

EXHIBIT 1

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SCOTT C. HARTMANN, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-05896-GW-MAA
CLASS ACTION

BUMJIN KIM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-06944-GW-MAA
CLASS ACTION

STIPULATION OF SETTLEMENT

This Stipulation and Agreement of Settlement (together with all Exhibits thereto, “Stipulation”), dated as of September 17, 2020, which is entered into by and among (i) Lead Plaintiff J. Leister and named Plaintiff Alexander Wolfson (“Plaintiffs”), individually and on behalf of the Settlement Class (defined herein), and (ii) Defendants Verb Technology Company, Inc. and Rory J. Cutaia

1 (“Defendants,” and together with Plaintiffs, “Parties”), by and through their
2 undersigned attorneys, states all of the terms of the settlement and resolution of this
3 matter by the Parties and is intended by the Parties to fully and finally release,
4 resolve, remise, and discharge the Released Claims (defined herein) against the
5 Released Parties (defined herein), subject to the approval of the United States
6 District Court for the Central District of California (“Court”).

7 Throughout this Stipulation, all terms used with initial capitalization, but not
8 immediately defined, shall have the meanings ascribed to them in Paragraph 1
9 below.

10 **WHEREAS:**

11 **A. The Action**

12 Scott Hartmann commenced this litigation in the United States District Court
13 for the Central District of California on July 9, 2019, alleging violations of the
14 Securities Exchange Act of 1934 against Verb Technology Company, Inc. (“Verb”
15 or “Company”) and Rory J. Cutaia, Verb’s Chief Executive Officer.

16 On October 7, 2019, the Court consolidated this action with a related action,
17 captioned *Kim v. Verb Technology Company, Inc. et al.*, Case No. 2:19-cv-06944
18 (together, the “Action”), and appointed J. Leister as Lead Plaintiff and the Rosen
19 Law Firm, P.A. as Lead Counsel, in the Action pursuant to the Private Securities
20 Litigation Reform Act of 1995, as amended.

21 On December 3, 2019, Plaintiffs filed their Consolidated Amended
22 Complaint for Violations of the Federal Securities Laws (Dkt. No. 51) (“Amended
23 Complaint”).

24 On February 28, 2020, Defendants filed their motion to dismiss the Amended
25 Complaint (Dkt. No. 55). On April 10, 2020, Plaintiffs filed their opposition to
26 Defendants’ motion to dismiss (Dkt. No. 56).

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B. The Settlement

Beginning in December 2019, the Parties engaged in arm’s-length settlement negotiations, reaching an agreement to settle all claims as described further herein. This Stipulation memorializes the agreement between the parties to fully and finally settle the Action and to fully release all Released Claims against the Released Parties with prejudice in return for specified consideration.

C. Defendants’ Denial of Wrongdoing and Liability

Defendants deny each and all of the claims alleged by Plaintiffs in the Action. Defendants have expressly denied and continue to deny any allegation of wrongdoing, fault, liability, violation of the law, or damage whatsoever arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants further deny that Verb or any of its officers, directors, or employees made any material misstatements or omissions, that the price of Verb common stock was artificially inflated by reasons of alleged misrepresentations, non-disclosures or otherwise, that Plaintiffs or the Settlement Class have suffered any damages, or that Plaintiffs or the Settlement Class were harmed by any conduct alleged or that could have been alleged in the Action. Defendants believe that the evidence developed to date supports their position that they, as well as Verb’s officers, directors, and employees, acted properly at all times and that the Action is without merit. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Action. Defendants have agreed to enter into this Stipulation to avoid the uncertainties, burden, and expense of further litigation and to put the Released Claims to rest, finally and forever. Nothing in this Stipulation, whether or not consummated, nor any of its terms or proceedings relating thereto, shall be construed as, or deemed to be evidence of, or an admission or concession by Defendants or any of Verb’s officers, directors, or

1 employees of any wrongdoing, fault, liability or damages whatsoever, or of any
2 infirmity in any defense that Defendants have or could have asserted.

3 **D. Claims of Plaintiffs and Benefits of Settlement**

4 Plaintiffs believe that the claims they asserted in the Action on their own
5 behalf and on behalf of the putative Class have merit. Plaintiffs, however, recognize
6 and acknowledge the expense and length of continued proceedings necessary to
7 prosecute the Action against Defendants through trial and appeals. Plaintiffs have
8 also taken into account the uncertain outcome and the risk of any litigation. In
9 particular, Plaintiffs have considered the early procedural posture in this Action,
10 and that even if they were successful in defeating Defendants' motion to dismiss
11 the Amended Complaint, inherent problems of proof and possible defenses to the
12 federal securities law violations asserted in the Action pose formidable hurdles to a
13 more successful resolution. Plaintiffs have determined, therefore, that the
14 Settlement set forth in this Stipulation is fair, adequate, reasonable, and in the best
15 interests of the Settlement Class.

16 **NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED**
17 by and among Plaintiffs (on behalf of themselves and each of the Settlement Class
18 Members) and Defendants, by and through their respective undersigned counsel,
19 that, subject to the approval of the Court, in consideration of the benefits flowing to
20 the Parties from the Settlement set forth herein, the Action and the Released Claims
21 as against the Released Parties shall be finally and fully compromised, settled and
22 released, the Action shall be dismissed with prejudice and the Released Claims shall
23 be finally and fully released as against the Released Parties, upon and subject to the
24 terms and conditions of this Stipulation, as follows:

25 **1. Definitions**

26 In addition to the terms defined above, the following capitalized terms, used
27 in this Stipulation, shall have the meanings specified below:
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1 **1.1.** “Action” means the putative class action captioned *Hartmann v.*
2 *Verb Technology Company, Inc., et al.*, No. 2:19-cv-05896-GW-MAA (C.D. Cal.).

3 **1.2.** “Administrative Costs” means all costs and expenses associated
4 with providing notice of the Settlement to the Settlement Class and otherwise
5 administering or carrying out the terms of the Settlement. Such costs may include,
6 without limitation: escrow agent costs, the costs of publishing the Summary Notice,
7 the costs of printing and mailing the Notice and Proof of Claim, as directed by the
8 Court, and the costs of allocating and distributing the Net Settlement Fund to the
9 Authorized Claimants. Such costs do not include legal fees.

10 **1.3.** “Authorized Claimant” means any Settlement Class Member
11 who is a Claimant and whose claim for recovery has been allowed pursuant to the
12 terms of this Stipulation, the exhibits hereto, and any order of the Court.

13 **1.4.** “Business Day” means any day except Saturday, Sunday, or any
14 legal holiday as defined by Federal Rule of Civil Procedure 6(a)(6).

15 **1.5.** “Claimant” means any Settlement Class Member who files a
16 Proof of Claim in such form and manner, and within such time, as the Court shall
17 permit.

18 **1.6.** “Claims” means any and all manner of claims, debts, demands,
19 controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights,
20 duties, judgments, sums of money, suits, contracts, agreements, promises, damages,
21 causes of action and liabilities, of every nature and description in law or equity
22 (including, but not limited to, any claims for damages, whether compensatory,
23 special, incidental, consequential, punitive, exemplary or otherwise, injunctive
24 relief, declaratory relief, recession or recessionary damages, interest, attorneys’
25 fees, expert or consulting fees, costs, or expenses), accrued or unaccrued, known or
26 unknown, arising under federal, state, common, administrative, or foreign law, or
27 any other law, rule, or regulation.

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1 **1.7.** “Claims Administrator” means Strategic Claims Services,
2 which shall administer the Settlement.

3 **1.8.** “Cutaia” means Defendant Rory J. Cutaia.

4 **1.9.** “Defendants” means Verb and Cutaia.

5 **1.10.** “Escrow Account” means an interest-bearing escrow account
6 established by the Escrow Agent at the Huntington National Bank. The Escrow
7 Account shall be managed by the Escrow Agent, subject to the Court’s supervisory
8 authority, for the benefit of Plaintiffs and the Settlement Class in accordance with
9 the terms of the Stipulation and any order of the Court, provided that, unless this
10 Stipulation otherwise permits, no amount shall be withdrawn from the Escrow
11 Account prior to the Effective Date absent written approval of Defendants or their
12 counsel, or an order of the Court after notice to Defendants.

13 **1.11.** “Escrow Agent” means Huntington Bank. The Escrow Agent
14 shall perform the duties as set forth in this Stipulation and any order of the Court.

15 **1.12.** “Effective Date” shall have the meaning set forth in ¶10.5 of this
16 Stipulation.

17 **1.13.** “Final” when referring to the Final Judgment means exhaustion
18 of all possible appeals, meaning (i) if no appeal or request for review is filed, the
19 day after the date of expiration of any time for appeal or review of the Final
20 Judgment, and (ii) if an appeal or request for review is filed, the day after the date
21 the appeal or request for review is dismissed, or the Final Judgment is upheld on
22 appeal or review in all material respects, and is not subject to further review on
23 appeal or by *certiorari* or otherwise; provided, however, that any dispute or appeals
24 relating solely to the amount, payment or allocation of attorneys’ fees and expenses
25 or the Plan of Allocation shall have no effect on finality for purposes of determining
26 the date on which the Final Judgment becomes Final.

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1 **1.14.** “Final Judgment” means the order and judgment to be entered
2 by the Court finally approving the Settlement, materially in the form attached hereto
3 as Exhibit B.

4 **1.15.** “Lead Counsel” means The Rosen Law Firm, P.A.

5 **1.16.** “Notice” means the “Notice of Pendency and Proposed
6 Settlement of Class Action,” which is to be sent to Settlement Class Members
7 substantially in the form attached hereto as Exhibit A-2.

8 **1.17.** “Opt-Out” means any one of, and “Opt-Outs” means all of, any
9 Person or Persons who otherwise would be Settlement Class Members and have
10 timely and validly requested exclusion from the Settlement Class in accordance
11 with the provisions of the Preliminary Approval Order and the Notice given
12 pursuant thereto, or who are otherwise permitted by the Court to exclude themselves
13 from the Settlement Class.

14 **1.18.** “Party” means any one of, and “Parties” means all of
15 Defendants and Plaintiffs (on behalf of themselves and the Settlement Class).

16 **1.19.** “Person” means an individual, corporation, fund, limited
17 liability corporation, professional corporation, limited liability partnership,
18 partnership, limited partnership, association, joint stock company, estate, legal
19 representative, trust, unincorporated association, government or any political
20 subdivision or agency thereof, and any business or legal entity and their spouses,
21 heirs, predecessors, successors, representatives, or assigns.

22 **1.20.** “Plaintiffs” means Lead Plaintiff J. Leister and named Plaintiff
23 Alexander Wolfson.

24 **1.21.** “Plan of Allocation” means a plan or formula for allocating the
25 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
26 Taxes and Tax Expenses, and such attorneys’ fees, costs, and expenses as may be
27 awarded by the Court. The Plan of Allocation is not a condition to the effectiveness
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1 of this Stipulation, and the Released Parties shall have no responsibility or liability
2 with respect thereto.

3 **1.22.** “Postcard Notice” means the Postcard Notice of Pendency,
4 alerting potential Class Members to the availability of the Notice and containing
5 instructions on how Class Members can obtain copies of the Notice and Proof of
6 Claim either by electronic means or by mail, substantially in the form attached
7 hereto as Exhibit A-1.

8 **1.23.** “Preliminary Approval Order” means the proposed order
9 preliminarily approving the Settlement and directing notice thereof to the
10 Settlement Class substantially in the form attached hereto as Exhibit A.

11 **1.24.** “Proof of Claim” means the Proof of Claim and Release Form
12 to be submitted by Claimants, substantially in the form attached hereto as Exhibit
13 A-3.

14 **1.25.** “Related Parties” means, with respect to each Released Party,
15 the immediate family members, employees, officers, directors, attorneys, legal
16 representatives, accountants, insurers, reinsurers, and agents of each of them, and
17 any person or entity which is or was related to or affiliated with any Released Party
18 or in which any Released Party has a controlling interest, and their present and
19 former parents, subsidiaries, variable interest entities, divisions, affiliates,
20 employees, officers, directors, attorneys, legal representatives, insurers, reinsurers,
21 and agents, and the predecessors, heirs, administrators, successors and assigns of
22 the foregoing.

23 **1.26.** “Released Claims” means and includes any and all Claims and
24 Unknown Claims (as defined in ¶1.37) that have been or could have been asserted
25 by or on behalf of any of the Releasing Parties, in any capacity, which arise out of,
26 are based upon, or relate in any way to the purchase or acquisition of Verb securities
27 during the Settlement Class Period, including but not limited to any claims alleged
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1 in the Action and any claims related to the allegations, transactions, facts, events,
2 matters, occurrences, acts, disclosures, representations, omissions, or any other
3 matter whatsoever involved, set forth, referred to, or otherwise related, directly or
4 indirectly, to the allegations in the Action or the disclosures or statements made by
5 Verb or its officers or directors during the Settlement Class Period (including the
6 adequacy and completeness or such disclosures or statements). Notwithstanding
7 the foregoing, “Released Claims” does not include claims to enforce the terms of
8 this Stipulation or orders or judgments issued by the Court in connection with this
9 Settlement, nor does it include the derivative claims asserted in *Moore v. Verb*
10 *Technology Company, Inc. et al.*, Case No. 2:19-cv-08393-GW-MAA (C.D. Cal.).

