended December 31, 2014 in reliance on the report of E&Y, given on the authority of E&Y as experts in auditing and accounting and included the following statement by E&Y:

We consent to the reference to our firm under the caption “Experts” in this Registration Statement (Form S-4) and related Prospectus of comScore, Inc. for the registration of shares of its common stock and to the incorporation by reference therein of our reports dated February 20, 2015, with respect to the consolidated financial statements of comScore, Inc., and the effectiveness of internal control over financial reporting of comScore, Inc., included in its Annual Report (Form 10-K) for the year ended December 31, 2014, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP
McLean, Virginia
December 4, 2015

RELEVANT NON-PARTIES

15.

Rentrak Corporation was an Oregon corporation and became a wholly owned subsidiary of comScore on February 1, 2016. Prior to February 1, 2016, Rentrak was an independent corporation headquartered in Portland, Oregon. Rentrak traded on the NASDAQ exchange under the ticker symbol “RENT.”

JURISDICTION AND VENUE

16.

This Court has jurisdiction over each Defendant named herein because each Defendant is an individual or entity who has sufficient minimum contacts with Oregon so as to render the

1 exercise of jurisdiction by the Oregon courts permissible under traditional notions of fair play
2 and substantial justice.

3 17.

4 Venue is proper in this Court because a substantial portion of the transactions and wrongs
5 complained of herein occurred in this county, and Defendants have received substantial
6 compensation in this county by doing business here and engaging in numerous activities that had
7 an effect in this County insofar as the actions alleged in this Complaint all involve the acquisition
8 by comScore of Rentrak, a corporation headquartered in this County and incorporated in Oregon.

9 18.

10 This court has jurisdiction over claims arising under the Securities Act of 1933. *See* 15
11 U.S.C. § 77v(a).

12 **SUBSTANTIVE ALLEGATIONS**

13 19.

14 The Transaction was an all-stock transaction in which Plaintiff and other Class members
15 received 1.15 shares of comScore stock for each share of Rentrak stock that they held. The
16 issuance of comScore common stock in connection with the Transaction was registered under the
17 Securities Act of 1933, as amended, pursuant to comScore’s registration statement on Form S-4
18 (File No. 333-207714), filed with the SEC and declared effective on December 23, 2015.
19 comScore filed its initial Form S-4 (Registration Statement Under The Securities Act of 1933) on
20 October 30, 2015. On December 4, 2015, comScore filed an amendment to the Registration
21 Statement (Amendment No. 1 to Form S-4 Registration Statement Under the Securities Act of
22 1933). The SEC declared the Registration Statement effective on December 23, 2015.

23 20.

24 The Registration Statement provided historical consolidated financial data for comScore
25 for 2010 through 2014—including (i) revenue; (ii) total expenses from operations; and (iii) (loss)
26 income from operations—derived from comScore’s audited consolidated financial statements,

1 which were incorporated by reference. The Registration Statement also provided the same
2 information for the six months ended June 30, 2015 and June 30, 2014:

3 **SUMMARY SELECTED HISTORICAL CONSOLIDATED FINANCIAL**
4 **DATA OF COMSCORE**

5 The following table sets forth comScore’s selected historical consolidated
6 financial and other data for the periods ended and as of the dates indicated. The
7 consolidated statements of operations for the years ended December 31, 2012,
8 2013 and 2014 and the consolidated balance sheet data as of December 31, 2013
9 and 2014 have been derived from comScore’s audited consolidated financial
10 statements incorporated by reference into this joint proxy statement/prospectus.
11 The consolidated statements of operations for the years ended December 31, 2010
12 and 2011 and the consolidated balance sheet data as of December 31, 2010, 2011
13 and 2012 have been derived from comScore’s audited consolidated financial
14 statements that are not incorporated by reference into this joint proxy
15 statement/prospectus. The consolidated statement of operations for the nine
16 months ended September 30, 2014 and 2015 and the consolidated balance sheet
17 data as of September 30, 2015 have been derived from comScore’s unaudited
18 condensed consolidated financial statements incorporated by reference into this
19 joint proxy statement/prospectus. The consolidated balance sheet data as of
20 September 30, 2014 has been derived from comScore’s unaudited condensed
21 consolidated financial statements that are not incorporated by reference into this
22 joint proxy statement/prospectus. The data presented below should be read in
23 conjunction with the section entitled “Management’s Discussion and Analysis of
24 Financial Condition and Results of Operations” and the consolidated financial
25 statements and the related notes contained in comScore’s most recent Annual
26 Report on Form 10-K and its Quarterly Report on Form 10-Q for the period ended
September 30, 2015, incorporated by reference into this joint proxy
statement/prospectus. See the section entitled “Where You Can Find More
Information” beginning on page 136 of this joint proxy statement/prospectus.

