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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SHIGE TAKIGUCHI, FUMI NONAKA,
MITSUAKI TAKITA, TATSURO SAKAI,
SHIZUKO ISHIMORI, YUKO NAKAMURA,
MASAAKI MORIYA, HATSUNE HATANO, and
HIDENAO TAKAMA, Individually and On Behalf
of All Others Similarity Situated,

Plaintiff,

v.

MRI INTERNATIONAL, INC., EDWIN J.
FUJINAGA, JUNZO SUZUKI, PAUL MUSASHI
SUZUKI, LVT, INC., dba STERLING ESCROW,
and DOES 1-500,

Defendants.

Case No.: 2:13-cv-01183-HDM-VCF
[Hon. Howard D. McKibben]

**DECLARATION OF ROBERT W.
COHEN IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT
WITH MRI INTERNATIONAL,
INC. AND EDWIN FUJINAGA**

1 I, Robert W. Cohen, declare:

2 1. I am the owner of the Law Offices of Robert W. Cohen, and am one of the attorneys for
3 Plaintiffs in this action. I have personal knowledge of the facts set forth herein and could competently
4 testify to them is called as a witness.

5 2. Since the filing of this lawsuit on July 5, 2013, I have led this litigation with the other
6 members of my firm and with my co-lead counsel, James Gibbons of Manning, Kass, Ellrod Trester &
7 Ramirez, LLP. I have been involved in all aspects of discovery, motion briefing, class certification
8 briefing, and settlement negotiations.

9 3. The record in this case is well developed, including substantial briefing and argument on
10 Defendants' six motions to dismiss, briefing and argument on various motions to compel, completion of
11 extensive fact discovery, and briefing on three motions for summary adjudication. The parties conducted
12 very thorough and extensive discovery during the almost four years of litigation. Plaintiffs served
13 multiple sets of written discovery on Defendants and served over 20 third-party subpoenas, which
14 resulted in nearly one-million pages of documents. Plaintiff took the deposition of the President of
15 Sterling Escrow, Mr. Peter Munoz twice, and deposed five other individuals employed by or related to
16 MRI. Defendants took the deposition of eight out of the nine named plaintiffs. Defendants also
17 propounded written discovery, for which Plaintiffs answered and produced tens of thousands of
18 documents. The discovery process has been thorough and have required the parties to engage in
19 numerous meet and confers, and has also resulted in several motions to compel discovery.

20 4. At this advanced stage of litigation, Plaintiffs have a thorough understanding of the factual
21 and legal issues involved in this case as well as the strengths and weaknesses of Plaintiff's claims and
22 collectability of any judgment. Plaintiffs are well aware of the risks posed to each side by continuing to
23 litigate.

24 5. After almost four years of litigation, Plaintiffs reached a settlement with MRI and
25 Fujinaga in June 2017. The parties have exchanged multiple drafts of the Settlement Agreement and
26 related documents before the parties came to a final agreement on July 31, 2019.

27 6. The settlement reached with MRI and Fujinaga is the result of hard fought, arm's-length
28 negotiations. At all times during the negotiation process, counsel for Plaintiffs and counsel for MRI and

Fujinaga bargained vigorously on behalf of their clients.

7. Although there will be no actual monetary contribution by MRI and Fujinaga, I believe that the MRI and Fujinaga settlement is fair, adequate and reasonable, and in the best interest of the Class. As set forth in the motion and in the Settlement Agreement, it is the understanding and belief of all of the parties that any assets owned by MRI or Fujinaga is already in the custody and control of the Court-appointed receiver in the parallel enforcement action by the Securities and Exchange Commission, and those assets will eventually be distributed to Plaintiffs and the Class. This settlement, however, provides the Plaintiffs with a Stipulated Judgment, which will protect Plaintiffs' interests by affording them with the opportunity to collect on the judgment, if it is later found that MRI and Fujinaga had undisclosed assets.

8. Attached as Exhibit A is a true and correct copy of the Settlement Agreement between Plaintiffs and MRI and Fujinaga.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct. This declaration was executed in Los Angeles, California on July 31, 2019.

/s/ Robert W. Cohen

Robert W. Cohen

CERTIFICATE OF SERVICE

I hereby certify that on August 2, 2019, a copy of the foregoing document was filed electronically via the Court's CM/ECF system. Pursuant to Local Rule 5.5(h), notice of filing will be served on all parties by operation of the Court's CM/ECF system, and parties may access this filing through the Court's CM/ECF system.

/s/ Mariko Taenaka
Mariko Taenaka

EXHIBIT A

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into on July 10, 2017 by and between: (1) the Class Representatives, for themselves and on behalf of the Settlement Class on the one hand, and (2) MRI International, Inc. (“MRI”) and (3) Edwin Fujinaga (“Fujinaga”) (the “Defendants”) (collectively “the Parties”).

RECITALS

The Recitals in this section are based on the contentions of the Class Representatives, unless otherwise referenced below as the Parties’ contentions or the contentions of Defendants.

1. On July 5, 2013, Plaintiffs filed a proposed class action in the United States District Court of Nevada, *Shige Takiguchi, et al. v. MRI International, Inc., et al.*, Case No. 2:13-cv-01183-HDM-VCF (“Action”). The complaint alleges that MRI International, Inc., Edwin Fujinaga, and others violated U.S. securities laws and defrauded Plaintiffs and the Class by orchestrating a Ponzi scheme.

2. On September 11, 2013, the U.S. Securities and Exchange Commission filed a parallel action against MRI and its principal, Edwin Fujinaga, *Securities and Exchange Commission v. Edwin Yoshihiro Fujinaga, et al.*, Case No. 2:13-cv-1658-JCM-CWH (“SEC Case”). On January 27, 2015, the SEC obtained a judgment against MRI and Fujinaga in the amount of \$564,359,364.08. MRI and Fujinaga appealed the judgment to the Ninth Circuit Court of Appeals, which affirmed the judgment on June 7, 2017. On February 23, 2015, the Court appointed Robb Evans & Associates, LLC, as the equitable receiver (“Receiver”), to locate, take possession of and liquidate all assets held by MRI, Fujinaga, and their affiliates. To date, the Receiver has liquidated the majority of Defendants’ assets, and is holding approximately \$30 million in its fund. Plaintiffs are not aware of any assets owned or held by

Defendants that are not identified by or not under the possession, custody or control of the Receiver.

3. On July 8, 2015, the U.S. Department of Justice indicted Mr. Fujinaga as well as Junzo and Paul Suzuki in separate criminal proceedings, *United States v. Edwin Fujinaga, Junzo Suzuki, and Paul Suzuki*, Case No. 2:15-cr-198-LDG (“Criminal Case”). The trial is scheduled to begin October 29, 2018.

4. On March 21, 2016, the Court granted Plaintiffs’ motion for class certification. (Dkt. 404.) The Court also appointed Law Offices of Robert W. Cohen, and Manning & Kass, Ellrod, Ramirez, Trester, LLP, as Class Counsel. On May 5, 2016, the parties stipulated to modify the Class Certification Order to make the class definition consistent with the operative complaint. (Dkt. 425) On May 6, 2016, the Court granted the amendment and modified the class definition (Dkt. 426) to read as follows:

Class:

The MRI Investor Class consisting of: all persons who were MRI investors and who were injured as a result of the defendants’ alleged illegal Ponzi scheme and actions from July 5, 2008 through July 5, 2013. Excluded from the class are the defendants, their employees, their family members and their affiliates, and the following 26 individuals who are plaintiffs in the pending litigation against the defendants in Japan: (1) Tomoyasu Kojima; (2) Keiko Amaya; (3) Masakazu Sekihara; (4) Chiri Satou; (5) Meiko Murakami; (6) Masayoshi Tsutsumi; (7) Yumiko Ishiguro; (8) Reiko Suzuki; (9) Hiroji Sumita; (10) Eiko Uchiyama; (11) Hideyo Uchiyama; (12) Youzou Shiki; (13) Naoki Nagasawa; (14) Noboru Yokoyama; (15) Masami Segawa; (16) Fumiko Takagi; (17) Kumiko Kaita; (18) Fumi Kobayashi; (19) Ikuko Miyazaki; (20) Hina Nagase; (21) Akio Iwama; (22) Kouji Kishida; (23) Eri Kishida; (24) Nomai Nii; (25) Youko Miyahara; and (26) Tsukiko Kurano.