11 **1.27.** “Released Parties” means Verb, Cutaia, and each and all of their
12 Related Parties, including each and all of their current and former officers, directors,
13 employees, partners, insurers, co-insurers, reinsurers, attorneys, advisors,
14 investment advisors, personal or legal representatives, agents, assigns, executors,
15 estates, administrators, related or affiliated persons or entities, predecessors,
16 successors, parents, subsidiaries, affiliated variable interest entities, divisions and
17 joint ventures; any entity in which any Defendant has a controlling interest; Cutaia’s
18 immediate family members, spouses and marital communities; and any trust of
19 which Cutaia is the settlor or which is for the benefit of any of his immediate family
20 members.

21 **1.28.** “Releasing Parties” means Plaintiffs, each and every Settlement
22 Class Member and each of their respective parent entities, associates, affiliates,
23 subsidiaries, predecessors, successors, assigns, attorneys, immediate family
24 members, heirs, representatives, administrators, executors, devisees, legatees, and
25 estates, whether or not they object to the Settlement set forth in this Stipulation, and
26 whether or not they make a claim for payment from the Net Settlement Fund.

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1 **1.29.** “Settlement” means the settlement contemplated by this
2 Stipulation.

3 **1.30.** “Settlement Amount” means the sum of \$640,000, subject to the
4 provisions of ¶2.1. Other than the costs of providing notice pursuant to the Class
5 Action Fairness Act, 28 U.S.C. § 1715, no additional payment shall be made by the
6 Defendants in connection with the Settlement, including for Administrative Costs,
7 Lead Counsel’s attorneys’ fees and expenses, Settlement Class Member benefits, or
8 any other costs, expenses, or fees of any kind whatsoever associated with the
9 Settlement.

10 **1.31.** “Settlement Class” means all persons who purchased or
11 acquired Verb common stock during the Settlement Class Period, except that
12 excluded from the Settlement Class are all: (i) Defendants and all officers and
13 directors of Verb during the Settlement Class Period; (ii) immediate family
14 members of any Person excluded under section (i) of this definition; (iii) any entities
15 affiliated with or controlled by any person excluded under sections (i) and (ii) of
16 this definition; (iv) the legal representatives, heirs, successors or assigns of any
17 person excluded under subsections (i) through (iii) of this definition; and (v) Opt-
18 Outs.

19 **1.32.** “Settlement Class Member” means any one of, and “Settlement
20 Class Members” means all of, the members of the Settlement Class.

21 **1.33.** “Settlement Class Period” means the period from January 3,
22 2018 through May 2, 2018, both days inclusive.

23 **1.34.** “Settlement Fund” means all funds transferred to the Escrow
24 Account pursuant to this Stipulation and any interest or other income earned
25 thereon.

26 **1.35.** “Settlement Hearing” means the hearing at or after which the
27 Court will make a final decision pursuant to Rule 23 of the Federal Rules of Civil
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1 Procedure as to whether the Settlement contained in the Stipulation is fair,
2 reasonable and adequate, and therefore, should receive final approval from the
3 Court.

4 **1.36.** “Summary Notice” means the Summary Notice of Pendency
5 and Settlement that the Claims Administrator will cause to be published
6 electronically on the GlobeNewswire, for national distribution, substantially in the
7 form attached hereto as Exhibit A-4.

8 **1.37.** “Unknown Claims” means all Claims of every nature and
9 description which Plaintiffs or any Settlement Class Member do not know or
10 suspect to exist in their favor at the time of the release of the Released Parties which,
11 if known by them, might have affected their decision with respect to the settlement
12 with and release of the Released Parties, including without limitation any decision
13 not to opt-out or object to this Settlement.

14 **1.38.** “Verb” means Defendant Verb Technology Company, Inc. and
15 its Related Parties.

16 **2. The Settlement Consideration**

17 **2.1.** In consideration of the full and final release, settlement, and
18 discharge of all Released Claims against the Released Parties, Defendants shall,
19 within 30 Business Days after (i) receiving written notice that the Court has entered
20 the Preliminary Approval Order; and (ii) receipt by Defendants’ counsel of wire
21 instructions for the Escrow Account and a completed Form W-9, pay, or cause its
22 insurers to pay for the benefit of the Settlement Class, the Settlement Amount of
23 \$640,000 to the Escrow Account over twelve months as follows:

24 **(a)** Defendants shall make an initial payment of \$60,000, due
25 on the first day of the month following entry of the Preliminary Approval Order
26 (“Initial Payment”). In no instance shall the Initial Payment be due less than five
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1 (5) days after entry of the Preliminary Approval Order, but in that instance shall be
2 postponed until the first day of the next month.

3 (b) Beginning on the first day of the second month after
4 Preliminary Approval and on the first day of each subsequent month, Defendants
5 shall make ten (10) consecutive monthly payments of \$28,000 each for a total of
6 \$280,000.

7 (c) On the first day of the twelfth (12) month, Defendants
8 shall make a final payment of \$300,000.

9 (d) Simultaneous with the initial payment, Defendants shall
10 also contribute into the Escrow Account 400,000 restricted shares of Verb common
11 stock, subject to resale pursuant to Securities Exchange Commission Rule 144, and
12 subject to repayment to Verb as specified ¶ 2.1(e) (the “Stock Component”). Under
13 no circumstances will the Escrow Account sell, lend, or distribute to Settlement
14 Class Members any of the Stock Component unless a Payment Default occurs as
15 specified in Section ¶ 2.1(f) below. If a Payment Default occurs, and Plaintiffs seek
16 to sell, lend, or distribute the Stock Component, they will notify Defendants no later
17 than 10 business days prior to such contemplated sale, loan or distribution.
18 Plaintiffs and Defendants reserve all arguments and rights with regard to such sale,
19 loan or distribution. .

20 (e) The Escrow Account shall return to the Company
21 100,000 shares of the Stock Component quarterly no later than ten (10) days after
22 the third monthly payment, the sixth monthly payment, the ninth monthly payment
23 and the final payment.

24 (f) If Defendants fail to timely comply with all payment
25 obligations under ¶2.1 (“Payment Default”), the Settlement Class will retain
26 remaining shares of the Stock Component unless the value of the remaining Stock
27 Component based on the volume-weighted average price of Verb common stock
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1 for the ten (10) trading days preceding the “Payment Default Date” exceeds by more
2 than 10% the unpaid balance of the Settlement Amount. The Payment Default Date
3 is the earlier of (i) the first day after Defendants miss two (2) consecutive monthly
4 payments or their failure to make the last monthly payment; or (ii) the day that
5 Defendants notify Plaintiffs or their counsel of their intention not to continuing
6 paying pursuant to this Stipulation. Within five (5) Business Days of the Payment
7 Default Date, the Escrow Agent will notify Defendants of its calculation of shares
8 retained by the Settlement Class and will return to Defendants from the Escrow
9 Account the remaining shares of the Stock Component, if any, in excess of the
10 shares retained by the Settlement Class as provided for in this ¶2.1(f). In the event
11 of a Payment Default, Plaintiffs maintain all rights to seek full payment of the
12 Settlement Amount, including but not limited to retaining shares of the Stock
13 Component and other remedies provided herein.

14 (g) In the event Verb files a voluntary petition pursuant to the
15 United States Bankruptcy Code, 11 U.S.C. §301, or a creditor or creditors, including
16 Plaintiffs, on behalf of the Settlement Class, files an involuntary petition pursuant
17 to 11 U.S.C. §303 (together, “Petition”):

18 i. The Monthly Payments described in ¶2.1(b) of this
19 Stipulation comprise good faith payments of a debt Verb has incurred in the
20 ordinary course of its business or financial affairs and Verb makes each payment in
21 the ordinary course of its business or financial affairs according to the terms of this
22 Stipulation. As such, pursuant to 11 U.S.C. §547(c)(2), the Parties intend that the
23 Trustee may not avoid transfer of the monthly payments pursuant to 11 U.S.C.
24 §547(b).

25 ii. In the event of the filing of Petition, the Settlement
26 Consideration will immediately and automatically increase to \$1,500,000 less the
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1 Monthly Payments Verb has already paid at the time of the filing of the Petition
2 unless such Monthly Payment or Monthly Payments has or have been clawed back.

3 **iii.** By virtue of this Stipulation, on the Effective Date,
4 the Settlement Class will become senior creditor of Verb and its affiliates with top
5 priority, secured by the assets of the Company, subject to the provisions of
6 subsection v. below. The status of the Settlement Class as senior creditor with top
7 priority will expire ninety (90) days after Defendants make the last Monthly
8 Payment to the Escrow Account.

9 **iv.** To the extent the resulting bankruptcy estate
10 possesses at liquidation or discharge assets that do not satisfy, in-full, the liquidated
11 Settlement Amount to the Settlement Class, the Settlement Class, in its sole
12 discretion, may accept its distribution from the bankruptcy estate and/or may pursue
13 payment from Defendants' directors and officers insurer, without objection from
14 any individual Defendant or the debtor-in-possession, the difference between the
15 liquidated damages amount of \$1.5 million and monies the Settlement Class has
16 already received, including amounts it receives from the bankruptcy estate,
17 provided the general release as set forth in Paragraph 6 herein, issued in favor of
18 Defendant's directors and officers as part of the consideration for this Settlement
19 remains intact and none of them are exposed to any claims of contribution or
20 retention satisfaction, including any such claims from their insurer.

21 **v.** During the Payment Period, the Company may, in
22 the ordinary course of business, borrow or otherwise engage in a debt financing,
23 including a financing arising from the issuance of preferred shares ("Debt
24 Financing"). If the source or sources of such Debt Financing require, as a condition
25 to the financing, a senior secured position in bankruptcy priority over that of the
26 Settlement Class, within five (5) business days of executing agreements to obtain
27 that financing the Company will provide notice of the Debt Financing to Lead
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1 Counsel, and shall segregate from the resulting proceeds (or such other available
2 cash) funds constituting not less than 30% of the then remaining and unpaid
3 Settlement Amount, which shall be earmarked solely to continue to satisfy its
4 remaining monthly payment obligations under this Settlement. This Stipulation,
5 itself, constitutes and automatically effectuates on behalf of the Settlement Class
6 the reduction of this lien priority to a priority position behind any source(s) of Debt
7 Financing that arise(s) after the date of this Stipulation.

8 **2.2.** The obligations incurred pursuant to this Agreement shall be in
9 full and final disposition and settlement of all Released Claims. Plaintiffs and
10 Settlement Class Members shall look solely to the Settlement Fund as full, final,
11 and complete satisfaction of all Released Claims. Under no circumstances will
12 Defendants or any of their insurers be required to pay, or cause payment of, more
13 than the Settlement Amount pursuant to this Stipulation or the Settlement for any
14 reason whatsoever, including, without limitation, as Administrative Costs, as
15 compensation to any Settlement Class Member, as payment of Plaintiffs' or any
16 Settlement Class Member's attorneys' fees and expenses, or in payment of any fees,
17 expenses, costs, liability, losses, Taxes, or damages whatsoever alleged or incurred
18 by Plaintiffs, any Settlement Class Member or Lead Counsel, including but not
19 limited to their attorneys, experts, advisors, agents, or representatives.

20 **3. Handling and Disbursement of Funds by the Escrow Agent**

21 **3.1.** No monies will be disbursed from the Settlement Fund until
22 after the Defendants have completed payments except:

- 23 (a) As provided in ¶3.4 below;
24 (b) As provided in ¶8.2 below;
25 (c) As provided in ¶10.10 below, if applicable; and
26 (d) To pay Taxes and Tax Expenses (as defined in ¶4.1
27 below) on the income earned by the Settlement Fund. Taxes and Tax Expenses shall
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1 be paid out of the Settlement Fund and shall be considered to be a cost of
2 administration of the Settlement and shall be timely paid by the Escrow Agent
3 without prior Order of the Court.

4 **3.2.** The Escrow Agent shall maintain and not sell or transfer the
5 400,000 restricted shares of Verb common stock, except as this Stipulation permits.

6 **3.3.** The Escrow Agent shall invest the Settlement Fund in short term
7 instruments backed by the full faith and credit of the United States Government or
8 fully insured by the United States Government or an agency thereof, and shall
9 reinvest the proceeds of these instruments as they mature in similar instruments at
10 their then-current market rates. The Escrow Agent shall bear all responsibility and
11 liability for managing the Escrow Account and cannot assign or delegate its
12 responsibilities without approval of the Parties. Defendants, their counsel, their
13 insurers, and the other Released Parties shall have no responsibility for, interest in,
14 or any liability whatsoever with respect to any investment or management decisions
15 executed by the Escrow Agent. The Settlement Fund shall bear all risks related to
16 the investments of the Settlement Amount in accordance with the guidelines set
17 forth in this ¶3.2.

18 **3.4.** The Escrow Agent shall not disburse the Settlement Fund except
19 as provided in this Stipulation, by an order of the Court, or with the written
20 agreement of Defendants.