	Year Ended December 31,					Nine Months Ended September 30,	
	2014	2013	2012	2011	2010	2015	2014
	(In thousands, except share and per share data)						
Consolidated Statement of Operations Data:							
Revenues	\$ 329,151	\$ 286,860	\$ 255,193	\$ 232,392	\$ 174,999	\$ 271,148	\$ 239,048
Cost of revenues (1)	97,467	89,963	86,379	75,103	51,953	84,259	71,164
Selling and marketing (1)	103,525	99,947	91,849	78,289	59,641	75,376	78,791
Research and development (1)	60,364	41,025	33,994	34,050	26,377	49,937	39,192
General and administrative (1)	62,923	46,449	38,134	48,514	33,953	57,041	42,952
Amortization of intangible assets	7,230	7,957	9,289	9,301	4,534	9,904	5,786
Impairment of intangible assets	9,722	—	3,349	—	—	—	6,942
Gain on asset disposition	—	(214)	—	—	—	—	—
Loss on asset disposition	—	—	—	—	—	5,226	—
Settlement of litigation, net	2,700	(1,360)	—	5,175	—	(830)	2,780
Total expenses from operations	343,931	283,767	262,994	250,432	176,458	280,913	247,607
(Loss) income from operations	(14,780)	3,093	(7,801)	(18,040)	(1,459)	(9,765)	(8,559)
Interest and other (expense) income, net	(1,247)	(938)	(870)	(525)	53	(1,181)	(889)
Gain (loss) from foreign currency transactions	809	(62)	(744)	(410)	(347)	(529)	253
Gain on sale of marketable securities	—	—	—	211	—	—	—
(Loss) income before income taxes	(15,218)	2,093	(9,415)	(18,764)	(1,753)	(11,475)	(9,195)
Benefit (provision) for income taxes	5,315	(4,426)	(2,374)	2,974	177	324	1,952
Net loss	\$ (9,903)	\$ (2,333)	\$ (11,789)	\$ (15,790)	\$ (1,576)	\$ (11,151)	\$ (7,243)
Net loss per common share:							
Basic	\$ (0.29)	\$ (0.07)	\$ (0.35)	\$ (0.49)	\$ (0.05)	\$ (0.30)	\$ (0.22)
Diluted	\$ (0.29)	\$ (0.07)	\$ (0.35)	\$ (0.49)	\$ (0.05)	\$ (0.30)	\$ (0.22)
Weighted-average number of shares used in per share calculations:							
Basic	33,689,660	34,443,126	33,244,798	32,289,877	31,070,018	37,586,329	33,550,933
Diluted	33,689,660	34,443,126	33,244,798	32,289,877	31,070,018	37,586,329	33,550,933

(1) Amortization of stock-based compensation is included in the line items above as follows:

Cost of revenues	\$ 4,007	\$ 3,346	\$ 2,481	\$ 1,976	\$ 1,494	\$ 4,434	\$ 2,671
Selling and marketing	10,778	11,062	12,283	8,512	6,217	8,176	9,191
Research and development	4,610	3,021	1,919	1,988	1,868	4,531	2,580
General and administrative	22,578	9,606	8,213	8,784	8,195	21,876	12,000

	December 31,					September 30,	
	2014	2013	2012	2011	2010	2015	2014
	(In thousands)						
Consolidated Balance Sheet Data:							
Cash, cash equivalents and short-term investments	\$ 43,015	\$ 67,795	\$ 61,764	\$ 38,071	\$ 33,736	\$ 141,829	\$ 39,610
Total current assets	178,883	178,799	148,929	119,373	103,097	263,463	159,018
Total assets	353,952	363,413	336,485	320,057	283,079	545,648	338,641
Total current liabilities	151,610	134,973	121,306	112,390	97,228	131,693	146,805
Equipment loan and capital lease obligations, long-term	13,072	13,330	6,478	6,676	7,959	14,673	13,039
Stockholders' equity	175,265	198,802	195,643	190,567	165,832	387,659	164,627

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21.