5. On June 17, 2016, after the Court granted approval of the Class Notice (Dkt. 404), 8,759 Class Notices were mailed to the Class Members. Of these 8,759 notices, 662 were returned as undeliverable. An address search was performed for the returned notices, and 290

new addresses were identified. Accordingly, 290 notices were re-mailed to those new addresses. There are a total of 372 Class Members for whom no new address can be found. There were 33 exclusion requests.

6. Plaintiffs claim that MRI and Fujinaga perpetrated a Ponzi scheme, violated U.S. Securities, and defrauded the Class of \$1.7 Billion. MRI and Fujinaga deny these allegations, and contend that MRI operated a legitimate factoring business.

7. Plaintiffs contend that they have engaged in extensive discovery throughout the course of this litigation and are fully informed of sufficient facts to permit them to evaluate the claims and potential defenses, and to enable them to meaningfully conduct informed settlement discussions. Specifically, from July 5, 2013 to the present, Plaintiffs served multiple sets of discovery on the defendants in this case and served over 20 third-party subpoenas, resulting in the production of nearly one million pages of documents. In addition to the written discovery, numerous depositions took place. Eight of the nine representative plaintiffs were deposed. Plaintiffs also took nine depositions, including key personnel of MRI, and Peter Munoz, the president of Sterling Escrow on two separate occasions.

8. Because the complaint raises complex and disputed legal and factual issues that would be costly to resolve at trial, and because the Receiver has already seized all of Defendants' assets, the Parties have engaged in arms-length settlement negotiations to resolve the Settlement Class' claims.

9. Both Class Counsel and the Plaintiffs, on behalf of themselves and the Class, agree that the settlement is fair, reasonable, adequate, and in the best interests of the Class based on the contested legal issues involved, as well as the risks, uncertainty and cost of further litigation.

The Parties now desire to resolve all claims between them arising out of or related to the claims in the action and they therefore agree as follows:

1. DEFINITIONS

1.1 “Action” means the class action in the United States District Court of Nevada, *Shige Takiguchi, et al. v. MRI International, Inc., et al.*, Case No. 2:13-cv-01183-HDM-VCF (“Action”).

1.2 “Class Counsel” means the Law Offices of Robert W. Cohen, and Manning & Kass, Ellrod, Ramirez, Trester, LLP.

1.3 “Class Period” means July 5, 2008 through July 5, 2013.

1.4 “Criminal Action” means the action filed by the U.S. Department of Justice against Fujinaga in the U.S. District Court of Nevada, *United States v. Edwin Fujinaga, Junzo Suzuki, and Paul Suzuki*, Case No. 2:15-cr-198-LDG

1.5 “Effective Date” means the latest of the following: (1) the date of final affirmance of the Final Approval Order following any and all appeals of such Order; (2) the date of final dismissal with prejudice of any and all appeals from the Final Approval Order; or (3) if no appeal is filed, the expiration date of the time for filing or noticing any valid appeal from the Final Approval Order. No releases described below will be effective until the Effective Date is reached.

1.6 “Final Approval Order” means the Court’s judgment and order(s) granting final approval of the settlement.

1.7 “Mailed Notice” means the notice substantially in the form of Exhibit 2 and approved by the Court.

1.8 “Non-Settling Defendants” means all defendants named in the Action other than MRI and Fujinaga.

1.9 “Notice Administrator” means Heffler Claims Group.

1.10 “Person” means any individual, proprietorship, corporation, partnership, association, trustee, unincorporated association, or any other type of legal entity.

1.11 “Preliminary Approval Order” means the Court’s order granting preliminary approval of this Agreement and directing notice thereof to the Settlement Class.

1.12 “Receiver” means Robb Evans & Associates, which is the equitable receiver appointed by the Court in the SEC Action.

1.13 “Request for Exclusion” means a written request for exclusion by a Settlement Class Member.

1.14 “Released Claims” shall include all claims arising out of, due to, resulting from, or relating in any way, directly or indirectly, to the Action or the allegations set forth in the Fifth Amended Complaint on file in the Action, including any and all actions, claims, costs, expenses, taxes, rents, fees, profit, shares, liens, remedies, debts, demands, liabilities, obligations, penalties, or promises of any kind or nature whatsoever, in both law or in equity, past or present, whether known or unknown, including claims for future injuries, damages or losses not currently known, but which may later develop, provided they arise out of, are due to, result from, or relate in any way to, directly or indirectly, in whole or in part, the allegations in the Action or the Fifth Amended Complaint, whether possessed or asserted directly, indirectly, derivatively, representatively or in any other capacity, and whether or not such claims were or could have been raised or asserted before the Court, and regardless of whether pursuant to statutory law, codal law, adjudication, quasi-adjudication, regulation, or ordinance, including common law,

maritime or admiralty, statutory and nonstatutory attorneys' fees, breach of contract, breach of any covenant of good faith and/or fair dealing, fraud, misrepresentation, fraudulent concealment, deception, consumer fraud, antitrust, defamation, tortious interference with contract or business expectations, loss of business expectations or opportunities, loss of employment or earning capacity, diminution of property value, violation of the federal Racketeer Influenced and Corrupt Organizations Act or any similar state law, violation of the federal Employee Retirement Security Act or any similar state law, violations of any consumer protection act, punitive damages, exemplary damages, multiple damages, non-compensatory damages, compensatory damages, pain and suffering, interest, injunctive relief, declaratory judgment, costs, deceptive practices, unfair business practices, regulation, strict liability, negligence, gross negligence, willful misconduct, nuisance, trespass, fraudulent concealment, statutory violations, statutory claims, unfair business practices, breach of fiduciary duty, and all other theories, whether existing now or arising in the future, arising out of, due to, resulting from, or relating in any way to, directly or indirectly, the allegations in the Action or the Fifth Amended Complaint, except Plaintiffs and the Settlement Class shall not release their rights and entitlement to file an action in the Japanese Courts for the sole purpose of seeking relief from tax obligations or seek reimbursement of payment of taxes from the Japanese Tax Authorities.

1.15 "Released Parties" means MRI, Fujinaga, June Fujinaga and The Yunju Trust.

1.16 "Releasing Parties" means the Settlement Class and its members, and each member's respective successors in interest, predecessors, representatives, trustees, counsel, executors, affiliates, subsidiaries, immediate family, administrators, agents, heirs, estates, assigns or transferees, immediate and remote, in their capacities as such, and any other Person who has

the right, ability, standing or capacity to assert, prosecute or maintain on behalf of any Settlement Class Member.

1.17 “SEC Action” means the action filed by the U.S. Securities and Exchange Commission against MRI and Fujinaga in the U.S. District Court of Nevada, *Securities and Exchange Commission v. Edwin Yoshihiro Fujinaga, et al.*, Case No. 2:13-cv-1658-JCM-CWH on September 11, 2013.