21 **3.5.** At any time after the Court grants preliminary approval of the
22 Settlement, the Escrow Agent may, without further approval from Defendants or
23 the Court, disburse at the direction of Lead Counsel up to \$100,000 from the
24 Settlement Fund prior to the Effective Date to pay Administrative Costs. After the
25 Effective Date, without further approval from the Court, the Escrow Agent may
26 disburse additional amounts up to a total of \$200,000 (including any amounts
27 disbursed before the Effective Date) from the Settlement Fund to pay for any
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1 necessary, additional Administrative Costs. For any additional Administrative
2 Costs above \$200,000, the Escrow Agent shall obtain Court approval. No payment
3 from the Settlement Fund, including, without limitation, any distributions from the
4 Net Settlement Fund or payments of any attorneys' fees or compensatory awards to
5 Plaintiffs, shall in any event be made to any Settlement Class Member (including
6 Plaintiffs) or to Lead Counsel prior to the Effective Date.

7 **4. Taxes**

8 **4.1.** The Parties agree to treat the Settlement Fund as being at all
9 times a "qualified settlement fund" within the meaning of Treasury Regulation
10 § 1.468B-1. In addition, Lead Counsel or its designee shall timely make such
11 elections as necessary or advisable to carry out the provisions of this ¶4.1, including
12 the "relation-back election" (as defined in Treasury Regulation § 1.468B-1) back to
13 the earliest permitted date. Such elections shall be made in compliance with the
14 procedures and requirements contained in such regulations. It shall be the
15 responsibility of Lead Counsel or its designee to timely and properly prepare and
16 deliver the necessary documentation for signature by all necessary parties, and
17 thereafter to cause the appropriate filing to occur.

18 (a) For purposes of § 1.468B of the Internal Revenue Code of 1986,
19 as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder,
20 the "administrator" shall be Lead Counsel or its designee. Lead Counsel or its
21 designee shall timely and properly file all informational and other tax returns
22 necessary or advisable with respect to the Settlement Fund (including without
23 limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such
24 returns (as well as the election described in this ¶4.1) shall be consistent with this
25 ¶4.1 and in all events shall reflect that all Taxes (including any estimated Taxes,
26 interest or penalties) on the income earned by the Settlement Fund shall be paid out
27 of the Settlement Fund.

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1 **(b)** All Taxes (including any estimated Taxes, interest or penalties)
2 arising with respect to the income earned by the Settlement Fund, including any
3 Taxes or tax detriments that may be imposed upon the Released Parties with respect
4 to any income earned by the Settlement Fund for any period during which the
5 Settlement Fund does not qualify as a “qualified settlement fund” for federal or state
6 income tax purposes (“Taxes”), and all expenses and costs incurred in connection
7 with the operation and implementation of this ¶4.1 (including, without limitation,
8 expenses of tax attorneys and/or accountants and mailing and distribution costs and
9 expenses or penalties relating to filing (or failing to file) the returns described in
10 this ¶4.1) (“Tax Expenses”), shall be paid out of the Settlement Fund, as
11 appropriate. The Released Parties shall have no liability or responsibility for the
12 Taxes or the Tax Expenses. Taxes and Tax Expenses shall be treated as, and
13 considered to be, a cost of administration of the Settlement and shall be timely paid
14 out of the Settlement Fund without prior order from the Court. The Escrow Agent
15 shall be obligated (notwithstanding anything herein to the contrary) to withhold
16 from distribution to Authorized Claimants any funds necessary to pay such
17 amounts, including the establishment of adequate reserves for any Taxes and Tax
18 Expenses (as well as any amounts that may be withheld under Treasury Regulation
19 § 1.468B-2(1)(2)). The Released Parties shall have no responsibility for, interest
20 in, or any liability whatsoever with respect to the foregoing provided in this ¶4.1.
21 The Parties agree to cooperate with each other, and their tax attorneys and
22 accountants, to the extent reasonably necessary to carry out the provisions of this
23 ¶4.1.

24 **5. Preliminary Approval Order, Notice Order, and Settlement**
25 **Hearing**

26 **5.1.** As soon as practicable after execution of this Stipulation, Lead
27 Counsel shall submit this Stipulation and its exhibits to the Court and shall move
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1 for preliminary approval of the Settlement set forth in this Stipulation, entry of a
2 preliminary approval order, and approval for the mailing and dissemination of
3 notice, substantially in the form of Exhibits A, A-1, A-2, A-3, and A-4. The
4 Postcard Notice (A-1) shall inform potential Class Members of the availability of
5 the Notice either by first class mail, postage pre-paid, or by electronic delivery. The
6 Notice (A-2) shall include the general terms of the Settlement and the provisions of
7 the Plan of Allocation, and shall set forth the procedure by which recipients of the
8 Notice may object to the Settlement or the Plan of Allocation or request to be
9 excluded from the Settlement Class. The date and time of the Settlement Hearing
10 shall be added to the Notice before it is mailed or otherwise provided to Settlement
11 Class Members.

12 **5.2.** At the time of the submission described in ¶5.1 hereof,
13 Plaintiffs, through Lead Counsel, shall request that, after the Notice is provided, the
14 Court hold the Settlement Hearing and (i) approve the Settlement as set forth herein,
15 and (ii) enter a final order and judgment substantially in the form of Exhibit B
16 hereto, as promptly after the Settlement Hearing as possible.

17 **5.3.** It shall be Lead Counsel's sole responsibility to disseminate the
18 Notice and Summary Notice to the Class in accordance with this Stipulation and as
19 ordered by the Court. Defendants shall not bear any cost or responsibility for class
20 notice, administration, or the allocation of the settlement amount among Settlement
21 Class Members. Settlement Class Members shall have no recourse as to the
22 Released Parties with respect to any claims they may have that arise from any
23 failure of the notice process.

24 **6. Releases and Covenants Not to Sue**

25 **6.1.** Upon the Effective Date, the Releasing Parties, regardless of
26 whether any such Releasing Party ever seeks or obtains by any means, including
27 without limitation by submitting a Proof of Claim, any disbursement from the
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1 Settlement Fund, shall be deemed to have, and by operation of the Final Judgment
2 shall have, fully, finally, and forever released, relinquished, and discharged all
3 Released Claims against the Released Parties and shall have covenanted not to sue
4 the Released Parties with respect to all such Released Claims, and shall be
5 permanently barred and enjoined from asserting, commencing, prosecuting,
6 instituting, assisting, instigating, or in any way participating in the commencement
7 or prosecution of any action or other proceeding, in any forum, asserting any
8 Released Claim, in any capacity, against any of the Released Parties, and agree and
9 covenant not to sue any of the Released Parties on the basis of the Released Claims
10 or to assist any third party in commencing or maintaining any suit against the
11 Released Parties related to any Released Claims. For the avoidance of doubt,
12 Defendants are released from any and all claims for contribution or indemnity, as
13 would otherwise be allowed by Section 21D of the Exchange Act, 15 U.S.C. §78u-
14 4(f)(7). Nothing contained herein shall, however, bar the Releasing Parties from
15 bringing any action or claim to enforce the terms of this Stipulation or the Final
16 Judgment. Nor shall anything contained herein limit or release any claims
17 Defendants may have with regard to insurance coverage that may be available to
18 them under any applicable policy.

19 **6.2.** With respect to any and all Released Claims, the Parties
20 stipulate and agree that, upon the Effective Date, Plaintiffs and the Released Parties
21 shall expressly waive, and each of the Settlement Class Members shall be deemed
22 to have waived, and by operation of the Final Judgment shall have waived, the
23 provisions, rights, and benefits of California Civil Code § 1542, which provides:

24 A general release does not extend to claims which the
25 creditor or releasing party does not know or suspect to
26 exist in his or her favor at the time of executing the release
27 and that, if known by him or her, would have materially
28 affected his or her settlement with the debtor or released
party.

1 With respect to any and all Released Claims, Plaintiffs and the Released Parties
2 shall expressly waive and each of the Settlement Class Members shall be deemed
3 to have waived, and by operation of the Final Judgment shall have waived, any and
4 all provisions, rights and benefits conferred by any law of any state, territory,
5 foreign country or principle of common law, which is similar, comparable or
6 equivalent to California Civil Code § 1542. Plaintiffs, the Released Parties and/or
7 one or more Settlement Class Members may hereafter discover facts in addition to
8 or different from those which he, she or it now knows or believes to be true with
9 respect to the Released Claims, but Plaintiffs and the Released Parties shall
10 expressly fully, finally and forever settle and release, and each Settlement Class
11 Member, upon the Effective Date, shall be deemed to have, and by operation of the
12 Final Judgment shall have, fully, finally and forever settled and released, any and
13 all Released Claims, known or unknown, suspected or unsuspected, contingent or
14 noncontingent, whether or not concealed or hidden, which now exist, or heretofore
15 have existed, upon any theory of law or equity now existing or coming into
16 existence in the future, including, but not limited to, conduct which is negligent,
17 intentional, with or without malice, or a breach of fiduciary duty, law or rule,
18 without regard to the subsequent discovery or existence of such different or
19 additional facts. Plaintiffs and the Released Parties acknowledge, and the
20 Settlement Class Members shall be deemed by operation of the Final Judgment to
21 have acknowledged, that the foregoing waiver was separately bargained for and a
22 key element of the Settlement of which this release is a part.

23 **6.3.** Upon the Effective Date, the Released Parties shall be deemed
24 to have, and by operation of the Final Judgment shall have, fully, finally, and
25 forever released, relinquished, and discharged all claims they may have against the
26 Releasing Parties related to the Releasing Parties' prosecution of the Action or any
27 other known or unknown counter-claim related thereto and shall have covenanted
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1 not to sue the Releasing Parties with respect to any counter claim, claim, or sanction
2 related to the Released Claims, and shall be permanently barred and enjoined from
3 asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way
4 participating in the commencement or prosecution of any action or other
5 proceeding, in any forum, asserting any such claim, in any capacity, against any of
6 the Releasing Parties, and agree and covenant not to sue any of the Releasing Parties
7 on the basis of any such claim or to assist any third party in commencing or
8 maintaining any suit against the Releasing Parties related to any such claim.
9 Nothing contained herein shall, however, bar the Released Parties from bringing
10 any action or claim to enforce the terms of this Stipulation or the Final Judgment.

11 **6.4.** The releases provided in this Stipulation shall become effective
12 immediately upon occurrence of the Effective Date without the need for any further
13 action, notice, condition, or event. Plaintiffs and Settlement Class Members shall
14 be deemed to acknowledge that, as of the Effective Date, the releases given herein
15 shall become effective immediately by operation of the Final Judgment and shall
16 be permanent, absolute, and unconditional.

17 **7. Administration and Calculation Of Claims, Final Awards And**
18 **Supervision And Distribution Of The Settlement Fund**

19 **7.1.** Under the supervision of Lead Counsel, acting on behalf of the
20 Settlement Class, and subject to such supervision and direction of the Court as may
21 be necessary or as circumstances may require, the Claims Administrator shall
22 administer and calculate the claims submitted by Settlement Class Members and
23 shall oversee distribution of the Net Settlement Fund (as defined below) to
24 Authorized Claimants. After the Effective Date, Lead Counsel shall apply to the
25 Court, on notice to the Parties, for the Settlement Fund Distribution Order.

26 **7.2.** The Settlement Fund shall be applied as follows:
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1 (a) To pay the Taxes and Tax Expenses described in ¶4.1
2 above;

3 (b) To pay Administrative Costs;

4 (c) To pay Lead Counsel’s attorneys’ fees and expenses and
5 payments to Plaintiffs for reimbursement of their time and expenses (“Fee and
6 Expense Award”), to the extent allowed by the Court; and

7 (d) To distribute the balance of the Settlement Fund, that is,
8 the Settlement Fund less the items set forth in ¶¶7.2(a), (b), and (c) hereof (“Net
9 Settlement Fund”), plus all accrued interest, to the Authorized Claimants as allowed
10 by this Stipulation, the Plan of Allocation, or the Court.

11 **7.3.** Upon and after the Effective Date, the Net Settlement Fund shall
12 be distributed to Authorized Claimants in accordance with the terms of the Plan of
13 Allocation set forth in the Notice and any orders of the Court. No Person shall have
14 any claims against Lead Counsel, the Claims Administrator, or any other agent
15 designated by Lead Counsel based on distribution determinations or claim
16 rejections made substantially in accordance with this Stipulation and the Settlement
17 contained herein, the Plan of Allocation, or orders of the Court. Lead Counsel shall
18 have the right, but not the obligation, to waive what it deems to be formal or
19 technical defects in any Proofs of Claim filed, where doing so is in the interest of
20 achieving substantial justice.

21 **7.4.** This is not a claims-made settlement, and if all conditions of the
22 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
23 Settlement Fund will be returned to Defendants or their insurers. Defendants, their
24 counsel, their insurers, and the other Released Parties shall have no responsibility
25 for, involvement in, interest in, or liability whatsoever with respect to the
26 investment or distribution of the Net Settlement Fund, the Plan of Allocation, the
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1 determination, administration, or calculation of claims, the payment or withholding
2 of Taxes or Tax Expenses, or any losses incurred in connection therewith.

3 **7.5.** The Claims Administrator shall administer the Settlement
4 subject to the jurisdiction of the Court and pursuant to this Stipulation and the Plan
5 of Allocation. Plaintiffs and Lead Counsel shall be solely responsible for
6 formulation of the Plan of Allocation. It is understood and agreed by the Parties
7 that any proposed Plan of Allocation of the Net Settlement Fund including, but not
8 limited to, any adjustments to an Authorized Claimant’s claim set forth therein, is
9 not a condition of this Stipulation and is to be considered by the Court separately
10 from the Court’s consideration of the fairness, reasonableness, and adequacy of the
11 Settlement. Any order or proceedings relating to the Plan of Allocation, or any
12 appeal from any order relating thereto or reversal or modification thereof, shall not
13 operate to modify, terminate or cancel this Stipulation, or affect or delay the finality
14 of the Final Judgment and the releases contained therein, or any other orders entered
15 pursuant to this Stipulation.