Each of the Individual Defendants signed the Registration Statement. The Registration Statement incorporated comScore’s consolidated financial statements for the year ended December 31, 2014 in reliance on the report of E&Y, given on the authority of E&Y as experts in auditing and accounting and included the following statement by E&Y:

We consent to the reference to our firm under the caption “Experts” in this Registration Statement (Form S-4) and related Prospectus of comScore, Inc. for the registration of shares of its common stock and to the incorporation by reference therein of our reports dated February 20, 2015, with respect to the consolidated financial statements of comScore, Inc., and the effectiveness of internal control over financial reporting of comScore, Inc., included in its Annual Report (Form 10-K) for the year ended December 31, 2014, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP
McLean, Virginia
December 4, 2015

22.

The Transaction closed on February 1, 2016. Plaintiff and the Class received 1.15 shares of comScore stock—registered pursuant to the Registration Statement—for each share of Rentrak stock that they held. Rentrak shares closed at \$44.47 per share on January 29, 2016—the last day of trading before the Transaction closed. comScore shares closed at \$38.53 per share on January 29, 2016 and \$39.00 per share on February 1, 2016. comScore stock closed yesterday at \$21.99 per share.

23.

On March 7, 2016, comScore announced that its Audit Committee was investigating “certain potential accounting matters,” and, as a result, the Company (i) would be unable to file its annual report on Form 10-K in a timely manner; (ii) was postponing its previously scheduled Investor Day conference; and (iii) was postponing a previously announced share repurchase program.

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24.

On September 15, 2016, comScore filed a Form 8-K, announcing that its financial results—including (i) revenue; (ii) total expenses from operations; and (iii) (loss) income from operations—had been misstated going back to 2013:

As previously disclosed, on February 19, 2016 the Audit Committee (the “Audit Committee”) of the Board of Directors (the “Board”) of comScore, Inc. (the “Company”) received a message regarding certain potential accounting matters. In response, the Audit Committee immediately commenced an investigation of the matters with the assistance of King & Spalding LLP, as independent counsel to the Audit Committee, and AlixPartners, LLP, as forensic accountants.

As a result of issues identified thus far in that investigation, on September 12, 2016 the Audit Committee, in consultation with management, concluded that (i) the Company’s consolidated financial statements for the quarters ended September 30, 2015, June 30, 2015 and March 31, 2015 included in the Company’s Quarterly Reports on Form 10-Q, (ii) the Company’s consolidated financial statements for the years ended December 31, 2014 and 2013 included in the Company’s Annual Reports on Form 10-K (including the interim periods within those years) and (iii) the Company’s preliminary unaudited condensed consolidated financial statements for the quarters and year ended December 31, 2015 included as an exhibit to the Company’s Current Report on Form 8-K furnished on February 17, 2016, should no longer be relied upon due to the misstatements described below.

Management and the Audit Committee have discussed the matters disclosed in this report with the Company’s independent registered public accounting firm, Ernst & Young LLP.

Background

As a result of the February 19, 2016 message, the Audit Committee has been investigating the issues raised by the message and matters related to the Company’s revenue recognition practices, disclosures and internal controls. **The investigation of the matters in the message is substantially complete and the Audit Committee identified areas of concern in the matters reviewed, including certain activities that reflect errors in judgment with respect to certain accounting practices and resulting disclosures as well as deficiencies in the Company’s internal control system. The transactions under review in the investigation principally relate to nonmonetary transactions. Management with input from accounting consultants has been analyzing these transactions, and as discussed below, management has concluded that these transactions have been recorded in error.**

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As the investigation concludes, the Company also will be undertaking a significant effort to help ensure that the errors in judgment and internal control deficiencies did not impact other transactions that were not part of the investigation. Therefore, there may be additional accounting adjustments as a result of these efforts and such adjustments may be material.

Based on the results of the Audit Committee investigation to date and management’s review, the Company cannot support the prior accounting for the nonmonetary transactions recorded by the Company during the years ended December 31, 2013, 2014 and 2015. As a result, the Company has concluded that revenue and expenses associated with all nonmonetary transactions during the periods identified above should be reversed and accounted for at historical cost rather than at fair value. There is no historical cost basis associated with the assets that the Company exchanged and therefore there should be no revenue recognized or expenses incurred for those transactions. While a nonmonetary transaction inherently has no effect on operating income or cash flow over the life of the relevant agreement governing such transaction, the timing of revenue recognized relative to the related expense recognized may have an effect on a periodic basis. As previously disclosed, the Company does not expect in the future to enter into any nonmonetary transactions that would result in the recognition of revenue.