1.18 “Settlement Class” means all persons who were MRI investors and who were injured as a result of the defendants’ alleged Ponzi scheme and actions from July 5, 2008 through July 5, 2013. Excluded from the class are the defendants, their employees, their family members and their affiliates, and the following 26 individuals who are plaintiffs in the pending litigation against the defendants in Japan: (1) Tomoyasu Kojima; (2) Keiko Amaya; (3) Masakazu Sekihara; (4) Chiri Satou; (5) Meiko Murakami; (6) Masayoshi Tsutsumi; (7) Yumiko Ishiguro; (8) Reiko Suzuki; (9) Hiroji Sumita; (10) Eiko Uchiyama; (11) Hideyo Uchiyama; (12) Youzou Shiki; (13) Naoki Nagasawa; (14) Noboru Yokoyama; (15) Masami Segawa; (16) Fumiko Takagi; (17) Kumiko Kaita; (18) Fumi Kobayashi; (19) Ikuko Miyazaki; (20) Hina Nagase; (21) Akio Iwama; (22) Kouji Kishida; (23) Eri Kishida; (24) Nomai Nii; (25) Youko Miyahara; and (26) Tsukiko Kurano. Additionally, the following individuals excluded themselves from the class at the time of certification: (1) Makiko Kato; (2) Kazuya Fujimura; (3) Kabushikikaisha EKC; (4) Reiko Endo; (5) Naoko Suo; (6) Kikuko Yasui; (7) Kazuto Noguchi; (8) Keirei Tou; (9) Naomi Ukei; (10) Keiichirou Kuriyama; (11) Katsuko Kuriyama; (12) Kazuo Okayasu; (13) Takashi Yamamoto; (14) Mitsuo Kimura; (15) Masanori Asano; (16) Mari Obora; (17) Chiyoko Obora; (18) Kazuo Shimamura; (19) Yoshinari Nishi; (20) Rumi Nishi; (21) Yumi Nishiguchi; (22) Yousuke Masuda; (23) Kuniko Masuda; (24) Michiko Mukai; (25) Masaru Mukai; (26)

Mitsurou Takezoe; (27) Yoriko Keida; (28) Yuuki Makino; (29) Teruo Takamoto; (30) Masanobu Shimura; (31) Atsuko Shimonari; (32) Syouichi Takayama; (33) Machiko Takayama and (34) Toshio Hayashi.

1.19 “Settlement Class Representatives” means Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hastune Hatano, and Hidenao Takama.

1.20 “Settling Defendant” means MRI and Fujinaga.

1.21 “Short Form Notice” means the notice substantially in the form of Exhibit 3 and approved by the Court.

1.22 “Stipulated Judgment” means the judgment attached as Exhibit 1 in favor of Plaintiffs and against MRI and Fujinaga in the amount of \$442,200,000.

2. SETTLEMENT TERMS

2.1 Within fifteen (15) days after the Effective Date, whichever comes later, Plaintiffs shall file the Stipulated Judgment, attached hereto as Exhibit 1, in favor of the Class and against MRI and Fujinaga in the amount of \$442,200,000 with this Court. The Parties, however, acknowledge that because the Receiver is and has been enforcing the judgment in the SEC Action for over two years, the Parties do not anticipate any monetary recovery from MRI and Fujinaga by Plaintiffs in this Action and, consequently, recognize that there will be no distribution in this Action. However, if in the future, Class Counsel collects money through enforcing the judgment that can be distributed from the settlement fund, Class Counsel shall petition the Court for the appointment of a claims administrator, propose a plan of allocation, and seek payment of attorneys’ fees and costs.

3. **ATTORNEYS' FEES AND COSTS**

3.1 Because Class Counsel does not anticipate any monetary recovery under this Agreement, Class Counsel shall not seek any attorneys' fees or reimbursement of costs at this time. However, in the event that Class Counsel takes action to enforce the stipulated judgment and successfully collects funds from such enforcement actions, then Class Counsel shall seek payment of attorneys' fees and costs from any such monetary recovery. In such case, Defendants will not oppose the attorneys' fees and cost reimbursement request.

4. **PRELIMINARY APPROVAL PROCEDURE AND CLASS NOTICE**

4.1 After execution of this Settlement Agreement, Class Counsel shall promptly move the Court to enter an order granting preliminary approval of this Settlement Agreement and approving the form and manner of the proposed class notice.

4.2 Defendants shall cooperate in applying for the approval.

4.3 Within 30 days after the entry of the Preliminary Approval Order, the Notice Administrator shall send, by regular Japanese mail, the Mailed Notice to each Settlement Class Member at the address on file for the Class Member. A copy of the Mailed Notice is attached hereto as Exhibit 2. The Mailed Notice shall be sent to each Settlement Class Member in both English and Japanese. The Short Form Notice shall also be posted on the National Consumer Affairs Center of Japan's website at www.kokusen.go.jp. A copy of the Short Form Notice is attached hereto as Exhibit 3.

4.4 Plaintiffs shall establish a website for providing information to investors. The website shall include important relevant documents, sufficient to allow class members to understand the nature of this Action and the context for the resolution contemplated by this Settlement Agreement. Copies of the following documents shall appear on the website in both

Japanese and English: (i) the Settlement Agreement and (ii) the Class Action Notice. No other documents need be translated from English into Japanese.

5. **EXCLUSION**

5.1 All Settlement Class Members who submit a valid and timely Request for Exclusion shall be excluded from the Settlement Class and shall have no rights under the Settlement Agreement. A Request for Exclusion shall be deemed timely if it is postmarked by the Postal Service no later than forty-five (45) days after the Notice Administrator's mailing of the Mailed Notice.

5.2 To be effective, a Request for Exclusion must: (a) be in writing; (b) state the Class Member's full legal name and address; (c) state all of the investments made during the Class Period; (d) state the amount of out-of-pocket loss; (e) contain the following statement: "I hereby request that I be excluded from the proposed MRI/Fujinaga settlement in the *Takiguchi v. MRI International, Inc.* litigation, case number 2:13-cv-01183-HDM (VCF)" (or a substantially similar statement in Japanese) and (f) be mailed to the Notice Administrator at the address provided in the Mailed Notice and postmarked by the Postal Service within forty-five (45) days from the commencement of the notice program regardless of the address to which that notice originally was mailed.

5.3 A Request for Exclusion that does not include all of the foregoing information, that is sent to someone other than Class Counsel, or that is not sent within the time specified shall be invalid, and the person(s) sending such a Request for Exclusion shall be bound as a Settlement Class Member, provided that the Settlement Agreement achieves Final Approval. For purposes of determining the date of mailing, the date of the postmark by the Japanese Postal Service will be controlling. If no such date can be discerned, any request for exclusion received

by the Notice Administrator more than forty-five (45) days from the commencement of the notice program will be deemed untimely.

5.4 Any person who timely and properly submits a Request for Exclusion shall not be entitled to any monetary award under this Settlement Agreement and shall not be bound by any orders or judgment entered in the Action nor by the Release contained herein.

6. **FINAL APPROVAL**

6.1 Prior to the Final Approval Hearing set by the Court, Class Counsel shall submit a motion for final approval of the Settlement Agreement.

6.2 At least fourteen (14) days before the Final Approval Hearing, Class Counsel shall file with the Court a list identifying all persons who have made a timely and valid Request for Exclusion. The list shall be filed under seal.

6.3 If the Court grants final approval to the Settlement Agreement, any and all Settlement Class Members who have not submitted a timely, written Request for Exclusion will be bound by any Orders entered by the Court and the Release set forth below in paragraph 7.

6.4 If the Court does not approve and/or does not honor this Settlement Agreement and/or denies a motion to enter any or all of the settlement terms in a form agreeable to the Parties, or if any court declares unenforceable, reverses, or vacates the settlement or settlement approval on appeal, then either Party shall have the right to terminate this Settlement Agreement. Any Party who elects to terminate this Settlement Agreement pursuant to this Section or any other provision of this Agreement may do so by giving written notice to the other Party's counsel and to the Notice Administrator. The termination of this Settlement Agreement shall void all of the rights, obligations, and releases under the Settlement Agreement.

7. **RELEASE**

7.1 Except for the obligations and rights created by this Settlement Agreement, and except for Class Members' rights to petition a Japanese Court for a judgment against MRI solely for the purpose of seeking tax relief from the Japanese Tax Authorities, including the reimbursement of prepaid taxes on unrealized MRI investments, the Releasing Parties hereby release and discharge the Released Parties from any and all Released Claims. The Final Approval Order shall include this release.