16 **7.6.** To assist in dissemination of notice, Defendants will cooperate
17 in obtaining from the Company’s transfer records information concerning the
18 identity of Settlement Class Members, including any names and addresses of
19 Settlement Class Members and nominees or custodians that exist in such transfer
20 records (“Settlement Class Information”). Defendants shall provide, or cause to be
21 provided, to Lead Counsel or the Claims Administrator, at no cost to Plaintiffs,
22 within 15 Business Days after the Court signs an order preliminarily approving the
23 Settlement, transfer records in electronic searchable form, such as Excel, containing
24 the Settlement Class Information. The Parties acknowledge that any information
25 Defendants provide to Lead Counsel or the Claims Administrator pursuant to this
26 ¶7.6 shall be treated as confidential and will be used by Lead Counsel and/or the
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1 Claims Administrator solely to deliver the Postcard Notice and the Notice and/or
2 implement the Settlement, including the Plan of Allocation.

3 **7.7.** Each Claimant shall be deemed to have submitted to the
4 jurisdiction of the Court with respect to the Claimant's claim, and the claim will be
5 subject to investigation and discovery under the Federal Rules of Civil Procedure,
6 provided that such investigation and discovery shall be limited to that Claimant's
7 status as a Settlement Class Member and the validity of the amount of the
8 Claimant's claim. No discovery shall be allowed on the merits of the Action or
9 Settlement in conjunction with the processing of the Proofs of Claim.

10 **7.8.** Payment pursuant to this Stipulation shall be deemed final and
11 conclusive against all Claimants. All Claimants whose claims are not approved by
12 the Court shall be barred from participating in the distribution from the Net
13 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation
14 and the Settlement, including the terms of the Final Judgment to be entered in this
15 Action and the releases provided for herein, and will be barred from bringing any
16 action against the Released Parties concerning the Released Claims.

17 **7.9.** All proceedings with respect to the administration, processing,
18 and determination of claims and all controversies relating thereto, including
19 disputed questions of law and fact with respect to the validity of claims, shall be
20 subject to the jurisdiction of this Court, but shall not delay or affect the finality of
21 the Final Judgment.

22 **7.10.** Neither the Parties nor their counsel shall have any
23 responsibility for or liability whatsoever with respect to: (i) any act, omission, or
24 determination of the Escrow Agent or the Claims Administrator, or any of their
25 respective designees or agents, in connection with the administration of the
26 Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination,
27 administration, calculation, or payment of any claims asserted against the
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1 Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the
2 Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or
3 costs incurred in connection with the taxation of the Settlement Fund or the filing
4 of any returns.

5 **8. Lead Counsel’s Attorneys’ Fees and Reimbursement of Expenses**

6 **8.1.** Lead Counsel may submit an application or applications (“Fee
7 and Expense Application”) for distributions from the Settlement Fund to Lead
8 Counsel for a Fee and Expense Award consisting of: (i) an award of attorneys’ fees
9 from the Settlement Fund; (ii) reimbursement of actual costs and expenses,
10 including the fees and expenses of any experts or consultants, incurred in
11 connection with prosecuting the Action; and (iii) payments to Plaintiffs for
12 reimbursement of their time and expenses in connection with the Action.
13 Defendants shall take no position with respect to the Fee and Expense
14 Application(s).

15 **8.2.** Any attorneys’ fees and expenses awarded Lead Counsel by the
16 Court shall be paid to Lead Counsel from the Escrow Account within 3 Business
17 Days of the date the Court enters an order approving the Fee and Expense Award,
18 notwithstanding the existence of any timely filed objections to any Fee and Expense
19 Award, or potential for appeal therefrom, or collateral attack on the Settlement or
20 any part thereof, and subject to Lead Counsel’s obligation to make appropriate
21 refunds or repayments to the Settlement Fund, plus interest earned thereon, within
22 10 Business Days, if and when the Settlement is terminated in accordance with its
23 terms or, as a result of any appeal and/or further proceedings on remand, or
24 successful collateral attack, the Fee and Expense Award is reduced.

25 **8.3.** The procedure for, and allowance or disallowance by the Court
26 of, the Fee and Expense Application are not a condition of the Settlement set forth
27 in this Stipulation and are to be considered by the Court separately from the Court’s
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1 consideration of the fairness, reasonableness, and adequacy of the Settlement. Any
2 order of or proceeding relating to the Fee and Expense Application, or any objection
3 to, motion regarding, or appeal from any order or proceeding relating thereto or
4 reversal or modification thereof, shall not operate to modify, terminate or cancel
5 this Stipulation, or affect or delay the finality of the Final Judgment or the releases
6 contained therein or any other orders entered pursuant to this Stipulation.

7 **8.4.** Any Fee and Expense Award paid to Lead Counsel or payments
8 to Plaintiffs shall be paid solely from the Settlement Fund and shall reduce the
9 settlement consideration paid to the Settlement Class accordingly. Defendants shall
10 not have any responsibility for payment of Lead Counsel’s attorneys’ fees and
11 expenses or other awards to Plaintiffs beyond the obligation of Defendants to fund,
12 or to cause their insurers to fund, the Settlement Amount as set forth in ¶2.1 above.
13 The Released Parties shall have no responsibility for, and no liability whatsoever
14 with respect to, any payments to Lead Counsel, Plaintiffs, the Settlement Class
15 and/or any other Person who receives payment from the Settlement Fund.

16 **9. Class Certification**

17 **9.1.** In the Final Judgment, the Parties agree that the Court should
18 certify the Settlement Class for purposes of this Settlement only. In the event that
19 the Final Judgment does not become Final or the Settlement fails to become
20 effective for any reason, all Parties reserve all their rights on all issues, including
21 class certification. For purposes of this settlement only, in connection with the Final
22 Judgment, Defendants shall consent to (i) the appointment of Plaintiffs as class
23 representatives, (ii) the appointment of Lead Counsel as class counsel, and (iii) the
24 certification of the Settlement Class pursuant to Rules 23(a) and (b)(3) of the
25 Federal Rules of Civil Procedure.
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1 **10. Conditions of Settlement, Effect of Disapproval, Cancellation or**
2 **Termination**

3 **10.1.** Plaintiffs, on behalf of the Settlement Class, and Defendants
4 shall each have the right to terminate the Settlement and Stipulation by providing
5 written notice of their election to do so (“Termination Notice”) to all other Parties
6 within 10 business days of:

7 **(a)** entry of a Court order declining to enter the Preliminary
8 Approval Order in any material respect without reasonable leave to amend;

9 **(b)** entry of a Court order refusing to approve this Stipulation
10 in any material respect without reasonable leave to amend;

11 **(c)** entry of a Court order declining to enter the Final
12 Judgment in any material respect, provided, however, that this Settlement is
13 expressly not conditioned on the Court’s approval of the proposed Plan of
14 Allocation, nor on the Court’s approval of Lead Counsel’s application for attorneys’
15 fees or expenses, nor on the Court’s approval of any award to Plaintiffs for their
16 reasonable costs and expenses, and any change in the Judgment relating to these
17 items shall not be considered a material change;

18 **(d)** entry of a Court order refusing to dismiss the Action with
19 prejudice;

20 **(e)** entry of an order by which the Final Judgment is modified
21 or reversed in any material respect by any appeal or review; or

22 **(f)** failure on the part of any Party to abide, in material
23 respect, with the terms of this Stipulation.

24 **10.2.** If the Settlement Amount is not paid into the Escrow Account
25 in accordance with ¶2.1 of this Stipulation, then Plaintiffs, on behalf of the
26 Settlement Class, and not Defendants, shall have the right to (a) terminate the
27 Settlement and Stipulation by providing written notice to Defendants at any time
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1 prior to the Court's entry of the Final Judgment; or (b) enforce the terms of the
2 Settlement and this Stipulation and seek a judgment effecting the terms herein.

3 **10.3.** If one or more Opt-Outs who, in the aggregate, purchased or
4 otherwise acquired Verb common stock during the Settlement Class Period in a
5 percentage greater than the amount specified in a separate Supplemental Agreement
6 between the parties ("Supplemental Agreement"), then Defendants shall have, in
7 their sole and absolute discretion, the option to terminate this Stipulation and
8 Settlement in strict accordance with the requirements and procedures set forth in
9 the Supplemental Agreement ("Supplemental Termination Option"). The
10 Supplemental Agreement shall be disclosed to the Court but, unless otherwise
11 ordered by the Court, shall not be filed with the Court unless and until a dispute
12 among the Parties concerning its interpretation or application arises, and in such a
13 case, the Parties will use their best efforts to seal such a filing or seek *in camera*
14 review. .

15 **10.4.** If any Party engages in a material breach of the terms hereof,
16 any other Party, provided that it is in substantial compliance with the terms of this
17 Stipulation, may terminate this Stipulation on notice to all the Parties.

18 **10.5.** The Effective Date of this Stipulation shall not occur unless and
19 until each of the following events occurs, and it shall be the date upon which the
20 last in time of the following events occurs:

21 (a) Defendants have not exercised their option to terminate
22 the Settlement pursuant to ¶10.3;

23 (b) The Court has entered the Preliminary Approval Order
24 attached hereto as Exhibit A or an order containing materially the same terms;

25 (c) The Court has approved the Settlement, following notice
26 to the Settlement Class and the Settlement Hearing, and has entered the Final
27 Judgment;

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1 (d) The Action has been dismissed with prejudice; and

2 (e) The Final Judgment has become Final as defined in ¶1.13.

3 **10.6.** Upon the occurrence of the Effective Date, any and all interest
4 or right of Defendants or their insurers in or to the Settlement Fund, shall be
5 absolutely and forever extinguished, except as set forth in this Stipulation.

6 **10.7.** In the event that some or all of the conditions specified in ¶10.5
7 above are not met, the Parties may agree in writing nevertheless to proceed with
8 this Stipulation and Settlement. However, none of the Parties, or any of them, shall
9 have any obligation whatsoever to proceed under any terms other than those
10 provided for and agreed herein.

11 **10.8.** In the event the Stipulation shall terminate, or be canceled, or
12 shall not become effective for any reason, the Parties and the Released Parties shall
13 be restored to their respective positions in the Action immediately prior to
14 September 17, 2020, and they shall proceed in all respects as if the Stipulation had
15 not been executed and the related orders had not been entered, and in that event all
16 of their respective claims and defenses as to any issue in the Action shall be
17 preserved without prejudice.

18 **10.9.** In the event that the Stipulation is not approved by the Court or
19 the Settlement set forth in this Stipulation is terminated or fails to become effective
20 in accordance with its terms, the terms and provisions of this Stipulation, except as
21 otherwise provided herein, shall have no further force and effect with respect to the
22 Parties or the Released Parties and shall not be used in the Action or in any other
23 proceeding for any purpose, and any judgment or order entered by the Court in
24 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro*
25 *tunc*.

26 **10.10.** In the event the Stipulation shall be terminated, or be canceled,
27 or is incapable of becoming effective for any reason, within 10 Business Days
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1 (except as otherwise provided in the Supplemental Agreement) after the occurrence
2 of such event, the Settlement Fund (less taxes already paid and any Administrative
3 Costs which have either been disbursed or are determined to be chargeable, not to
4 exceed \$200,000 without the prior approval of the Court) shall be refunded by the
5 Escrow Agent to Defendants or their insurers, as applicable, plus accrued interest
6 attributable to that amount, by check or wire transfer pursuant to written instructions
7 from Defendants' counsel. At the request of Defendants, the Escrow Agent or its
8 designee shall apply for any tax refund owed on the Settlement Fund and pay the
9 proceeds, after deduction of any fees or expenses incurred in connection with such
10 application(s) for refund, to Defendants or their insurers, as applicable, pursuant to
11 written direction from Defendants.

12 **10.11.** No order of the Court or modification or reversal on appeal of
13 any order of the Court or motion for reconsideration, appeal, petition for a writ of
14 *certiorari* or its equivalent concerning the Plan of Allocation or the Fee and Expense
15 Application shall in any way delay or preclude the Effective Date or constitute
16 grounds for cancellation or termination of the Stipulation.