Based on the results of the investigation to date, certain remediation actions have been recommended by the Audit Committee, with a view toward improved accounting and internal control practices. These recommendations include enhancing communications to support a robust control environment; strengthening controls around the Company’s revenue recognition practices; and enhancing the Company’s internal audit and compliance functions. The Company is committed to maintaining an effective control environment and making changes needed to enhance effectiveness.

Currently anticipated impacts of the misstatements

Based on the results of the investigation to date, the Company’s current preliminary estimate of errors discovered to date with respect to the nonmonetary transactions described above on previously reported revenues, expenses from operations, and operating income (loss) is as follows:

	<i>(Dollars in thousands)</i>		Revenue		Total Expenses from Operations		(Loss) Income from Operations	
	Previously Reported	As Adjusted	Previously Reported	As Adjusted	Previously Reported	As Adjusted	Previously Reported	As Adjusted
Year Ended								
December 31, 2014	\$ 329,151	\$ 312,900	\$ 343,931	\$ 327,668	\$ (14,780)	\$ (14,768)		
Year Ended								
December 31, 2013	\$ 286,860	\$ 283,615	\$ 283,767	\$ 281,971	\$ 3,093	\$ 1,644		

	<i>(Dollars in thousands)</i>		Revenue		Total Expenses from Operations		(Loss) Income from Operations	
	Previously Reported	As Adjusted	Previously Reported	As Adjusted	Previously Reported	As Adjusted	Previously Reported	As Adjusted
Quarter ended March 31, 2015 ⁽¹⁾	\$ 87,329	\$ 83,532	\$ 96,519	\$ 92,348	\$ (9,190)	\$ (8,816)		
Quarter ended June 30, 2015 ⁽¹⁾	91,414	80,649	94,232	89,242	(2,818)	(8,593)		
Quarter ended September 30, 2015 ⁽¹⁾	92,405	83,310	90,162	85,032	2,243	(1,722)		
Quarter ended December 31, 2015 ⁽¹⁾	97,669	92,362	90,554	84,030	7,115	8,332		
Year Ended December 31, 2015 ⁽¹⁾	\$ 368,817	\$ 339,853	\$ 371,467	\$ 350,652	\$ (2,650)	\$ (10,799)		

⁽¹⁾ The Company previously filed unaudited interim consolidated financial statements for the quarters ended March 31, June 30 and September 30, 2015 and furnished preliminary unaudited financial results for the quarter and year ended December 31, 2015.

The reported amounts for 2015 and the as adjusted amounts for 2013, 2014 and 2015 described above related to the errors in nonmonetary transactions are preliminary, unaudited and subject to change.

The Company is working toward filing its restated consolidated financial statements as soon as practicable. At this time, however, the Company cannot predict with certainty when the preparation of those prior period restated financial statements, as well as any subsequently required Forms 10-Q and Forms 10-K including the Company's financial statements, will be completed. The restated consolidated financial statements will reflect any additional accounting adjustments that arise as a result of the efforts described above.

The Company is committed to addressing the issues identified, and to re-establishing timely financial reporting as soon as practicable.

(Emphasis added).

25.

Pursuant to Generally Accepted Accounting Principles ("GAAP"), previously issued financial statements should be restated only to correct material accounting errors that existed at the time the statements were originally issued. See Statement of Financial Accounting Standards

1 No. 154. Therefore, the historical figures that were included in the Registration Statement
2 materially misstated comScore’s (i) revenue; (ii) total expenses from operations; and (iii) (loss)
3 income from operations.

4 26.

5 The Transaction would not have closed but for the untrue statements of material fact
6 identified above. A majority of Rentrak stockholders would have voted against the Transaction,
7 if they had known that comScore had misstated its financial results and that, as a result, the price
8 of comScore stock was inflated and the consideration that they were to receive was worth
9 significantly less than its stated value. In the alternative, Plaintiff and the Class could have sold
10 their Rentrak shares prior to the share exchange.

11 **CLASS ACTION ALLEGATIONS**

12 27.

13 Plaintiff brings this action individually and as a class action on behalf of all holders of
14 Rentrak stock whose Rentrak stock was converted to comScore stock upon the closing of the
15 Transaction (the “Class”). Excluded from the Class are Defendants and any person, firm, trust,
16 corporation, or other entity related to or affiliated with any Defendant.

17 28.