7.2 Nothing in this Settlement Agreement: (a) is intended to release any claims asserted by Settlement Class Members against any of the Non-Settling Defendants in the Action or (b) shall prohibit an eligible Settlement Class Member from seeking to obtain a recovery through the Fair Fund established in connection with the SEC Case.

8. **BAR ORDER**

8.1 At the time of or prior to the Settlement Hearing, the parties to this Agreement shall submit for entry by the Court, if the Court approves the settlement, a Bar Order pursuant to Section 201(a)(7) of the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(f)(7), providing for the maximum protection to which the Released Parties are entitled under the law with respect to the discharge and bar of all future claims for contribution and/or indemnity by other Persons, arising out of or in any way related to the Action, whether under federal, state or common law, or any other principle of law or equity. The Bar Order to be entered by the Court as part of the Order and Final Judgment shall be substantially in the following form:

- a. All claims for contribution and indemnification, however denominated, based upon or arising under the federal securities laws, state law, foreign law

or common law, in favor of any Person(s) against any of the Defendants and other Released Parties, with respect to, arising out of, or relating in any way to the claims, allegations, transactions, and/or events that are the subject of the Action, and/or based upon liability for, or arising out of or relating in any way to the Released Claims, are extinguished, discharged, barred, satisfied and/or otherwise unenforceable.

- b. All persons are hereby barred and permanently enjoined, to the fullest extent allowed by law, from asserting, instituting or prosecuting in any capacity, any claim, action or proceeding against any of the Defendants and other Released Parties for equitable, partial, comparative, or complete contribution, subrogation or indemnity, however denominated, based upon liability for, and/or arising out of or relating in any way to the Released Claims, and the Court finds that all such claims are extinguished, discharged, satisfied and made unenforceable.
- c. In accord with the principles of 15 U.S.C. § 78u-4(f)(7)(B), if there is a final verdict or judgment against any non-settling defendant, the verdict or judgment against such Person shall be reduced by the greater of: (a) an amount that corresponds to the percentage of responsibility of the Released Parties; or (b) the Settlement Amount.
- d. Notwithstanding the foregoing, nothing in the Agreement or the Order and Final Judgment shall apply to, bar, release or otherwise affect any claim or right to indemnification by any present or former employee, officer or director based on contractual indemnity, corporate by-laws, or Nevada law governing indemnification of employees, directors and officers (including a claimed right for advancement of fees and costs), or any claim by any present or former employee, officer or director for indemnity or contribution

arising in or from any proceeding other than this Action, that the Person asserting such claim would otherwise be entitled to assert in the absence of the Agreement and the Court's Order and Final Judgment.

9. **MISCELLANEOUS PROVISIONS**

9.1 This Agreement does not settle or compromise any claim by Settlement Class Members asserted in the complaint against any of the other defendants.

9.2 The Parties (a) acknowledge that it is their intent to consummate this Settlement Agreement; and (b) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this Settlement Agreement. Class Counsel and Defendants' Counsel agree to cooperate with one another in seeking Court approval of the Settlement Agreement and the entry of the Final Approval Order, and to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval of the Agreement.

9.3 The Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Released Claims by Released Parties and the Settlement Class on the one hand, against the Released Parties on the other hand.

9.4 The Parties have relied upon the advice and representation of counsel, selected by them, concerning their respective legal liability for the Released Claims. The Parties have read and understand fully this agreement and have been fully advised as to its legal effect by their own counsel and intend to be legally bound by the it.

9.5 Whether or not the Settlement Agreement becomes final or the Settlement Agreement is terminated, neither this Agreement nor the settlement contained herein, nor any act

performed or document executed pursuant to or in furtherance of this Settlement Agreement or the settlement is, may be deemed, or shall be used, offered or received against the Released Parties, or each or any of them, as an admission, concession or evidence of, the validity of any Released Claims, the truth of any fact alleged by the Plaintiffs or the Settlement Class, the deficiency of any defense that has been or could have been asserted in the Action, the violation of any law or statute, the reasonableness of the settlement amount or the fee award, or of any alleged wrongdoing, liability, negligence, or fault of the Released Parties, or any of them.

However, the settlement, this Agreement, and any acts performed and/or documents executed in furtherance of or pursuant to this Settlement Agreement and/or the settlement may be used in any proceedings as may be necessary to effectuate the provisions of this Settlement Agreement.

Moreover, if this Settlement Agreement is approved by the Court, any Party or any of the Released Parties may file this Settlement Agreement and/or the Final Approval Order in any action that may be brought against such Party or Parties to support a defense or counterclaim based on res judicata, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

9.6 The headings in this Settlement Agreement are used for convenience only and are not meant to have legal effect.

9.7 The waiver by one Party of any breach of this Settlement Agreement by any other Party shall not be deemed as a waiver of any other prior or subsequent breaches of this Agreement.

9.8 All of the Exhibits to this Settlement Agreement are material and integral parts thereof and are fully incorporated herein by this reference.

9.9 This Agreement and its Exhibits set forth the entire agreement and understanding of the Parties with respect to the matters set forth in it, and supersede all prior negotiations, agreements, arrangements and undertakings with respect to the matters set forth herein. No representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in such documents. This Settlement Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

9.10 Except as otherwise provided, each Party shall bear its own costs and fees.

9.11 Plaintiffs and the Settlement Class represent and warrant that they have not assigned any claim or right or interest therein as against the Released Parties to any other Person or Party and that they are fully entitled to release the same.

9.12 Each counsel or other Person executing this Settlement Agreement, any of its Exhibits, or any related settlement documents on behalf of any Party hereto hereby warrants and represents that such Person has the full authority to do so and has the authority to take appropriate action required or permitted to be taken pursuant to the Settlement Agreement to effectuate its terms.

9.13 This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Settlement Agreement all exchange original signed counterparts. A complete set of original executed counterparts shall be filed with the Court if the Court so requests.

9.14 This Agreement shall be binding and inure to the benefit of the Parties, their predecessors, parents, subsidiary and affiliated business entities, all officers, directors, shareholders, members, managers, agents, employees, attorneys, assigns, successors, heirs, executors, administrators, and legal representatives of whatsoever kind or character in privity therewith. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Settlement Agreement, and all Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement Agreement.

9.15 This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

9.16 This Settlement Agreement shall be deemed to have been prepared by counsel for all Parties, as a result of arms' length negotiations among the Parties. Since all Parties have contributed substantially and materially to the preparation of this Settlement Agreement, it shall not be construed more strictly against one Party than another.

9.17 Where this Settlement Agreement requires notice to the Parties, such notice shall be sent to the undersigned counsel: i) for Plaintiffs: James E. Gibbons, Esq., Manning & Kass, Ellrod, Ramirez, Trester, and Robert W. Cohen, Esq., and Mariko Taenaka, Esq., of the Law Offices of Robert W. Cohen; ii) for MRI International, Inc. and Edwin Fujinaga: Erick Ferran, Esq., Hitzke & Ferran, LLP.

AGREED TO AND ACCEPTED.

