

West Palm Beach Police Pension Fund Recovers \$7.25 Million from Cardionet, Inc. for Investors in Two Public Stock Offerings Conducted in 2008 In December 2011, CardioNet, Inc. (NASDAQ: BEAT), a wireless medical technology company with a focus on the diagnosis and monitoring of cardiac arrhythmias, agreed to pay purchasers of its common stock in (or traceable to) its March 25, 2008 initial public stock offering and its August 5, 2008 secondary stock offering \$7.25 million to settle claims the offering documents used to conduct the offerings contained false and misleading information. The Scott+Scott lawyers who represented West Palm Beach Police Pension Fund consider this a very good result for investors and on January 13, 2011, California Superior Court Judge Joan M. Lewis preliminarily approved the settlement. In March 2010, West Palm Beach Police Pension Fund filed a class action in the Superior Court of the State of California, San Diego County alleging violations of §§ 11, 12(a)(2) and 15 of the Securities Act of 1933. Though federal law provides the rule of law for such claims, the Securities Act of 1933 expressly provides that such claims can be prosecuted in either state or federal court, at the plaintiffs' discretion. Here, Scott+Scott, representing West Palm Beach, decided it made more sense to proceed in California state court which does not require unanimity for a jury verdict and allows for broad discovery in civil actions. Specifically, Plaintiff alleged the registration statements and prospectuses used to conduct the Offerings were false and misleading in that in violation of the federal securities laws they concealed and/or misstated that prior to the Offerings, CardioNet had been: (i) reporting improperly obtained revenues; (ii) implementing aggressive sales tactics; (iii) understating its reimbursement risk; (iv) concealing negative communications with its regulators; and (v) overstating Cardionet's future sales and profit margin growth potential. In September 2011, Judge Joan Lewis denied defendants' demurrers to the complaint in their entirety, finding the case stated viable legal claims and set the matter for trial in June 2012. Following lengthy negotiations officiated over by a retired U.S. District Court judge, the parties reached a settlement in December 2011. The parties' preliminary settlement agreement is subject to certain conditions, including court approval of a final settlement agreement at a hearing set in May 2012.