18 This action is properly maintainable as a class action.

19 29.

20 The Class is so numerous that joinder of all members is impracticable. According to the
21 Company’s SEC filings, there were more than 15.3 million shares of Rentrak common stock
22 issued and outstanding as of December 23, 2015. Consequently, the number of Class members is
23 believed to be in the thousands and are likely scattered across the United States. Moreover,
24 damages suffered by individual Class members may be small, making it overly expensive and
25 burdensome for individual Class members to pursue redress on their own.

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30.

There are questions of law and fact that are common to the Class and that predominate over questions affecting any individual Class member. The common questions include, *inter alia*:

- a. whether the Registration Statement contained untrue statements of material fact;
- b. whether the Individual Defendants signed the Registration Statement; and
- c. whether E&Y was, with its consent, named as having prepared or certified any part of the Registration Statement, or as having prepared or certified any report or valuation which is used in connection with the Registration Statement, with respect to the statement in the Registration Statement, report, or valuation, which purports to have been prepared or certified by E&Y.

31.

Plaintiff's claims are typical of the claims of the other members of the Class and Plaintiff does not have any interests adverse to the Class.

32.

Plaintiff is an adequate representative of the Class, has retained competent counsel experienced in litigation of this nature, and will fairly and adequately protect the interests of the Class.

33.

The prosecution of separate actions by individual members of the Class would create a risk of inconsistent or varying adjudications with respect to individual members of the Class, which would establish incompatible standards of conduct for Defendants; or adjudications with respect to individual members of the Class would, as a practical matter, be dispositive of the interest of other members or substantially impair or impede their ability to protect their interests.

34.

There will be no difficulty in the management of this litigation. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

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35.

Defendants have acted on grounds generally applicable to the Class with respect to the matters complained of herein, thereby making appropriate the relief sought herein with respect to the Class as a whole.

36.

On January 5, 2017, Plaintiff sent notices to each of the Defendants by certified mail, return receipt requested, notifying Defendants of the wrongs alleged herein and demanding that they rectify those wrongs. True and accurate copies of those notices are attached hereto as Exhibits A, B, and C and are incorporated herein by reference. As of the date of this filing, Defendants have not responded to the notices.

CLAIM FOR RELIEF

**Violation of Section 11 of the Securities Act
(Against All Defendants)**

37.

Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

38.

The Registration Statement contained untrue statements of material fact. The Individual Defendants signed the Registration Statement. E&Y was, with its consent, named as having prepared or certified part of the Registration Statement and as having prepared or certified a report or valuation which was used in connection with the Registration Statement, with respect to the statement in the Registration Statement, report, or valuation, which purported to have been prepared or certified by E&Y.

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39.

Plaintiff and the Class were harmed by the untrue statements of material fact in the Registration Statement. They purchased comScore stock at an inflated price via the share exchange process of the Transaction.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands the following relief in his favor and in favor of the Class, and against Defendants, as follows:

- A. Ordering that this action may be maintained as a class action and certifying Plaintiff as Class representatives and their counsel as Class counsel;
- B. Finding the Defendants liable;
- C. Awarding Plaintiff the costs of this action, including a reasonable allowance for attorneys' and experts' fees;
- D. Granting such other and further relief as this Court deems just and proper.

JURY TRIAL DEMAND

Plaintiff demands a trial by jury on all claims and issues so triable.

Dated this 17th day of March, 2017.

STOLL STOLL BERNE LOKTING &
SHLACHTER P.C.

By: s/Timothy S. DeJong
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Email: tdejong@stollberne.com
Nadia H. Dahab, OSB No. 125630
Email: ndahab@stollberne.com

209 SW Oak Street, Suite 500
Portland, OR 97204
Telephone: (503) 227-1600

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OF COUNSEL:

BLOCK & LEVITON LLP

Jason M. Leviton (*pro hac vice* application to be filed)

Joel A. Fleming (*pro hac vice* application to be filed)

155 Federal Street, Suite 400

Boston, MA 02110

Telephone: (617) 398-5600

Email: jason@blockesq.com

joel@blockesq.com

ANDREWS & SPRINGER LLC

Peter B. Andrews (*pro hac vice* application to be filed)

Craig J. Springer (*pro hac vice* application to be filed)

David M. Sborz (*pro hac vice* application to be filed)