Dated: 4/26/2018

SHIGE TAKIGUCHI

By: 龍口 英
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

TATSURO SAKAI

Dated: _____

By: _____
Settlement Class Representative

SHIZUKO ISHIMORI

Dated: _____

By: _____
Settlement Class Representative

YUKO NAKAMURA

Dated: _____

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: April 25, 2018

By:  _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

TATSURO SAKAI

By: _____
Settlement Class Representative

Dated: _____

SHIZUKO ISHIMORI

By: _____
Settlement Class Representative

Dated: _____

YUKO NAKAMURA

By: _____
Settlement Class Representative

Dated: _____

MASAAKI MORIYA

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: 25th. Apr. 2018

By: 清田 光明
Settlement Class Representative

Dated: _____

TATSURO SAKAI

By: _____
Settlement Class Representative

Dated: _____

SHIZUKO ISHIMORI

By: _____
Settlement Class Representative

Dated: _____

YUKO NAKAMURA

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

Dated: 2018/04/26

TATSURO SAKAI

By: 
Settlement Class Representative

Dated: _____

SHIZUKO ISHIMORI

By: _____
Settlement Class Representative

Dated: _____

YUKO NAKAMURA

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.**SHIGE TAKIGUCHI**

Dated: _____

By: _____
Settlement Class Representative**FUMI NONAKA**

Dated: _____

By: _____
Settlement Class Representative**MITSUAKI TAKITA**

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

TATSURO SAKAIBy: _____
Settlement Class RepresentativeDated: 25 April, 2018**SHIZUKO ISHIMORI**By: SHIZUKO ISHIMORI
Settlement Class Representative

Dated: _____

YUKO NAKAMURABy: _____
Settlement Class Representative**MASAAKI MORIYA**

Dated: _____

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

TATSURO SAKAI

By: _____
Settlement Class Representative

Dated: _____

SHIZUKO ISHIMORI

By: _____
Settlement Class Representative

Dated: April 25, 2018

YUKO NAKAMURA

By: 中村 祐子
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

TATSURO SAKAI

By: _____
Settlement Class Representative

Dated: _____

SHIZUKO ISHIMORI

By: _____
Settlement Class Representative

Dated: _____

YUKO NAKAMURA

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: 2018. 4. 26.

By: Masaaki MORIYA
Settlement Class Representative

2018 04/25 WED 14:23 FAX 03 3355 0445 東京共同法律事務所

022/023

Dated: 2018. 4. 26

HASTUNE HATANO

By: 秦野初音
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

By: _____
EDWIN FUJINAGA

Dated: _____

MRI INTERNATIONAL, INC.

By: _____
EDWIN FUJINAGA, President

APPROVED AS TO FORM AND CONTENT.

DATED: April ____, 2018

MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP

By: _____
James E. Gibbons
Attorneys for Plaintiffs

DATED: April ____, 2018

LAW OFFICES OF ROBERT W. COHEN

By: _____
ROBERT W. COHEN
MARIKO TAENAKA
Attorneys for Plaintiffs

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

HIDENAO TAKAMA

Dated: 2018, 4, 27

By: 高間 秀直 _____
Settlement Class Representative

Dated: _____

By: _____
EDWIN FUJINAGA

Dated: _____

MRI INTERNATIONAL, INC.

By: _____
EDWIN FUJINAGA, President

APPROVED AS TO FORM AND CONTENT,

DATED: April ____, 2018

**MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP**

By: _____
James E. Gibbons
Attorneys for Plaintiffs

DATED: April ____, 2018

LAW OFFICES OF ROBERT W. COHEN

By: _____
ROBERT W. COHEN
MARIKO TANAKA
Attorneys for Plaintiffs

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

Dated: 7/30/19

By: Edwin Y. Fujinaga
EDWIN FUJINAGA

Dated: 7/30/19

MRI INTERNATIONAL, INC.

By: Edwin Y. Fujinaga
EDWIN FUJINAGA, President

APPROVED AS TO FORM AND CONTENT.

DATED: April ____, 2018

**MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP**

By: _____
James E. Gibbons
Attorneys for Plaintiffs

DATED: April ____, 2018

LAW OFFICES OF ROBERT W. COHEN

By: _____
ROBERT W. COHEN
MARIKO TAENAKA
Attorneys for Plaintiffs

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

Dated: _____

By: _____
EDWIN FUJINAGA

Dated: _____

MRI INTERNATIONAL, INC.

By: _____
EDWIN FUJINAGA, President

APPROVED AS TO FORM AND CONTENT.

DATED: July 31, 2019

**MANNING & KAASS
ELLROD, RAMIREZ, TRESTER LLP**

By: _____
James E. Gibbons
Attorneys for Plaintiffs

DATED: July 31, 2019

LAW OFFICES OF ROBERT W. COHEN

By: _____
ROBERT W. COHEN
MARIKO TAENAKA
Attorneys for Plaintiffs

DATED: July 31, 2019

HITZKE & FERRAN LLP

By: 

ERICK FERRAN

Attorneys for Defendants Edwin Fujinaga and
MRI International, Inc.

EXHIBIT 1

JAMES E. GIBBONS (*pro hac vice*)
Cal. State Bar No. 130631
**MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP**
801 South Figueroa Street, 15th Floor
Los Angeles, CA 90017
Tel. (213) 624-6900
jeg@manningllp.com

ROBERT W. COHEN (*pro hac vice*)
Cal. State Bar No. 150310
MARIKO TAENAKA (*pro hac vice*)
Cal. State Bar No. 273895
LAW OFFICES OF ROBERT W. COHEN, A.P.C.
1901 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067
Tel. (310) 282-7586
rwc@robertwcohenlaw.com
mt@robertwcohenlaw.com

Attorneys for Plaintiffs

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

SHIGE TAKIGUCHI, FUMI NONAKA,
MITSUAKI TAKITA, TATSURO SAKAI,
SHIZUKO ISHIMORI, YUKO NAKAMURA,
MASAAKI MORIYA, HATSUNE HATANO, and
HIDENAO TAKAMA, individually and on behalf of
all others similarity situated,

Plaintiff,

v.

MRI INTERNATIONAL, INC., EDWIN J.
FUJINAGA, JUNZO SUZUKI, PAUL MUSASHI
SUZUKI, LVT, INC., dba STERLING ESCROW,
and DOES 1-500,

Defendants.

Case No.: 2:13-cv-01183-HDM-VCF

**STIPULATION FOR ENTRY OF
JUDGMENT**

1 Plaintiff, through their undersigned counsel, and defendants MRI International, Inc., and Edwin J.
2 Fujinaga, through their undersigned counsel, stipulate and agree as follows:

3 1. On July 5, 2013, Plaintiffs filed this action against numerous defendants, including MRI
4 International, Inc., and Mr. Fujinaga. MRI and Fujinaga filed Answers to the complaint.

5 2. On September 11, 2013, the United States Securities and Exchange Commission filed an
6 action against MRI and Mr. Fujinaga, among others, *Securities and Exchange Commission v. Edwin*
7 *Yoshihiro Fujinaga, et al.*, Case No. 2:13-cv-1658-JCM-CWH, in the United States District Court for the
8 District of Nevada ("the SEC Action").

9 3. On January 27, 2015, the court in the SEC Action found MRI and Fujinaga liable for
10 violations of U.S. securities laws, and awarded judgment against them jointly and severally in the amount
11 of \$442,229,611.70, in addition to prejudgment interest in the amount of \$102,129,752.38 and civil
12 money penalties of \$20,000,000.00 against each of them.

13 4. On February 23, 2015, the Court in the SEC Action issued its Order Appointing an
14 Equitable Receiver, pursuant to which a receiver was appointed to manage MRI's and Fujinaga's
15 properties.

16 5. On February 25, 2015, the Court in the SEC Action issued its Rule 54(b) Certification,
17 pursuant to which the judgment was made the final judgment as to MRI and Fujinaga.

18 6. On May 15, 2015, the duties and responsibilities of the receiver in the SEC Action were
19 enlarged by an Order Appointing a Full Equitable Receiver to Assume Control over the Defendants'
20 Assets and Enforce the Final Judgment. Since then, the receiver has taken control of all of MRI's and
21 Fujinaga's assets and is in the process of liquidating those assets for distribution to injured investor.

22 7. On June 7, 2017, the Ninth Circuit Court of Appeals affirmed the judgment in the SEC
23 Action, and MRI and Fujinaga have exhausted their ability to appeal that judgment.

24 8. Because it now appears that MRI and Fujinaga have no assets to satisfy any judgment that
25 plaintiffs might obtain against them in this action, the parties wish to resolve this matter short of trial and
26 they hereby consent to entry of judgment in the case.