17 **11. No Admission of Liability or Wrongdoing**

18 **11.1.** The Parties covenant and agree that neither this Stipulation,
19 whether or not consummated, (nor the Settlement contained therein), nor any of its
20 terms and provisions, nor any of the negotiations, documents, or proceedings
21 connected with them, is evidence, or an admission or concession by any Party or
22 their counsel, any Settlement Class Member, or any of the Released Parties, of any
23 fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or
24 asserted or could have been alleged or asserted in the Action, or any other actions
25 or proceedings, or as to the validity or merit of any of the claims or defenses alleged
26 or asserted in any such action or proceeding. This Stipulation is not a finding or
27 evidence of the validity or invalidity of any claims or defenses alleged or asserted
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1 or could have been alleged or asserted in the Action, any wrongdoing by any Party,
2 Settlement Class Member, or any of the Released Parties, or any damages or injury
3 to any Party, Settlement Class Member, or any Released Parties. Neither this
4 Stipulation, nor the Supplemental Agreement, nor any of the terms and provisions
5 of this Stipulation or the Supplemental Agreement, nor any of the negotiations or
6 proceedings in connection therewith, nor any of the documents or statements
7 referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor
8 the Settlement proceedings, nor any statement in connection therewith, (a) shall (i)
9 be argued to be, used or construed as, offered or received in evidence as, or
10 otherwise constitute an admission, concession, presumption, proof, evidence, or a
11 finding of any, liability, fault, wrongdoing, injury or damages, or of any wrongful
12 conduct, acts or omissions on the part of any Released Party, or of any infirmity of
13 any defense, or of any damages to Plaintiffs or any other Settlement Class Member,
14 or (ii) otherwise be used to create or give rise to any inference or presumption
15 against any of the Released Parties concerning any fact or any purported liability,
16 fault, or wrongdoing of the Released Parties or any injury or damages to any person
17 or entity, or (b) shall otherwise be admissible, referred to or used in any proceeding
18 of any nature, for any purpose whatsoever, other than such proceedings as may be
19 necessary to effectuate the provisions of this Stipulation; provided, however, that
20 this Stipulation, the documents related hereto, or the Final Judgment may be
21 introduced in any proceeding, whether in the Court or otherwise, as may be
22 necessary to enforce the Settlement or Final Judgment, to effectuate the liability
23 protection granted them hereunder, to support a defense or counterclaim based on
24 principles of *res judicata*, collateral estoppel, release, good faith settlement,
25 judgment bar or reduction, offset or any other theory of claim preclusion or issue
26 preclusion or similar defense or counterclaim, or as otherwise required by law.

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1 **11.2.** Nothing in this Stipulation constitutes or reflects a waiver or
2 release of any rights or claims of any Defendant against his, her, or its insurers, or
3 insurers' subsidiaries, predecessors, successors, assigns, affiliates, or
4 representatives. Nothing in this Stipulation constitutes or reflects a waiver or
5 release of any rights or claims relating to indemnification, advancement, or any
6 undertakings by an indemnified party to repay amounts advanced or paid by way of
7 indemnification or otherwise.

8 **12. Miscellaneous Provisions**

9 **12.1.** Except in the event of the provision of a Termination Notice
10 pursuant to ¶10 of this Stipulation, including, without limitation, termination notice
11 in accordance with the Parties' Supplemental Agreement, the Parties shall take all
12 actions necessary to consummate this agreement; and agree to cooperate with each
13 other to the extent reasonably necessary to effectuate and implement all terms and
14 conditions of the Stipulation.

15 **12.2.** The Parties and their counsel represent that they will not
16 encourage or otherwise influence (or seek to influence) in any way whatsoever any
17 Settlement Class Members to request exclusion from, or object to, the Settlement.

18 **12.3.** Each of the attorneys executing this Stipulation, any of its
19 exhibits, or any related settlement documents on behalf of any Party hereto hereby
20 warrants and represents that he or she has been duly empowered and authorized to
21 do so by the Party he or she represents.

22 **12.4.** Plaintiffs and Lead Counsel represent and warrant that Plaintiffs
23 are each Settlement Class Members and none of Plaintiffs' claims or causes of
24 action against one or more Defendants in the Action, or referred to in this
25 Stipulation, or that could have been alleged against one or more Defendants in the
26 Action have been assigned, encumbered or in any manner transferred in whole or
27 in part.

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1 **12.5.** This Stipulation, together with the Supplemental Agreement,
2 constitutes the entire agreement between the Parties related to the Settlement and
3 supersedes any prior agreements. No representations, warranties, promises,
4 inducements or other statements have been made to or relied upon by any Party
5 concerning this Stipulation, other than the representations, warranties and
6 covenants expressly set forth herein and in the Supplemental Agreement. Plaintiffs,
7 on behalf of themselves and the Settlement Class, acknowledge and agree that any
8 and all other representations and warranties of any kind or nature, express or
9 implied, are specifically disclaimed and were not relied upon in connection with
10 this Stipulation. In entering this Stipulation, the Parties relied solely upon their own
11 knowledge and investigation. Except as otherwise provided herein, each Party shall
12 bear his, her, or its own costs.

13 **12.6.** This Stipulation may not be modified or amended, nor may any
14 of its provisions be waived, except by a writing signed by all Parties or their counsel
15 or their respective successors in interest.

16 **12.7.** This Stipulation shall be binding upon, and shall inure to the
17 benefit of, the Parties and their respective agents, successors, executors, heirs, and
18 assigns.

19 **12.8.** The Released Parties who do not appear on the signature lines
20 below are acknowledged and agreed to be third party beneficiaries of this
21 Stipulation and Settlement.

22 **12.9.** The headings herein are used for the purpose of convenience
23 only and are not meant to have legal effect.

24 **12.10.** This Stipulation may be executed in any number of counterparts
25 by any of the signatories hereto and the transmission of an original signature page
26 electronically (including by facsimile or portable document format) shall constitute
27 valid execution of the Stipulation as if all signatories hereto had executed the same
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1 document. Copies of this Stipulation executed in counterpart shall constitute one
2 agreement.

3 **12.11.** This Stipulation, the Settlement, the Supplemental Agreement
4 and any all disputes arising out of or relating in any way to this Stipulation, whether
5 in contract, tort or otherwise, shall be governed by and construed in accordance with
6 the laws of the State of California without regard to conflict of laws principles.

7 **12.12.** The Court shall retain jurisdiction with respect to the
8 implementation and enforcement of the terms of this Stipulation, and all Parties
9 hereto submit to the jurisdiction of the Court for purposes of implementing and
10 enforcing the Settlement embodied in this Stipulation.

11 **12.13.** The Stipulation shall not be construed more strictly against one
12 Party than another merely by virtue of the fact that it, or any part of it, may have
13 been prepared by counsel for one of the Parties, it being recognized that it is the
14 result of arm's-length negotiations between the Parties, and all Parties have
15 contributed substantially and materially to the preparation of this Stipulation.

16 **12.14.** Plaintiffs, Lead Counsel, and the attorneys, staff, experts, and
17 consultants assisting them in this Action agree that (a) they will not intentionally
18 assist or cooperate with any person or entity in the pursuit of legal action related to
19 the Released Claims against the Released Parties, (b) they will not intentionally
20 assist or cooperate with any person or entity seeking to publicly disparage or
21 economically harm the Released Parties with respect to any matter relating to the
22 subject matter this Action, and (c) they will not discuss any confidential matters
23 related to this Action or the Settlement with anyone, and (d) they will not make any
24 accusations of wrongful or actionable conduct by any party concerning the
25 prosecution, defense, and resolution of the Action, and shall not otherwise suggest
26 that the settlement embodied in this Stipulation constitutes an admission of any
27 claim or defense alleged. The Parties reserve their right to rebut, in a manner that
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1 such party determines to be appropriate, any contention made in any public forum
2 regarding the Action, including that the Action was brought or defended in bad faith
3 or without a reasonable basis.

4 **12.15.** All agreements by, between or among the Parties, their counsel
5 and their other advisors as to the confidentiality of information exchanged between
6 or among them shall remain in full force and effect, and shall survive the execution
7 and any termination of this Stipulation and the final consummation of the
8 Settlement, if finally consummated, without regard to any of the conditions of the
9 Settlement.

10 **12.16.** The Parties shall not assert or pursue any action, claim or rights
11 that any Party violated any provision of Rule 11 of the Federal Rules of Civil
12 Procedure and/or the Private Securities Litigation Reform Act of 1995 in
13 connection with the Action, the Settlement, the Stipulation or the Supplemental
14 Agreement. The Parties agree that the Action was resolved in good faith following
15 arm's-length bargaining, in full compliance with applicable requirements of good
16 faith litigation under the Securities Exchange Act of 1934, Rule 11 of the Federal
17 Rules of Civil Procedure, and/or the Private Securities Litigation Reform Act of
18 1995.

19 **12.17.** Any failure by any of the Parties to insist upon the strict
20 performance by any other Party of any of the provisions of the Stipulation shall not
21 be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding
22 such failure, shall have the right thereafter to insist upon the strict performance of
23 any and all of the provisions of this Stipulation to be performed by the other Parties
24 to this Stipulation.

25 **12.18.** The waiver, express or implied, by any Party of any breach or
26 default by any other Party in the performance of such Party of its obligations under
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1 the Stipulation shall not be deemed or construed to be a waiver of any other breach,
2 whether prior, subsequent, or contemporaneous, under this Stipulation.

3 **12.19.** The Parties reserve the right, subject to the Court’s approval, to
4 make any reasonable extensions of time that might be necessary to carry out any of
5 the provisions of this Stipulation.

6 **12.20.** Whether or not this Stipulation is approved by the Court and
7 whether or not the settlement embodied in this Stipulation is consummated, the
8 Parties and their counsel shall use their best efforts to keep all negotiations,
9 discussions, acts performed, agreements, drafts, documents signed and proceedings
10 had in connection with this Stipulation confidential. Notwithstanding the
11 foregoing, the Parties agree that this Stipulation may be filed publicly as part of any
12 motion for preliminary or final approval of the settlement.

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EXHIBIT A

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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SCOTT C. HARTMANN, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-05896-GW-MAA

CLASS ACTION

**[PROPOSED] ORDER
GRANTING PLAINTIFFS’
MOTION FOR PRELIMINARY
APPROVAL OF CLASS
ACTION SETTLEMENT**

Judge: Hon. George H. Wu

BUMJIN KIM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-06944-GW-MAA

CLASS ACTION

1 WHEREAS, Lead Plaintiff J. Leister and named Plaintiff Alexander Wolfson
2 (“Plaintiffs”), individually and on behalf of the Settlement Class, and Defendants
3 Verb Technology Company, Inc. and Rory J. Cutaia (“Defendants,” and together
4 with Plaintiffs, “Parties”), have entered into the Stipulation of Settlement, dated
5 September 17, 2020 (the “Stipulation”), which is subject to review under Rule 23
6 of the Federal Rules of Civil Procedure and which, together with the exhibits
7 annexed thereto, sets forth the terms and conditions for the proposed settlement of
8 the class action pending before the Court entitled *Hartmann v. Verb Technology*
9 *Company, Inc., et al.*, Case No. 2:19-cv-05896-GW-MAA (“Action”)¹; and the
10 Court having read and considered the Stipulation and the exhibits thereto and
11 submissions made relating thereto, and finding that substantial and sufficient
12 grounds exist for entering this Order; and the Parties having consented to the entry
13 of this Order;

14 NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of
15 _____, 2020, that:

16 1. Capitalized terms used herein have the meanings set forth in the
17 Stipulation.

18 2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil
19 Procedure and for the purposes of the Settlement only, the Action is hereby
20 preliminarily certified as a class action on behalf of all Persons (including, without
21 limitation, their beneficiaries) who purchased Verb common stock during the period
22 from January 3, 2018 through May 2, 2018, both days inclusive, and excluded from
23 the Settlement Class are (i) Defendants and all officers and directors of Verb during
24 the Settlement Class Period; (ii) immediate family members of any Person excluded
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26 _____
27 ¹ The Action also includes the related action previously consolidated with this
28 Action by the Court, captioned *Kim v. Verb Technology Company, Inc. et al.*, Case
No. 2:19-cv-06944.

1 under section (i) of this definition; (iii) any entities affiliated with or controlled by
2 any person excluded under sections (i) and (ii) of this definition; (iv) the legal
3 representatives, heirs, successors or assigns of any person excluded under
4 subsections (i) through (iii) of this definition; and (v) Opt-Outs (*i.e.*, Persons who
5 file valid and timely requests for exclusion from the Settlement Class in accordance
6 with this Order).

7 3. This Court finds, preliminarily and for purposes of this Settlement
8 only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the
9 Federal Rules of Civil Procedure have been satisfied in that: (a) the number of
10 Settlement Class Members is so numerous that joinder of all members of the
11 Settlement Class is impracticable; (b) there are questions of law and fact common
12 to the Settlement Class; (c) the claims of Plaintiffs are typical of the claims of the
13 Settlement Class they seek to represent; (d) Plaintiffs fairly and adequately
14 represent the interests of the Settlement Class; (e) questions of law and fact common
15 to the Settlement Class predominate over any questions affecting only individual
16 members of the Settlement Class; and (f) a class action is superior to other available
17 methods for the fair and efficient adjudication of the Action.

18 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure,
19 preliminarily and for the purposes of this Settlement only, Plaintiffs are certified as
20 the class representatives on behalf of the Settlement Class (“Class Representatives”)
21 and Lead Counsel, previously selected by Plaintiffs and approved by this Court, is
22 hereby appointed as Lead Counsel for the Settlement Class (“Lead Counsel”).

23 5. The Court finds that (a) the Stipulation resulted from good faith, arm’s-
24 length negotiations, and (b) the Stipulation is sufficiently fair, reasonable, and
25 adequate to the Settlement Class Members to warrant providing notice of the
26 Settlement to Settlement Class Members and holding a Settlement Hearing.