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Wilmington, DE 19807

Telephone: (302) 504-4957

Email: pandrews@andrewsspringer.com

cspringer@andrewsspringer.com

dsborz@andrewsspringer.com

Attorneys for Plaintiff

January 5, 2017

BY CERTIFIED MAIL AND ELECTRONIC MAIL

Serge Matta
Magid M. Abraham
Gian M. Fulgoni
Russell Fradin
William J. Henderson
William Katz
Ronald J. Korn
Joan Lewis
c/o Stephen A. Swedlow, Esq.
Quinn Emanuel Urquhart & Sullivan LLP
500 West Madison St., Suite 2450
Chicago, Illinois 60661
stephenswedlow@quinnemanuel.com

Re: Notice and Demand

Dear Mr. Swedlow:

I write on behalf of John A. Hulme, Jr., a former shareholder of Rentrak Corporation (“Rentrak”), whose Rentrak shares were converted to common stock of comScore, Inc. (“comScore”) on January 29, 2016 pursuant to the merger between comScore and Rentrak (the “Transaction”).

This is a notice and demand for action made pursuant to ORCP 32 H made by Mr. Hulme to your clients, Serge Matta, Magid M. Abraham, Gian M. Fulgoni, Russell Fradin, William J. Henderson, William Katz, Ronald J. Korn, and Joan Lewis (the “comScore Director Defendants”).

Unless classwide relief is granted *in toto*, Mr. Hulme intends to file an action for damages and equitable relief pursuant to ORCP 32 A and B, consolidate that action with *Nathan v. Matta, et al.*, No. 3:16-cv-02127 (D. Ore.) (the “Pending Litigation”) if and when that matter is remanded to Oregon state court, and seek appointment as a representative of the following class (the “Class”):

All holders of Rentrak Corporation stock whose Rentrak Corporation stock was converted to comScore Inc. stock upon the closing of the Transaction on January 29, 2016 (announced February 1, 2016). Excluded from this Class are Defendants and any person, firm, trust, corporation, or other entity related to or affiliated with any Defendant.

Verified Correct Copy of Original 11/15/2018.



A. Particular Alleged Cause of Action

Mr. Hulme intends to assert a claim against the comScore Director Defendants under Section 11 of the Securities Act of 1933.

B. Basis of Claim

The basis for these claims is set forth in detail in the Complaint filed in the Pending Litigation which is hereby incorporated by reference as though fully set forth herein.

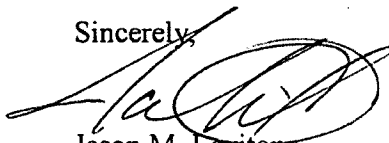
In short, the issuance of comScore common stock in connection with the Transaction was registered under the Securities Act of 1933, as amended, pursuant to comScore's registration statement on Form S-4 (File No. 333-207714), filed with the SEC and declared effective on December 23, 2015 (the "Registration Statement"). Mr. Hulme's claims arise from untrue statements of material fact contained in the Registration Statement, which was signed by each of the comScore Director Defendants.

Specifically, the Registration Statement provided historical consolidated financial data for comScore for 2010 through 2014—including (i) revenue; (ii) total expenses from operations; and (iii) (loss) income from operations—derived from comScore's audited consolidated financial statements, which were incorporated by reference. The Registration Statement also provided the same information for the six months ended June 30, 2015 and June 30, 2014. comScore has now admitted that this financial information was materially untrue and can no longer be relied upon. The comScore Director Defendants are strictly liable for the losses that Mr. Hulme and the Class have incurred as a result of these untrue statements of material fact.

C. Demand That Wrong Be Rectified

On behalf of the putative Class, Mr. Hulme demands that the comScore Director Defendants rectify the wrongs described above by rescinding the Transaction and/or paying damages to each Class member in the amount of \$9.56 per share.

Sincerely,



Jason M. Leviton

cc – comScore, Inc., 7700 NE Ambassador Place, 3rd Floor, Portland, OR 97220-1393

January 5, 2017

BY CERTIFIED MAIL AND ELECTRONIC MAIL

Ernst & Young LLP
c/o Stephen M. Rummage
Davis Wright Tremaine LLP
1300 S.W. Fifth Ave, Suite 2400
Portland, OR 97201-5610
steverummage@dwt.com

Re: Notice and Demand

Dear Mr. Rummage:

I write on behalf of John A. Hulme, Jr., a former shareholder of Rentrak Corporation (“Rentrak”), whose Rentrak shares were converted to common stock of comScore, Inc. (“comScore”) on January 29, 2016 pursuant to the merger between comScore and Rentrak (the “Transaction”).