27 9. This Court has subject-matter and personal jurisdiction over the defendants.

28 10. Entry of this Stipulated Judgment will not preclude plaintiffs from pursuing further

remedies against MRI and Fujinaga if it transpires that they have hidden assets available for collection from the receiver in the SEC Action.

11. The parties waive the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure.

12. This Court should retain jurisdiction over this matter so that plaintiffs may pursue Fujinaga and MRI if further undisclosed assets are discovered.

THE PARTIES STIPULATE AS FOLLOWS:

Judgment shall be entered in favor of Plaintiffs Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

TATSURO SAKAI

Dated: _____

By: _____
Settlement Class Representative

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12. This Court should retain jurisdiction over this matter so that plaintiffs may pursue Fujinaga and MRI if further undisclosed assets are discovered.

THE PARTIES STIPULATE AS FOLLOWS:

Judgment shall be entered in favor of Plaintiffs Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: 2019/2/27

By: [Signature]
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

TATSURO SAKAI

Dated: _____

By: _____
Settlement Class Representative

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12. This Court should retain jurisdiction over this matter so that plaintiffs may pursue Fujinaga and MRI if further undisclosed assets are discovered.

THE PARTIES STIPULATE AS FOLLOWS:

Judgment shall be entered in favor of Plaintiffs Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: 03/13 2019

By:  _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

TATSURO SAKAI

Dated: _____

By: _____
Settlement Class Representative

remedies against MRI and Fujinaga if it transpires that they have hidden assets available for collection from the receiver in the SEC Action.

11. The parties waive the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure.

12. This Court should retain jurisdiction over this matter so that plaintiffs may pursue Fujinaga and MRI if further undisclosed assets are discovered.

THE PARTIES STIPULATE AS FOLLOWS:

Judgment shall be entered in favor of Plaintiffs Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: 4th, Mar. 2019

By: 清田 光明
Settlement Class Representative

TATSURO SAKAI

Dated: _____

By: _____
Settlement Class Representative

remedies against MRI and Fujinaga if it transpires that they have hidden assets available for collection from the receiver in the SEC Action.

11. The parties waive the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure.

12. This Court should retain jurisdiction over this matter so that plaintiffs may pursue Fujinaga and MRI if further undisclosed assets are discovered.

THE PARTIES STIPULATE AS FOLLOWS:

Judgment shall be entered in favor of Plaintiffs Shige Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

AGREED TO AND ACCEPTED.

SHIGE TAKIGUCHI

Dated: _____

By: _____
Settlement Class Representative

FUMI NONAKA

Dated: _____

By: _____
Settlement Class Representative

MITSUAKI TAKITA

Dated: _____

By: _____
Settlement Class Representative

TATSURO SAKAI

Dated: 2019/02/27

By: Tsakai
Settlement Class Representative

1 Dated: 5, March, 2019 SHIZUKO ISHIMORI
2 By: Shizuko Ishimori
3 Settlement Class Representative

4 Dated: _____ YUKO NAKAMURA
5 By: _____
6 Settlement Class Representative

7
8 MASA AKI MORIYA
9 Dated: _____
10 By: _____
11 Settlement Class Representative

12 HASTUNE HATANO
13 Dated: _____
14 By: _____
15 Settlement Class Representative

16 HIDENAO TAKAMA
17 Dated: _____
18 By: _____
19 Settlement Class Representative

20 MRI INTERNATIONAL, INC.
21 By: _____
22 EDWIN FUJINAGA, President

23
24 Dated: _____
25 By: _____
26 EDWIN FUJINAGA
27
28

SHIZUKO ISHIMORI

Dated: _____

By: _____
Settlement Class Representative

YUKO NAKAMURA

Dated: 2019年2月27日

By: 中村 祐子
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

MRI INTERNATIONAL, INC.

Dated: _____

By: _____
EDWIN FUJINAGA, President

Dated: _____

By: _____
EDWIN FUJINAGA

SHIZUKO ISHIMORI

Dated: _____

By: _____
Settlement Class Representative

YUKO NAKAMURA

Dated: _____

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: 2019.2.26

By: Masaaki MORIYA
Settlement Class Representative

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

MRI INTERNATIONAL, INC.

Dated: _____

By: _____
EDWIN FUJINAGA, President

Dated: _____

By: _____
EDWIN FUJINAGA

SHIZUKO ISHIMORI

Dated: _____

By: _____
Settlement Class Representative

YUKO NAKAMURA

Dated: _____

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

HASTUNE HATANO

Dated: 2019/2/27

By: 秦野初音
Settlement Class Representative

HIDENAO TAKAMA

Dated: _____

By: _____
Settlement Class Representative

MRI INTERNATIONAL, INC.

Dated: _____

By: _____
EDWIN FUJINAGA, President

Dated: _____

By: _____
EDWIN FUJINAGA

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Dated: _____
By: _____
Settlement Class Representative

Dated: _____
By: _____
Settlement Class Representative

Dated: _____
By: _____
Settlement Class Representative

Dated: _____
By: _____
Settlement Class Representative

Dated: 2019, 02, 27
By: 高間 秀直
Settlement Class Representative

Dated: _____
By: _____
EDWIN FUJINAGA, President

Dated: _____
By: _____
EDWIN FUJINAGA

SHIZUKO ISHIMORI

Dated: _____

By: _____
Settlement Class Representative

YUKO NAKAMURA

Dated: _____

By: _____
Settlement Class Representative

MASAAKI MORIYA

Dated: _____

By: _____
Settlement Class Representative

HASTUNE HATANO

Dated: _____

By: _____
Settlement Class Representative

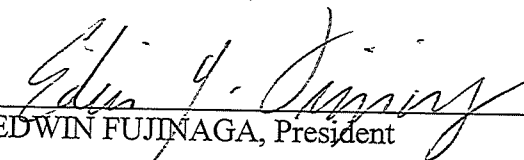
HIDENAO TAKAMA

Dated: _____

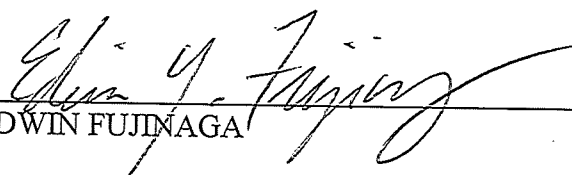
By: _____
Settlement Class Representative

Dated: 7/30/19

MRI INTERNATIONAL, INC.

By: 
EDWIN FUJINAGA, President

Dated: 7/30/19

By: 
EDWIN FUJINAGA

APPROVED AS TO FORM AND CONTENT.

1 APPROVED AS TO FORM AND CONTENT.

2
3 Dated: 7/31/19

**MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP**

5 By: 

James E. Gibbons
Attorneys for Plaintiffs

6
7
8 Dated: _____

LAW OFFICES OF ROBERT W. COHEN

9 By: _____

10 ROBERT W. COHEN
11 MARIKO TAENAKA
Attorneys for Plaintiffs

12
13 Dated: _____

HITZKE & FERRAN, LLP

15 By: _____

16 ERICK FERRAN
17 Attorney for Defendants MRI International, Inc. and
Edwin Fujinaga

18
19 **ORDER**

20 **IT IS ORDERED** that this Court shall retain jurisdiction over this action for purposes of
21 implementing and enforcing the final judgment and any necessary and appropriate additional orders.