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1 6. The Court hereby preliminarily approves the Settlement, subject to
2 further consideration at a hearing (“Settlement Hearing”) pursuant to Federal Rule
3 of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on
4 _____ 2020 at __:___ .m. (between 100-110 days after entry of this
5 Order), and may be conducted via telephonic or videoconference means at the
6 Court’s direction, for the following purposes:

7 (a) to determine finally whether the applicable prerequisites for
8 class action treatment under Federal Rules of Civil Procedure 23(a) and (b) are
9 satisfied;

10 (b) to determine finally whether the Settlement is fair, reasonable,
11 and adequate, and should be approved by the Court;

12 (c) to determine finally whether the Final Judgment as provided
13 under the Stipulation should be entered, dismissing the Action on the merits and
14 with prejudice, and to determine whether the release by the Releasing Parties of the
15 Released Claims against the Released Parties, as set forth in the Stipulation, should
16 be ordered, along with a permanent injunction barring efforts to prosecute or
17 attempt to prosecute any Released Claims extinguished by the release against any
18 of the Released Parties, as also set forth in the Stipulation;

19 (d) to determine finally whether the proposed Plan of Allocation for
20 the distribution of the Net Settlement Fund is fair and reasonable and should be
21 approved by the Court;

22 (e) to consider the application of Lead Counsel for an award of
23 attorneys’ fees and expenses and awards to each Class Representatives;

24 (f) to consider Settlement Class Members’ objections to the
25 Settlement, if any, whether submitted previously in writing or presented orally at
26 the Settlement Hearing by Settlement Class Members (or by counsel on their
27 behalf); and
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1 (g) to rule upon such other matters as the Court may deem
2 appropriate.

3 7. The Court reserves the right to adjourn the Settlement Hearing to a
4 later date and to approve the Settlement with or without modification and with or
5 without further notice other than entry of an Order on the Court's docket. The Court
6 further reserves the right to enter its Final Judgment approving the Settlement and
7 dismissing the Action, on the merits and with prejudice, regardless of whether it has
8 approved the Plan of Allocation or awarded attorneys' fees and expenses.

9 8. The Court reserves the right to approve the Settlement with such
10 modifications as may be agreed upon or consented to by the Parties and without
11 further notice to the Settlement Class where to do so would not impair Settlement
12 Class Members' rights in a manner inconsistent with Rule 23, other applicable rules
13 or regulations, or due process of law.

14 9. The Court approves the form, substance and requirements of (a) the
15 Postcard Notice, (b) the Notice, (c) the Proof of Claim, and (d) the Summary Notice,
16 all of which are exhibits to the Stipulation.

17 10. Lead Counsel, on behalf of Plaintiffs, has the authority to enter into
18 the Settlement on behalf of the Settlement Class and has the authority to act on
19 behalf of the Settlement Class with respect to all acts or consents required by or that
20 may be given pursuant to the Stipulation or such other acts that are reasonably
21 necessary to consummate the Settlement.

22 11. Strategic Claims Services is appointed and approved as the Claims
23 Administrator to supervise and administer the notice procedure as well as the
24 processing of claims.

25 12. The Escrow Agent may, at any time after entry of this Order and
26 without further approval from Defendants or the Court, disburse at the direction of
27 Lead Counsel up to \$100,000 from the Settlement Fund prior to the Effective Date
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1 to pay Administrative Costs. After the Effective Date, additional amounts, up to a
2 total of \$200,000, may be transferred from the Settlement Fund to pay for any
3 necessary additional Administrative Costs without further order of the Court.

4 13. No later than ten Business Days after the date of this Order, Defendants
5 shall provide and/or cause its transfer agent to provide to Lead Counsel or the
6 Claims Administrator a list of the record owners of Verb common stock during the
7 Settlement Class Period in a usable electronic format, such as an Excel spreadsheet.
8 This information will be kept confidential and not used for any purpose other than
9 to provide the notice contemplated by this Order.

10 14. No later than fourteen days after the entry of this Order, Lead Counsel,
11 through the Claims Administrator, shall, (a) post the Stipulation and its exhibits,
12 this Order, and copies of the Notice and Proof of Claim form on the Claims
13 Administrator's website; (b) mail requests to nominees or custodians who held Verb
14 common stock during the Settlement Class Period as record owners but not as
15 beneficial owners, requesting the names of all beneficial owners of Verb common
16 stock; and (c) publish the Summary Notice on *GlobalNewswire*.

17 15. No later than seven Business Days after receiving the list of the record
18 owners of Verb common stock during the Settlement Class Period, Lead Counsel,
19 through the Claims Administrator, shall mail, by first class mail, postage prepaid,
20 the Notice and Proof of Claim to the list of record holders of Verb common stock.

21 16. Nominees or custodians shall, within ten Business Days of receipt of
22 the Notice and Proof of Claim, either (i) request additional copies of the Notice and
23 Proof of Claim sufficient to send the Notice and Proof of Claim to all beneficial
24 owners for whom they are nominee or custodian, and within ten Business Days after
25 receipt thereof send copies to such beneficial owners; or (ii) provide the Claims
26 Administrator with lists of the names, last known addresses and email addresses (to
27 the extent known) of such beneficial owners. Nominees or custodians who elect to
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1 send the Notice and Proof of Claim to their beneficial owners shall send a written
2 certification to the Claims Administrator confirming that the mailing has been made
3 as directed. Additional copies of the Notice and Proof of Claim shall be made
4 available to any nominee or custodian requesting same for the purpose of
5 distribution to beneficial owners. The Claims Administrator shall, if requested,
6 reimburse nominees or custodians out of the Settlement Fund solely for their
7 reasonable out-of-pocket expenses, up to \$0.75 per unit, incurred in providing
8 notice to beneficial owners, which expenses would not have been incurred except
9 for the sending of such notice, and subject to further order of this Court with respect
10 to any dispute concerning such reimbursement.

11 17. As soon as practical after receiving lists of beneficial owners from
12 nominees and custodians, the Claims Administrator shall mail the Postcard Notice
13 to all Settlement Class Members whom the Claims Administrator identifies by
14 reasonable efforts. The Postcard Notice shall contain instructions on how
15 Settlement Class Members can obtain copies of the Notice and the Proof of Claim,
16 substantially in the forms annexed to the Stipulation, either electronically or in hard
17 copy by contacting the Claims Administrator.

18 18. Promptly upon receiving requests from Settlement Class Members, the
19 Claims Administrator shall mail, by first class mail, postage pre-paid, the Notice
20 and Proof of Claim to such beneficial owners who request it, or otherwise instruct
21 Settlement Class Members how to receive the Notice electronically and how to
22 submit a Proof of Claim.

23 19. No later than fourteen Business Days before the Settlement Hearing,
24 Lead Counsel shall serve upon counsel for Defendants and file with the Court (a)
25 proof of the mailing of the Postcard Notice and details of how many persons
26 received the Notice and Proof of Claim by mail and how many accessed it
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1 electronically as required by this Order, and (b) proof of publication of the
2 Summary Notice.

3 20. The forms and methods set forth herein of notifying the Settlement
4 Class Members of the Settlement and its terms and conditions meet the
5 requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and
6 Section 21D(a)(7) of the Exchange Act, 15 U.S.C. § 78u-4(a)(7), as amended by
7 the Private Securities Litigation Reform Act of 1995; constitute the best notice
8 practicable under the circumstances; and constitute due and sufficient notice to all
9 persons and entities entitled thereto. No Settlement Class Member will be relieved
10 from the terms and conditions of the Settlement, including the releases provided for
11 therein, based upon the contention or proof that such Settlement Class Member
12 failed to receive actual or adequate notice.

13 21. To be entitled to participate in recovery from the Net Settlement Fund
14 after the Effective Date, each Settlement Class Member shall take the following
15 action and be subject to the following conditions:

16 (a) A properly completed and executed Proof of Claim must be
17 submitted to the Claims Administrator electronically or at the Post Office Box
18 indicated in the Postcard Notice and the Notice, postmarked no later than
19 _____, 20__ (no later than fourteen days prior to the Settlement
20 Hearing). Such deadline may be further extended by Order of the Court. Each
21 Proof of Claim shall be deemed to have been submitted when legibly postmarked
22 (if properly addressed and mailed by first class mail) provided such Proof of Claim
23 is actually received before the filing of a motion for an order of the Court approving
24 distribution of the Net Settlement Fund. Any Proof of Claim submitted in any other
25 manner shall be deemed to have been submitted when it was actually received by
26 the Claims Administrator at the address designated in the Notice.

1 (b) The Proof of Claim submitted by each Settlement Class Member
2 must satisfy the following conditions: (i) it must be properly completed, signed and
3 submitted in a timely manner in accordance with the provisions of the preceding
4 subparagraph; (ii) it must be accompanied by adequate supporting documentation
5 for the transactions reported therein, in the form of broker confirmation slips, broker
6 account statements, an authorized statement from the broker containing the
7 transactional information found in a broker confirmation slip, or such other
8 documentation as is deemed adequate by the Claims Administrator or Lead
9 Counsel; (iii) if the person executing the Proof of Claim is acting in a representative
10 capacity, a certification of his current authority to act on behalf of the Settlement
11 Class Member must be provided with the Proof of Claim; and (iv) the Proof of
12 Claim must be complete and contain no material deletions or modifications of any
13 of the printed matter contained therein and must be signed under penalty of perjury.

14 (c) Once the Claims Administrator has considered a timely
15 submitted Proof of Claim, it shall determine whether such claim is valid, deficient,
16 or rejected. For each claim determined to be either deficient or rejected, the Claims
17 Administrator shall send a deficiency letter or rejection letter as appropriate,
18 describing the basis on which the claim was so determined. Persons who timely
19 submit a Proof of Claim that is deficient or otherwise rejected shall be afforded a
20 reasonable time (at least ten Business Days) to cure such deficiency if it shall appear
21 that such deficiency may be cured. If any Claimant whose claim has been rejected
22 in whole or in part wishes to contest such rejection, the Claimant must, within ten
23 Business Days after the date of mailing of the notice of rejection, serve upon the
24 Claims Administrator a notice and statement of reasons indicating the Claimant's
25 ground for contesting the rejection, along with any supporting documentation, and
26 requesting a review thereof by the Court. If an issue concerning a claim cannot be
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1 otherwise resolved, Lead Counsel shall thereafter present the request for review to
2 the Court.

3 (d) As part of the Proof of Claim, each Settlement Class Member
4 shall submit to the jurisdiction of the Court with respect to the claim submitted, and
5 shall, upon the Effective Date, release all claims as provided in the Stipulation. No
6 discovery shall be allowed on the merits of the Action or the Settlement in
7 connection with processing of the Proofs of Claim, nor shall any discovery from or
8 of Defendants be allowed on any topic.

9 22. All Settlement Class Members who do not submit valid and timely
10 Proofs of Claim will be forever barred from receiving any payments from the Net
11 Settlement Fund, but will in all other respects be subject to and bound by the
12 provisions of the Stipulation and the Final Judgment, if entered.

13 23. Settlement Class Members shall be bound by all determinations and
14 judgments in this Action, whether favorable or unfavorable, unless such Persons
15 request exclusion from the Settlement Class in a timely and proper manner, as
16 hereinafter provided. A Settlement Class Member wishing to request exclusion
17 from the Settlement Class shall mail it, in written form, by first class mail, postage
18 prepaid, or otherwise deliver it, so that it is received no later than twenty-one days
19 prior to the Settlement Hearing (“Exclusion Deadline”), to the addresses listed in
20 the Notice. To be valid, unless otherwise ordered by the Court, such request for
21 exclusion must (a) clearly indicate the name and address and phone number and e-
22 mail contact information (if any) of the Person seeking exclusion, and state that the
23 sender specifically “requests to be excluded from the Settlement Class in *Hartmann*
24 *v. Verb Technology Company Inc., et al.*, Case No. 2:19-cv-05896-GW-MAA, and
25 (b) (i) state the date, number of shares, and dollar amount of each Verb common
26 stock purchase or acquisition during the Settlement Class Period, and any sale
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1 transactions, and (ii) the number of shares of Verb common stock held by the Person
2 as of May 2, 2018.

3 24. To be valid, such request for exclusion must be submitted with
4 documentary proof (a) of each purchase or acquisition and, if applicable, sale
5 transaction of Verb common stock during the Settlement Class Period and (b)
6 demonstrating the Person's status as a beneficial owner of the Verb common stock.
7 Any such request for exclusion must be signed and submitted by the beneficial
8 owner under penalty of perjury. The request for exclusion shall not be effective
9 unless it provides the required information, is legible, and is made within the time
10 stated above, or the exclusion is otherwise accepted by the Court. Lead Counsel
11 may contact any Person filing a request for exclusion, or their attorney if one is
12 designated, to discuss the exclusion.

13 25. The Claims Administrator shall provide all requests for exclusion and
14 supporting documentation submitted therewith (including untimely requests) to
15 counsel for the Parties as soon as possible and no later than three Business Days
16 after the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion
17 Deadline). The Settlement Class excludes any Person who delivers a valid and
18 timely request for exclusion.

19 26. Any Person that submits a request for exclusion may thereafter submit
20 to the Claims Administrator a written revocation of that request for exclusion,
21 provided that it is received no later than five Business Days before the Settlement
22 Hearing or is accepted by the Court at the Settlement Hearing, in which event that
23 Person will be included in the Settlement Class.

24 27. All Persons who submit a valid, timely and unrevoked request for
25 exclusion will be forever barred from receiving any payments from the Net
26 Settlement Fund.