This is a notice and demand for action made pursuant to ORCP 32 H made by Mr. Hulme to your client, Ernst & Young LLP (“E&Y”).

Unless classwide relief is granted *in toto*, Mr. Hulme intends to file an action for damages and equitable relief pursuant to ORCP 32 A and B, consolidate that action with *Nathan v. Matta, et al.*, No. 3:16-cv-02127 (D. Ore.) (the “Pending Litigation”) if and when that matter is remanded to Oregon state court, and seek appointment as a representative of the following class (the “Class”):

All holders of Rentrak Corporation stock whose Rentrak Corporation stock was converted to comScore Inc. stock upon the closing of the Transaction on January 29, 2016 (announced February 1, 2016). Excluded from this Class are Defendants and any person, firm, trust, corporation, or other entity related to or affiliated with any Defendant.

A. Particular Alleged Cause of Action

Mr. Hulme intends to assert a claim against E&Y under Section 11 of the Securities Act of 1933.

B. Basis of Claim

The basis for these claims is set forth in detail in the Complaint filed in the Pending Litigation which is hereby incorporated by reference as though fully set forth herein.

In short, the issuance of comScore common stock in connection with the Transaction was registered under the Securities Act of 1933, as amended, pursuant to comScore’s registration statement on Form S-4 (File No. 333-207714), filed with the SEC and declared effective on

Verified Correct Copy of Original 11/15/2018.

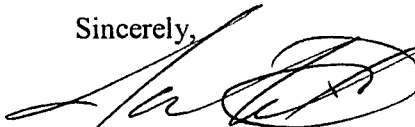
December 23, 2015 (the "Registration Statement"). Mr. Hulme's claims arise from untrue statements of material fact contained in the Registration Statement. E&Y was, with its consent, named as having prepared or certified part of the Registration Statement and as having prepared or certified a report or valuation which was used in connection with the Registration Statement, with respect to the statement in the Registration Statement, report, or valuation, which purported to have been prepared or certified by E&Y.

Specifically, the Registration Statement provided historical consolidated financial data for comScore for 2010 through 2014—including (i) revenue; (ii) total expenses from operations; and (iii) (loss) income from operations—derived from comScore's audited consolidated financial statements, which were incorporated by reference. The Registration Statement also provided the same information for the six months ended June 30, 2015 and June 30, 2014. comScore has now admitted that this financial information was materially untrue and can no longer be relied upon. E&Y is strictly liable for the losses that Mr. Hulme and the Class have incurred as a result of these untrue statements of material fact.

C. Demand That Wrong Be Rectified

On behalf of the putative Class, Mr. Hulme demands that E&Y rectify the wrongs described above by paying damages to each Class member in the amount of \$9.56 per share.

Sincerely,



Jason M. Leviton

cc – Ernst & Young LLP, Brewery Block 2, 1120 NW Couch Street, Suite 425, Portland, OR 97209

January 5, 2017

BY CERTIFIED MAIL AND ELECTRONIC MAIL

Melvin Wesley III
c/o Douglas B. Paul
Hogan Lovells LLP
555 13th Street NW
Washington, DC 20004
douglas.paul@hoganlovells.com

Re: Notice and Demand

Dear Mr. Paul:

I write on behalf of John A. Hulme, Jr., a former shareholder of Rentrak Corporation (“Rentrak”), whose Rentrak shares were converted to common stock of comScore, Inc. (“comScore”) on January 29, 2016 pursuant to the merger between comScore and Rentrak (the “Transaction”).

This is a notice and demand for action made pursuant to ORCP 32 H made by Mr. Hulme to your client, Melvin Wesley III (“Wesley”).

Unless classwide relief is granted *in toto*, Mr. Hulme intends to file an action for damages and equitable relief pursuant to ORCP 32 A and B, consolidate that action with *Nathan v. Matta, et al.*, No. 3:16-cv-02127 (D. Ore.) (the “Pending Litigation”) if and when that matter is remanded to Oregon state court, and seek appointment as a representative of the following class (the “Class”):

All holders of Rentrak Corporation stock whose Rentrak Corporation stock was converted to comScore Inc. stock upon the closing of the Transaction on January 29, 2016 (announced February 1, 2016). Excluded from this Class are Defendants and any person, firm, trust, corporation, or other entity related to or affiliated with any Defendant.