22 **IT IS FURTHER ORDERED THAT** Judgment shall be entered in favor of Plaintiffs Shige
23 Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki
24 Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI
25 International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

26
27 **IT IS SO ORDERED.**

28 DATED: _____

UNITED STATES DISTRICT JUDGE

1 APPROVED AS TO FORM AND CONTENT.

2 Dated: _____

3 **MANNING & KASS**
4 **ELLROD, RAMIREZ, TRESTER LLP**

5 By: _____

6 James E. Gibbons
7 Attorneys for Plaintiffs

8 Dated: 7/31/19

9 **LAW OFFICES OF ROBERT W. COHEN**

10 By: _____

11 **ROBERT W. COHEN**
12 **MARIKO TAENAKA**
13 Attorneys for Plaintiffs

14 Dated: _____

15 **HITZKE & FERRAN, LLP**

16 By: _____

17 **ERICK FERRAN**
18 Attorney for Defendants MRI International, Inc. and
19 Edwin Fujinaga

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28 DATED: _____

UNITED STATES DISTRICT JUDGE

1 APPROVED AS TO FORM AND CONTENT.

2 Dated: _____

3 **MANNING & KASS**
4 **ELLROD, RAMIREZ, TRESTER LLP**

5 By: _____

6 James E. Gibbons
7 Attorneys for Plaintiffs

8 Dated: _____

9 **LAW OFFICES OF ROBERT W. COHEN**


10 By: _____

11 ROBERT W. COHEN
12 MARIKO TAENAKA
13 Attorneys for Plaintiffs

14 Dated: 7/31/19

15 **HITZKE & FERRAN, LLP**

16 By: _____

17 
18 ERICK FERRAN
19 Attorney for Defendants MRI International, Inc. and
20 Edwin Fujinaga

21 **ORDER**

22 **IT IS ORDERED** that this Court shall retain jurisdiction over this action for purposes of
23 implementing and enforcing the final judgment and any necessary and appropriate additional orders.

24 **IT IS FURTHER ORDERED THAT** Judgment shall be entered in favor of Plaintiffs Shige
25 Takiguchi, Fumi Nonaka, Mitsuaki Takita, Tatsuro Sakai, Shizuko Ishimori, Yuko Nakamura, Masaaki
26 Moriya, Hatsune Hatano and Hidenao Takama and on behalf of the Class, and against Defendants MRI
27 International, Inc. and Edwin Fujinaga, jointly and severally, in the amount of \$442,200,000.

28 **IT IS SO ORDERED.**

DATED: _____

UNITED STATES DISTRICT JUDGE

EXHIBIT 2

UNITED STATES DISTRICT COURT, DISTRICT OF NEVADA

**IF YOU LOST MONEY BETWEEN JULY 5, 2008 AND JULY 5, 2013 FROM
INVESTING IN SECURITIES ISSUED BY MRI INTERNATIONAL
A CLASS ACTION LAWSUIT MAY AFFECT YOUR RIGHTS.**

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A proposed settlement with MRI International, Inc. (“MRI”) and Edwin Fujinaga (“Fujinaga”) (“Settling Defendants”), if approved by the Court, will result in a judgment entered against MRI and Fujinaga for \$442,200,000. However, because the U.S. Securities and Exchange Commission (“SEC”) has already obtained a judgment in its case (*U.S. Securities and Exchange Commission v. MRI International, Inc., et al.*, US District Court of Nevada Case No. 2:13-cv-01658) in the same amount and has already taken possession of and liquidated nearly all of MRI and Fujinaga’s assets, the parties do not anticipate that there will be any distribution of money as a result of the proposed settlement. You may, however, be entitled to money from the SEC case.
- The settlement partially resolves this lawsuit over whether MRI and other defendants orchestrated a fraudulent securities scheme to the extent that it resolves the claims against MRI and Fujinaga; it avoids costs and risks to you from continuing the lawsuit against those two defendants. The two sides disagree on how much money could have been won if investors prevailed at trial.
- Your legal rights are affected whether you do or don’t act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
EXCLUDE YOURSELF	This is the only option that allows you to ever be part of any other lawsuit against the settling defendants about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Be part of the settlement. Give up rights to sue later.

- These rights and options – **and the deadlines to exercise them** – are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement.

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BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased MRI securities between July 5, 2008 and July 5, 2013 or were not repaid during this period.

The Court sent you this notice because you have a right to know about a proposed partial settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. You will be informed of the progress of the settlement and the continuation of the lawsuit against non-settling defendants.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of Nevada, and the case is known as *Shige Takiguchi, et al v. MRI International, Inc., et al.*, Case No. 2:13-cv-01183-HDM-NJK. The people who sued are called Plaintiffs, and the company and the persons they sued are called the defendants.

2. What is this lawsuit about?

In the lawsuit, the Plaintiffs allege that MRI and the other defendants orchestrated a fraudulent securities scheme. Specifically, Plaintiffs allege that the defendants solicited investors on the false promises that: i) the investments would be used solely to buy medical account receivables; ii) the investors' money would be controlled by an independent escrow company over which MRI had no control; and iii) various U.S. government agencies guaranteed the investments' safety. Plaintiffs allege that these promises were false, since the money was not used to buy medical account receivables, the investors' money was controlled solely by MRI's chief executive, the money was used to fund the defendants' luxurious lifestyles, and governmental agencies did not guarantee the investments. Plaintiffs allege that MRI was a Ponzi scheme, where the defendants used money paid by new investors to pay off prior investors. As a result, in 2013, MRI collapsed, and the investors lost their money.

The U.S. Securities and Exchange Commission has obtained a judgment against MRI and its principal, Edwin Fujinaga, in the amount of \$564,359,364.08 in a separate legal proceeding, *Securities and Exchange Commission v. Edwin Yoshihiro Fujinaga, et al.*, Case No. 2:13-cv-1658-JCM-CWH. Additionally, the U.S. Department of Justice has indicted Mr. Fujinaga as well as Junzo and Paul Suzuki in separate criminal proceedings, *United States v. Edwin Fujinaga, Junzo Suzuki, and Paul Suzuki*, Case No. 2:15-cr-198-LDG.

The defendants deny that they did anything wrong, and deny that MRI was a Ponzi scheme. The Court has not resolved the claims and defenses of the parties in the Action. The Court also has not resolved whether defendants did anything wrong.

This Notice should not be understood as an expression of any opinion by the Court as to the merits of the Plaintiff's claims or defendants' defenses. Plaintiffs and defendants recognize that to litigate these and other important issues would be time-consuming, uncertain, and expensive.

3. Why is this a class action?

In a class action, one or more people called Class Representatives sue on behalf of people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. Why is there a settlement?

This notice relates to a proposed settlement. The Court did not decide in favor of Plaintiffs or defendants. The Plaintiffs think they could have won at trial. The Settling Defendants think the Plaintiffs would not have won anything from a trial. But there was no trial. Instead, Plaintiffs and the settling defendants agreed to a settlement. That way, they avoid the cost of a trial. The Class Representative and the attorneys think the settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT**5. How do I know if I am part of the settlement?**

The Court decided that everyone who fits this description is a Class Member: all persons who were MRI investors and who were injured as a result of the defendants' alleged Ponzi scheme and actions from July 5, 2008 through July 5, 2013. Excluded from the class are the defendants, their employees, their family members and their affiliates, and the following 26 individuals who are plaintiffs in the pending litigation against the defendants in Japan: (1) Tomoyasu Kojima; (2) Keiko Amaya; (3) Masakazu Sekihara; (4) Chiri Satou; (5) Meiko Murakami; (6) Masayoshi Tsutsumi; (7) Yumiko Ishiguro; (8) Reiko Suzuki; (9) Hiroji Sumita; (10) Eiko Uchiyama; (11) Hideyo Uchiyama; (12) Youzou Shiki; (13) Naoki Nagasawa; (14) Noboru Yokoyama; (15) Masami Segawa; (16) Fumiko Takagi; (17) Kumiko Kaita; (18) Fumi Kobayashi; (19) Ikuko Miyazaki; (20) Hina Nagase; (21) Akio Iwama; (22) Kouji Kishida; (23) Eri Kishida; (24) Nomai Nii; (25) Youko Miyahara; and (26) Tsukiko Kurano.