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1 28. The Court will consider comments and/or objections to the Settlement,
2 the Plan of Allocation, or the Fee and Expense Application, provided, however, that
3 no Settlement Class Member or other Person shall be heard or entitled to contest
4 the approval of the terms and conditions of the proposed Settlement or, if approved,
5 the Final Judgment, or any other order relating thereto, unless, at least twenty-one
6 days prior to the Settlement Hearing, that Person has (a) filed said objections, papers
7 and briefs, showing due proof of service upon counsel identified above, with the
8 Clerk of the Court, U.S. District Court, Central District of California, First Street
9 Courthouse, 350 West First Street, Los Angeles, CA 90012 and (b) served copies
10 of any objections, papers and briefs to each of the following counsel:

11 LEAD COUNSEL:

12
13 Jacob A. Goldberg
14 THE ROSEN LAW FIRM, P.A.
15 101 Greenwood Avenue, Suite 440
16 Jenkintown, PA 19046

17 COUNSEL FOR DEFENDANTS:

18 Steven M. Schatz
19 Catherine Moreno
20 WILSON SONSINI GOODRICH & ROSATI, P.C.
21 650 Page Mill Road
22 Palo Alto, CA 94304

23 29. To be valid, any such objection must contain the Settlement Class
24 Member's (a) name, address, and telephone number, (b) a list of all purchases and
25 sales of Verb common stock during the Settlement Class Period to show
26 membership in the Settlement Class, (c) all grounds for the objection, including any
27 legal support known to the Settlement Class Member and/or his, her, or its counsel,
28 (d) the name, address, and telephone number of all counsel who represent the

1 Settlement Class Member, and (e) the number of times the Settlement Class
2 Member and/or his, her, or its counsel has filed an objection to a class action
3 settlement in the last five years, the nature of each such objection in each case, the
4 jurisdiction in each case, and the name of the issuer of the security or seller of the
5 product or service at issue in each case. Attendance at the Settlement Hearing is not
6 necessary but Persons wishing to be heard orally in opposition to the approval of
7 the Stipulation, the Plan of Allocation, and/or the Fee and Expense Application are
8 required to indicate in their written objection (or in a separate writing that is
9 submitted in accordance with the deadline and after instruction pertinent to the
10 submission of a written objection) that they intend to appear at the Settlement
11 Hearing and identify any witnesses they may call to testify or exhibits they intend
12 to introduce into evidence at the Settlement Hearing. Settlement Class Members do
13 not need to appear at the Settlement Hearing or take any other action to indicate
14 their approval.

15 30. Any Settlement Class Member who does not object in the manner
16 prescribed above shall be deemed to have waived all such objections and shall
17 forever be foreclosed from making any objection to the fairness, adequacy or
18 reasonableness of the Settlement, the Final Judgment to be entered approving the
19 Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless
20 otherwise ordered by the Court; shall be bound by all the terms and provisions of
21 the Stipulation and by all proceedings, orders and judgments in the Action; and shall
22 also be foreclosed from appealing from any judgment or order entered in this
23 Action.

24 31. All papers in support of the Settlement, the Plan of Allocation and/or
25 the Fee and Expense Application shall be filed and served no later than twenty-five
26 Business Days before the Settlement Hearing.

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1 32. Any submissions filed in response to any objections or in further
2 support of the Settlement, the Plan of Allocation and/or the Fee and Expense
3 Application shall be filed no later than seven days prior to the Settlement Hearing.

4 33. Defendants, their counsel, their insurers, and other Released Parties
5 shall have no responsibility for, or liability with respect to, the Plan of Allocation
6 or any application for attorneys' fees or expenses or payments to the Class
7 Representatives submitted by Lead Counsel, and such matters will be considered
8 separately from the fairness, reasonableness, and adequacy of the Settlement.

9 34. Pending final determination of whether the Settlement should be
10 approved, all Releasing Parties shall be enjoined from commencing, prosecuting,
11 attempting to prosecute any Released Claims against any Released Party in any
12 court or tribunal or proceeding. Unless and until the Stipulation is cancelled or
13 terminated pursuant to the Stipulation, all proceedings in the Action, other than such
14 proceedings as may be necessary to carry out the terms and conditions of the
15 Stipulation, are hereby stayed and suspended until further order of the Court.

16 35. All funds held by the Escrow Agent shall be deemed to be in the
17 custody of the Court, and shall remain subject to the jurisdiction of the Court, until
18 such time as such funds shall be distributed or returned pursuant to the Stipulation
19 and Plan of Allocation and/or further order(s) of the Court.

20 36. Neither the Stipulation, nor any of its terms or provisions, nor any of
21 the negotiations, documents, or proceedings connected with it, shall be deemed to
22 be evidence of, or construed as an admission or concession by Defendants, their
23 counsel, their insurers, or any of the other Released Parties of the truth of any of the
24 allegations in the Action, or of any liability, fault, or wrongdoing of any kind or
25 construed as, or deemed to be evidence of or an admission or concession that Class
26 Representatives or any Settlement Class Members have suffered any damages,
27 harm, or loss. Further, neither the Stipulation, nor any of its terms or provisions, nor
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1 any of the negotiations or proceedings connected with it, nor this Order shall be
2 construed as an admission or concession by Class Representatives of the validity of
3 any factual or legal defense or of the infirmity of any of the claims or facts alleged
4 in this Action.

5 37. In the event the Settlement is not consummated in accordance with the
6 terms of the Stipulation, then the Stipulation and this Order (including any
7 amendment(s) thereof, and except as expressly provided in the Stipulation or by
8 order of the Court) shall be null and void, of no further force or effect, and without
9 prejudice to any Party, and may not be introduced as evidence or used in any action
10 or proceeding by any Person against the Parties or the Released Parties, and each
11 Party shall be restored to his, her or its respective litigation positions as they existed
12 prior to September 17, 2020, pursuant to the terms of the Stipulation.

13 38. The Court retains exclusive jurisdiction over the Action to consider all
14 further matters arising out of, or relating to, the Stipulation, including by way of
15 illustration and not limitation, any dispute concerning any Proof of Claim submitted
16 and any future requests by one or more of the Parties that the Final Judgment, the
17 releases and/or the permanent injunction set forth in the Stipulation be enforced.

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20 Dated: _____, 2020

HON. GEORGE H. WU
UNITED STATES DISTRICT JUDGE

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<p style="text-align: center;">Court-Ordered Legal Notice</p> <p style="text-align: center;">Forwarding Service Requested</p> <p style="text-align: center;"><i>Important Notice about a Securities Class Action Settlement</i></p> <p style="text-align: center;"><i>You may be entitled to a payment. This Notice may affect your legal rights.</i></p> <p style="text-align: center;"><i>Please read it carefully.</i></p>	<p>Verb Technology Company, Inc. Securities Litigation c/o Strategic Claims Services 600 N. Jackson Street, Suite 3 Media, PA 19063</p>
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*Hartmann v. Verb Technology Company, Inc. et al., Case No. 2:19-cv-05896-GW-MAA, (C.D. Cal.)
THIS CARD ONLY PROVIDES LIMITED INFORMATION ABOUT THE SETTLEMENT.
PLEASE VISIT WWW.STRATEGICCLAIMS.NET OR CALL 1-866-274-4004 FOR MORE INFORMATION.*

There has been a proposed Settlement of all claims against Verb Technology Company, Inc. ("Verb") and certain of its officers (collectively, "Defendants"). The Settlement resolves a lawsuit in which Plaintiffs allege that, in violation of the federal securities laws, Defendants misled investors, issuing materially false and misleading statements and causing damages to Settlement Class Members. Defendants deny any wrongdoing.

You received this Notice because you or someone in your family may have acquired Verb common stock between January 3, 2018 and May 2, 2018, inclusive ("Settlement Class Period"). The Settlement provides that, in exchange for the settlement and dismissal and release of Defendants, a fund consisting of \$640,000 in cash ("Settlement Fund"), less attorneys' fees and expenses, will be divided among all Class Members who submit a valid Proof of Claim and Release Form ("Proof of Claim"). For a full description of the Settlement, your rights, and to make a claim, please view the Stipulation and Agreement of Settlement at www.strategicclaims.net and please request a copy of the NOTICE and PROOF OF CLAIM by contacting the Claims Administrator in any of the following ways: (1) mail: *Verb Technology Company, Inc. Securities Litigation, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 3, P.O. Box 230, Media, PA 19063*; (2) call: toll free, (866) 274-4004; (3) Fax: (610) 565-7985; (4) email: info@strategicclaims.net; or (5) visit the website: www.strategicclaims.net.

To qualify for payment, you must submit a Proof of Claim to the Claims Administrator. A copy of the Proof of Claim can be found on the website. PROOFS OF CLAIM ARE DUE BY _____, 202__ TO VERB TECHNOLOGY COMPANY, INC. SECURITIES LITIGATION, C/O STRATEGIC CLAIMS SERVICES, P.O. BOX 230, 600 N. JACKSON STREET, SUITE 3, MEDIA, PA 19063. If you do not want to be legally bound by the Settlement, you must exclude yourself by _____, 202__, or you will not be able to sue the Defendants about the legal claims in this case. If you exclude yourself, you cannot get money from this Settlement. If you stay in the Settlement, you may object to it by _____, 202__. The Notice explains how to exclude yourself or to object.

The Court will hold a hearing in this case on ____, 202__ at ____ a.m. at the First Street Federal Courthouse, 350 W. First Street, Courtroom 9D, 9th Floor, Los Angeles, CA, 90012, or via telephonic or videoconference means at the Court's direction, to consider whether to approve the Settlement, the Plan of Allocation, and a request by the lawyers representing all Class Members for up to 25% of the Settlement Fund in attorneys' fees, plus actual expenses, for litigating the case and negotiating the Settlement. You may attend the hearing and ask to be heard by the Court, but you don't have to. For more information, call toll-free (866) 274-4004, or visit the website, www.strategicclaims.net.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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SCOTT C. HARTMANN, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-05896-GW-MAA

CLASS ACTION

BUMJIN KIM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-06944-GW-MAA

CLASS ACTION

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average recovery for all purchasers of that share. This is not an estimate of the actual recovery per share you should expect. Your actual recovery will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold Verb common stock, and the total number of claims filed.

- The Settlement resolves the Action concerning whether Verb and individual defendant Rory J. Cutaia (“Defendants”) violated the federal securities laws by making misrepresentations and/or omissions of material fact in various filings with the U.S. Securities and Exchange Commission or in other public statements to the investing public. Defendants deny each and every claim and contention alleged in the Action and deny any misconduct or wrongdoing whatsoever, including by any of Verb’s officers, directors, or employees.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM NO LATER THAN _____, 202__	The only way to get a payment.
EXCLUDE YOURSELF NO LATER THAN _____, 202__	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Defendants about the legal claims in this case.
OBJECT NO LATER THAN _____, 202__	Write to the Court and explain why you object to the Settlement.
GO TO A HEARING ON _____, 202__	Ask to speak in Court about the fairness of the Settlement.
DO NOTHING	Get no payment. Give up rights.

INQUIRIES

Please do not contact the Court regarding this Notice. All inquiries concerning this Notice, the Proof of Claim and Release Form, or any other questions by Settlement Class Members should be directed to:

Verb Technology Company, Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 3
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

or

Jacob A. Goldberg, Esq.
THE ROSEN LAW FIRM, P.A.
101 Greenwood Avenue, Suite 440
Jenkintown, PA 19046
Tel.: 215-600-2817
Fax: 212-202-3827
jgoldberg@rosenlegal.com

DEFINITIONS

All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation and Agreement of Settlement, dated September 17, 2020 (“Stipulation”).

1 **3. Why is this a class action?**

2 In a class action, one or more persons and/or entities, called plaintiffs, sue on
3 behalf of all persons and/or entities who have similar claims. All of these persons
4 and/or entities are referred to collectively as a class, and these individual persons
5 and/or entities are known as class members. One court resolves all of the issues
6 for all class members, except for those class members who exclude themselves
7 from the class. The Court appointed J. Leister to be the Lead Plaintiff in this
8 action, and on a preliminary basis appointed him and named Plaintiff Alexander
9 Wolfson as the Class Representatives to represent the interests of all purchasers
10 of Verb common stock during the Settlement Class Period.

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12 **4. Why is there a Settlement?**

13 Plaintiffs and Defendants do not agree regarding the merits of Plaintiffs'
14 allegations and Defendants' defenses with respect to liability or the average
15 amount of damages per share, if any, that would be recoverable if Plaintiffs were
16 to prevail at trial on each claim. The issues on which Plaintiffs and Defendants
17 disagree include: (1) whether Defendants made any statements that were
18 materially false or misleading or otherwise actionable under federal securities
19 law; (2) whether Defendants acted with scienter; (3) to the extent any statements
20 were materially false or misleading, whether any subsequent disclosures
21 corrected any prior statements by Defendants; (4) the causes of the loss in the
22 value of the stock; and (5) the amount of alleged damages, if any, that could be
23 recovered at trial.