A. Particular Alleged Cause of Action

Mr. Hulme intends to assert a claim against Wesley under Section 11 of the Securities Act of 1933.

B. Basis of Claim

The basis for these claims is set forth in detail in the Complaint filed in the Pending Litigation which is hereby incorporated by reference as though fully set forth herein.

In short, the issuance of comScore common stock in connection with the Transaction was registered under the Securities Act of 1933, as amended, pursuant to comScore’s registration

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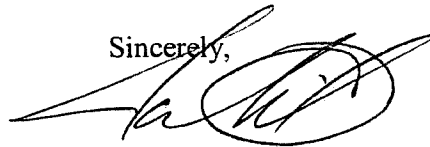
statement on Form S-4 (File No. 333-207714), filed with the SEC and declared effective on December 23, 2015 (the "Registration Statement"). Mr. Hulme's claims arise from untrue statements of material fact contained in the Registration Statement, which was signed by Wesley.

Specifically, the Registration Statement provided historical consolidated financial data for comScore for 2010 through 2014—including (i) revenue; (ii) total expenses from operations; and (iii) (loss) income from operations—derived from comScore's audited consolidated financial statements, which were incorporated by reference. The Registration Statement also provided the same information for the six months ended June 30, 2015 and June 30, 2014. comScore has now admitted that this financial information was materially untrue and can no longer be relied upon. Wesley is strictly liable for the losses that Mr. Hulme and the Class have incurred as a result of these untrue statements of material fact.

C. Demand That Wrong Be Rectified

On behalf of the putative Class, Mr. Hulme demands that Wesley rectify the wrongs described above by rescinding the Transaction and/or paying damages to each Class member in the amount of \$9.56 per share.

Sincerely,



Jason M. Leviton

cc – comScore, Inc., 7700 NE Ambassador Place, 3rd Floor, Portland, OR 97220-1393

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing **ORDER GRANTING CLAIM BAR ORDER AND INJUNCTION** on:

Timothy S. DeJong
Nadia H. Dahab
Steve D. Larson
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Katz, Ronald J. Korn, Joan Lewis

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Attorneys for Defendant Serge Matta

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16 michael.kelly@hoganlovells.com;
17 yuri.fuchs@hoganlovells.com

Casey N. Nokes
Cable Huston LLP
1001 SW 5th Ave., Ste. 2000
Portland, OR 97204
Email: cnokes@cablehuston.com

Attorneys for Defendant Melvin Wesley III

Attorneys for Defendant Melvin Wesley III

11 by mailing a copy thereof in a sealed, first-class postage prepaid envelope,
12 addressed to said attorney's last-known address and deposited in the U.S. mail at Portland,
13 Oregon on the date set forth below.

14 Dated this 23rd day of October, 2018.

15 DAVIS WRIGHT TREMAINE LLP

16
17 By: s/ Tim Cunningham
18 Stephen M. Rummage, admitted *Pro Hac Vice in*
19 *Nathan*
20 Tim Cunningham, OSB #100906
21 John F. McGrory, Jr., OSB #813115

22 Attorneys for Defendant Ernst & Young LLP

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CERTIFICATE OF READINESS – UTCR 5.100

(check all that apply):

This proposed order or judgment is ready for judicial signature because:

- 1. Each party affected by this order or judgment has stipulated to the order or judgment, as shown by each party’s signature on the document being submitted.
- 2. Each party affected by this order or judgment has approved the order or judgment, as shown by each party’s signature on the document being submitted or by written confirmation of approval sent to me.
- 3. I have served a copy of this order or judgment on each party entitled to service and:
 - a. No objection has been served on me.
 - b. I received objections that I could not resolve with a party despite reasonable efforts to do so. I have filed a copy of the objections I received and indicated which objections remain unresolved.
 - c. After conferring about objections, [role and name of objecting party] agreed to independently file any remaining objection.
- 4. Service is not required pursuant to subsection (3) of this rule, or by statute, rule or otherwise.
- 5. This is a proposed judgment that includes an award of punitive damages and notice has been served on the Director of the Crime Victims’ Assistance Section as required by subsection (5) of this rule.
- 6. Other:

Dated this 23rd day of October, 2018.

DAVIS WRIGHT TREMAINE LLP

By: s/ Tim Cunningham
 Stephen M. Rummage, admitted *Pro Hac Vice in*
Nathan
 Tim Cunningham, OSB #100906
 John F. McGrory, Jr., OSB #813115

Attorneys for Defendant Ernst & Young LLP