6. Are there exceptions to being included?

Additionally, excluded from the class are the defendants, their employees, their family members and their affiliates, as well as the following individuals who have excluded themselves from the class at the time of class certification: (1) Makiko Kato; (2) Kazuya Fujimura; (3) Kabushikikaisha EKC; (4) Reiko Endo; (5) Naoko Suo; (6) Kikuko Yasui; (7) Kazuto Noguchi; (8) Toshio Hayashi; (9) Naomi Ukei; (10) Keiichirou Kuriyama; (11) Katsuko Kuriyama; (12) Kazuo Okayasu; (13) Takashi Yamamoto; (14) Mitsuo Kimura; (15) Masanori Asano; (16) Mari Obora; (17) Chiyoko Obora; (18) Kazuo Shimamura; (19) Yoshinari Nishi; (20) Rumi Nishi; (21) Yumi Nishiguchi; (22) Yousuke Masuda; (23) Kuniko Masuda; (24) Michiko Mukai; (25) Masaru Mukai; (26) Mitsurou Takezoe; (27) Yoriko Keida; (28) Yuuki Makino; (29) Teruo Takamoto; (30) Masanobu Shimura; (31) Atsuko Shimonari; (32) Syouichi Takayama; (33) Machiko Takayama; and (34) Keirei Tou.

7. I'm still not sure if I am Included.

If you are still not sure whether you are included, you can ask for free help. You can call 0066-3381-4117 or visit www.mri-settlement.com for more information.

THE SETTLEMENT BENEFITS – WHAT YOU GET

8. What does the settlement provide?

The Settling Defendants have agreed to have a judgment entered against them jointly and severally for \$442,200,000.

9. Will there be any payments made?

Because the Court-appointed receiver, Robb Evans and Associates, in the SEC case has already taken control of and in the process of liquidating all of the assets owned by the Settling Defendants' assets, the parties do not anticipate that there will be any distribution of money in this case. You will have the opportunity to make a claim for payment through the SEC case in the future.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep the right to sue or continue to sue the settling defendants, on your own, about the legal issues in this case, then you must take steps to get out. This is called excluding yourself – or is sometimes referred to as opting out of the Settlement Class.

10. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from the Suzuki Settlement in *Shige Takiguchi, et al v. MRI International, Inc., et al.* Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than **October 24, 2019** to:

MRI Exclusions
MRI International, Inc. Litigation
c/o Claims Administrator
P.O. Box 58279
Philadelphia, PA 19102-8279
U.S.A.

If you ask to be excluded, you cannot object to the settlement. You may be able to sue (or continue to sue) the settling defendants in the future.

11. If I don't exclude myself, can I sue the settling defendants for the same thing later?

No. Unless you exclude yourself: you give up any right to sue the settling defendants for the claims that this settlement resolves. If you have a pending lawsuit speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **October 24, 2019**.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in this case?

The Law Offices of Robert W. Cohen, P.C. and Manning & Kass, Ellrod, Ramirez, Trester LLP represent you and other Class Members. These lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Because the parties do not anticipate that there will be any distribution of money as a result of this settlement, Class Counsel will not seek attorneys' fees and costs with respect to this settlement.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.

14. How do I tell the Court that I don't like the settlement?

If you're a Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the Suzuki Settlement in *Shige Takiguchi, et al v. MRI International, Inc., et al.* Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. Mail the objection to these addresses postmarked no later than **October 24, 2019**:

Court

Clerk of Court
United States District Court, District of Nevada
400 S. Virginia St., Suite 301
Reno, NV 89501

Class Counsel

Robert W. Cohen, Esq.
Mariko Taenaka, Esq.
LAW OFFICES OF ROBERT W. COHEN, P.C.
1901 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067
Telephone: (310) 282-7586
Facsimile: (310) 282-7589
rwc@robertwcohenlaw.com
mt@robertwcohenlaw.com

Class Counsel

James E. Gibbons, Esq.
MANNING & KASS
ELLROD, RAMIREZ, TRESTER LLP
801 S. Figueroa St, 15th Floor
Los Angeles, California 90017-3012
Telephone: (213) 624-6900
Facsimile: (213) 624-6999
jeg@manningllp.com

Counsel for Defendant MRI International, Inc.
And Edwin Fujinaga

Erick Ferran, Esq.
Hitzke & Ferran, LLP
2030 East Flamingo Road, Suite 115
Las Vegas, NV 89119
Telephone: (702) 476-9668
Erick.ferran@hitzkelaw.com

15. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

16. When and where will the Court decide whether to approve the settlement?

The Court will hold a telephonic Fairness Hearing at 10:00 a.m. on **November 26, 2019**, at the United States District Court for the District of Nevada, 400 S. Virginia St., Suite 301, Reno, Nevada, 89501, in Courtroom 4. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The judge will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

17. Do I have to come to the hearing?

No. Class Counsel will answer questions the judge may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

18. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Shige Takiguchi, et al v. MRI International, Inc., et al.*" Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be postmarked no later than **October 24, 2019**, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel, at the addresses in question 18. You cannot speak at the hearing if you excluded yourself.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you'll release your rights against the Settling Defendants. Unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the settling defendants about the legal issues in this case, ever again.

GETTING MORE INFORMATION

20. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by writing to Law Offices of Robert W. Cohen, P.C., 1901 Avenue of the Stars, Suite 1900, Los Angeles, California 90067, or Manning & Kass Ellrod, Ramirez, Trester LLP, 801 S. Figueroa Street, 15th Floor, Los Angeles, California 90017-3012, or by visiting www.mri-settlement.com.

21. How do I get more information?

You can call 0066-3381-4117; write to MRI International, Inc. Litigation, c/o Claims Administrator, PO Box 58279, Philadelphia, PA 19102-8279; or visit the website at www.mri-settlement.com, where you will find answers to common questions about the settlement, a claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

DATE: September 9, 2019.

EXHIBIT 3

UNITED STATES DISTRICT COURT, DISTRICT OF NEVADA

**IF YOU LOST MONEY BETWEEN JULY 5, 2008 AND JULY 5, 2013 FROM
INVESTING IN SECURITIES ISSUED BY MRI INTERNATIONAL
A CLASS ACTION LAWSUIT MAY AFFECT YOUR RIGHTS.**

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A proposed settlement with MRI International, Inc. (“MRI”) and Edwin Fujinaga (“Fujinaga”) (“Settling Defendants”), if approved by the Court, will result in a judgment entered against MRI and Fujinaga for \$442,200,000. However, because the U.S. Securities and Exchange Commission (“SEC”) has already obtained a judgment in its case (*U.S. Securities and Exchange Commission v. MRI International, Inc., et al.*, US District Court of Nevada Case No. 2:13-cv-01658) in the same amount and has already taken possession of and liquidated nearly all of MRI and Fujinaga’s assets, the parties do not anticipate that there will be any distribution of money as a result of the proposed settlement. You may, however, be entitled to money from the SEC case.
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EXCLUDE YOURSELF	This is the only option that allows you to ever be part of any other lawsuit against the settling defendants about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Be part of the settlement. Give up rights to sue later.

- The Court in charge of this case still must decide whether to approve the settlement.
- To ask to be excluded from the settlement, you must act before **October 24, 2019**.
- To object to the settlement, you must act before **October 24, 2019**.

A full copy of this notice that answers basic questions and explains your rights is available at www.mri-higaibengodan.jp. Or you may request a full copy of the notice by calling or by writing to either of the law firms representing you in the United States or to the Notice Administrator, Heffler Claims Group.

Law Offices of Robert W. Cohen
1901 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067, USA
310-282-7587
mri@robertwcohenlaw.com

Manning & Kass, Ellrod, Ramirez, Trester, LLP
801 S. Figueroa St., 15th Floor
Los Angeles, CA 90017, USA
213-624-6900

MRI International, Inc. Litigation
c/o Claims Administrator
PO Box 58279
Philadelphia, PA 19102-8279