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26 This matter has not gone to trial. Defendants have moved to dismiss the
27 Complaint for failure to state a claim upon which relief could be granted, and
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Plaintiffs have opposed Defendants’ motion. Defendants’ motion to dismiss has not been decided in favor of either Plaintiffs or Defendants. Instead, Plaintiffs and Defendants have agreed to settle the case. Plaintiffs and Lead Counsel believe the Settlement is best for all Settlement Class Members because of the risks associated with continued litigation and the nature of the defenses raised by the Defendants. Among the reasons that Plaintiffs and Lead Counsel believe the Settlement is fair is the fact that there is uncertainty about whether they will prevail on Defendants’ motion to dismiss (or in any further stages of the case, including trial), whether they would be able to prevail on a motion for class certification, and whether they will be able to prove that the alleged misstatements and omissions actually caused the Settlement Class any damages, and the amount of damages, if any.

Even if Plaintiffs were to win at trial, and also prevail on any on appeal brought by Defendants, Plaintiffs might not be able to collect some, or all, of any judgment the class is awarded. Moreover, litigation of this type is usually expensive, and it appears that, even if Plaintiffs’ allegations are eventually found to be true, the total amount of damages to which Settlement Class Members would be entitled could be substantially reduced.

5. How do I know if I am part of the Settlement?

The Settlement Class consists of those Persons who purchased Verb common stock from January 3, 2018 through May 2, 2018, both dates inclusive.

6. Are there exceptions to being included?

Yes. Excluded from the Settlement Class are all: (i) Defendants and all officers and directors of Verb during the Settlement Class Period; (ii) immediate family

1 members of any person excluded under section (i) of this definition; (iii) any
2 entities affiliated with or controlled by any person excluded under sections (i)
3 and (ii) of this definition; (iv) the legal representatives, heirs, successors or
4 assigns of any person excluded under subsections (i) through (iii) of this
5 definition; and (v) Opt-Outs (*i.e.*, persons who file valid and timely requests for
6 exclusion from the Settlement Class).

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8 **7. I am still not sure whether I am included.**

9 If you are still not sure whether you are included, you can ask for free help. For
10 more information, you can contact the Claims Administrator, Strategic Claims
11 Services, by phone at (866) 274-4004 or by facsimile at (610) 565-7985, visit
12 the website www.strategicclaims.net, or fill out and return the Proof of Claim
13 and Release Form described in Question 9, to see if you qualify.
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15 **8. What does the Settlement provide?**

16 **a. What is the Settlement Fund?**

17 The proposed Settlement provides that Defendants pay \$640,000 into a
18 Settlement Fund over twelve (12) months, including an initial payment of
19 \$60,000, ten (10) successive monthly payments of \$28,000, and a final payment
20 of \$300,000 on the first day of month twelve (12). The Settlement is subject to
21 Court approval. Also, subject to the Court's approval, a portion of the Settlement
22 Fund will be used to pay attorneys' fees and reasonable litigation expenses to
23 Lead Counsel and any award to the Plaintiffs. A portion of the Settlement Fund
24 also will be used to pay taxes due on interest earned by the Settlement Fund, if
25 necessary, and the costs of the claims administration, including the costs of
26 printing and mailing this Notice and the costs of publishing notice. After the
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1 foregoing deductions from the Settlement Fund have been made, the amount
2 remaining (“Net Settlement Fund”) will be distributed according to the Plan of
3 Allocation to be approved by the Court to Settlement Class Members who submit
4 timely, valid Proofs of Claim.

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6 **b. What can you expect to receive under the proposed Settlement?**

7 Your share of the Net Settlement Fund will or may depend on: (i) the number of
8 claims filed; (ii) the dates you purchased and sold Verb common stock; (iii) the
9 prices of your purchases and sales; (iv) the amount of administrative costs,
10 including the costs of notice; and (v) the amounts awarded by the Court to Lead
11 Counsel for attorneys’ fees, costs, and expenses and to Plaintiffs.

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13 The Claims Administrator will determine each Settlement Class Member’s *pro*
14 *rata* share of the Net Settlement Fund based upon each Settlement Class
15 Member’s valid “Recognized Loss.” The Recognized Loss formula is not
16 intended to be an estimate of the amount that a Settlement Class Member might
17 have been able to recover after a trial; it also is not an estimate of the amount
18 that will be paid to Settlement Class Members pursuant to the Settlement. The
19 Recognized Loss formula is the basis upon which the Net Settlement Fund will
20 be proportionately allocated to the Settlement Class Members with valid claims.

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23 The Net Settlement Fund will be distributed to Settlement Class Members who
24 submit a Proof of Claim and whose claims for recovery are allowed by the
25 Claims Administrator pursuant to the terms of the Stipulation or by order of the
26 Court under the below Plan of Allocation, which reflects Plaintiffs’ contention
27 that because of the alleged misrepresentations made by Defendants, the price of
28 Verb common stock was artificially inflated during the relevant period and that

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certain subsequent disclosures caused changes in the inflated price of Verb common stock. Defendants have denied these allegations.

PROPOSED PLAN OF ALLOCATION

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Parties, or another plan of allocation, without further notice to Settlement Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the Claims Administrator’s website, www.strategicclaims.net.

The Claims Administrator shall determine each Authorized Claimant’s *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant’s Recognized Loss. **Please Note:** The Recognized Loss formula, set forth below, is not intended to be an estimate of the amount that a Settlement Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s Recognized Loss and subject to the provisions in the preceding paragraph. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant’s Recognized Loss bears to the total Recognized Losses of all Authorized Claimants and

1 subject to the provisions in the preceding paragraph (*i.e.*, “*pro rata* share”). Payment
2 in this manner shall be deemed conclusive against all Authorized Claimants. No
3 distribution will be made on a claim where the potential distribution amount is less than
4 \$10.00 in cash.

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6 If any funds remain in the Net Settlement Fund by reason of uncashed checks,
7 or otherwise, after the Claims Administrator has made reasonable and diligent efforts
8 to have Authorized Claimants who are entitled to participate in the distribution of the
9 Net Settlement Fund cash their distribution checks, then any balance remaining in the
10 Net Settlement Fund six months after the initial distribution of such funds shall be used:
11 (i) first, to pay any amounts mistakenly omitted from the initial distribution to
12 Authorized Claimants; (ii) second, to pay any additional Administration Costs incurred
13 in administering the Settlement; and (iii) finally, to make a second distribution to
14 Authorized Claimants who cashed their checks from the initial distribution and who
15 would receive at least \$10.00 from such second distribution, after payment of the
16 estimated costs or fees to be incurred in administering the Net Settlement Fund and in
17 making this second distribution, if such second distribution is economically feasible. If
18 six months after such second distribution, if undertaken, or if such second distribution
19 is not undertaken, any funds remain in the Net Settlement Fund after the Claims
20 Administrator has made reasonable and diligent efforts to have Authorized Claimants
21 who are entitled to participate in this Settlement cash their checks, any funds remaining
22 in the Net Settlement Fund shall be donated to a non-sectarian charitable organization
23 selected by Lead Counsel.
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1 **THE BASIS FOR CALCULATING YOUR RECOGNIZED LOSS:**

2 Each Authorized Claimant shall be allocated a *pro rata* share of the Net
3 Settlement Fund based on their Recognized Loss as compared to the total Recognized
4 Losses of all Authorized Claimants.

5 **The Recognized Loss for Verb common stock purchased during the
6 Settlement Class Period will be calculated as follows¹:**

- 7 (A) For shares purchased or otherwise acquired during the Settlement Class
8 Period and sold during the Settlement Class Period, the Recognized Loss
9 per share will be the *lesser* of: (1) the inflation per share upon purchase
10 (as set forth in Inflation Table A below) less the inflation per share upon
11 sale (as set forth in Inflation Table A below); or (2) the purchase price per
12 share minus the sales price per share.
- 13 (B) For shares purchased or otherwise acquired during the Settlement Class
14 Period and sold during the period from May 2, 2018 through July 30,
15 2018, inclusive, the Recognized Loss will be the *lesser* of: (1) the inflation
16 per share upon purchase (as set forth in Inflation Table A below); or (2)
17 the difference between the purchase price per share and the average
18 closing stock price as of date of sale provided in Table B below.
- 19 (C) For shares purchased or otherwise acquired during the Settlement Class
20 Period and retained as of the close of trading on July 30 2018, the
21 Recognized Loss will be the *lesser* of: (1) the inflation per share upon
22 purchase (as set forth in Inflation Table A below); or (2) the purchase price
23 per share minus \$11.65 per share.²

24 _____
25 ¹ All prices are split-adjusted.

26 ² Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, “in any
27 private action arising under this title in which the plaintiff seeks to establish damages by reference to
28 the market price of a security, the award of damages to the plaintiff shall not exceed the difference
between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject
security and mean trading price of that security during the 90 day period beginning on the date on
which the information correcting the misstatement or omission that is the basis for the action is
disseminated.” \$11.65 per share was the mean (average) daily closing trading price of the Company’s
common stock during the 90-day period beginning on May 2, 2018 and ending on July 30, 2018.

INFLATION TABLE A	
Verb Common Stock Purchased During the Settlement Class Period	
Period	Inflation
January 3, 2018 to April 22, 2018, inclusive	\$4.91 per share
April 23, 2018	\$2.05 per share
April 24, 2018	\$1.29 per share
April 25, 2018	\$1.07 per share
April 26, 2018	\$0.71 per share
April 27, 2018 to May 1, 2018, inclusive	\$0.27 per share
May 2, 2018 and thereafter	\$0.00 per share

Table B

<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>	<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>
5/2/2018	\$16.20	\$16.20	6/15/2018	\$9.90	\$13.95
5/3/2018	\$18.00	\$17.10	6/18/2018	\$9.38	\$13.82
5/4/2018	\$21.75	\$18.65	6/19/2018	\$9.42	\$13.69
5/7/2018	\$19.50	\$18.86	6/20/2018	\$8.88	\$13.57
5/8/2018	\$18.45	\$18.78	6/21/2018	\$8.99	\$13.44
5/9/2018	\$18.45	\$18.73	6/22/2018	\$9.60	\$13.32
5/10/2018	\$15.75	\$18.30	6/25/2018	\$8.94	\$13.22
5/11/2018	\$15.45	\$17.94	6/26/2018	\$8.22	\$13.11
5/14/2018	\$14.40	\$17.55	6/27/2018	\$7.32	\$12.99
5/15/2018	\$13.50	\$17.15	6/28/2018	\$9.00	\$12.85
5/16/2018	\$16.50	\$17.09	6/29/2018	\$9.30	\$12.76
5/17/2018	\$19.35	\$17.28	7/2/2018	\$9.98	\$12.68
5/18/2018	\$17.55	\$17.30	7/3/2018	\$10.80	\$12.62
5/21/2018	\$16.05	\$17.21	7/5/2018	\$11.40	\$12.58
5/22/2018	\$14.55	\$17.03	7/6/2018	\$9.90	\$12.55

1	5/23/2018	\$14.84	\$16.89	7/9/2018	\$9.60	\$12.50
2	5/24/2018	\$14.31	\$16.74	7/10/2018	\$9.00	\$12.43
3	5/25/2018	\$13.20	\$16.54	7/11/2018	\$8.67	\$12.36
4	5/29/2018	\$10.86	\$16.25	7/12/2018	\$9.15	\$12.29
5	5/30/2018	\$8.70	\$15.87	7/13/2018	\$8.85	\$12.23
6	5/31/2018	\$11.10	\$15.64	7/16/2018	\$10.20	\$12.16
7	6/1/2018	\$10.35	\$15.40	7/17/2018	\$10.65	\$12.13
8	6/4/2018	\$10.05	\$15.17	7/18/2018	\$10.50	\$12.10
9	6/5/2018	\$12.96	\$15.08	7/19/2018	\$8.70	\$12.07
10	6/6/2018	\$12.60	\$14.98	7/20/2018	\$8.40	\$12.01
11	6/7/2018	\$11.10	\$14.83	7/23/2018	\$8.39	\$11.95
12	6/8/2018	\$10.50	\$14.67	7/24/2018	\$8.58	\$11.89
13	6/11/2018	\$9.45	\$14.48	7/25/2018	\$7.82	\$11.83
14	6/12/2018	\$10.35	\$14.34	7/26/2018	\$7.92	\$11.76
15	6/13/2018	\$10.50	\$14.21	7/27/2018	\$8.33	\$11.70
16	6/14/2018	\$10.04	\$14.08	7/30/2018	\$7.85	\$11.65
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19 To the extent a claimant had a trading gain or “broke even” from their overall
20 transactions in the Company’s shares during the Settlement Class Period, the value of
21 the Recognized Loss will be zero, and the claimant will not be entitled to a share of the
22 Net Settlement Fund. To the extent that a claimant suffered a trading loss on their
23 overall transactions in the Company’s shares during the Class Period, but that trading
24 loss was less than the Recognized Loss calculated above, then the Recognized Loss
25 shall be limited to the amount of the claimant’s actual trading loss.

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27 For purposes of calculating your Recognized Loss, the date of purchase,
28 acquisition or sale is the “contract” or “trade” date and not the “settlement” or

1 “payment” date. The receipt or grant by gift, inheritance or operation of law of the
2 Company shares shall not be deemed a purchase, acquisition or sale of shares for the
3 calculation of an Authorized Claimant’s Recognized Loss. The covering purchase of a
4 short sale is not an eligible purchase.

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6 For purposes of calculating your Recognized Loss, all purchases, acquisitions
7 and sales shall be matched on a First In First Out (“FIFO”) basis in chronological order.
8 Therefore, on the Proof of Claim and Release Form enclosed with this Notice, you must
9 provide all of your purchases and acquisitions of the Company shares during the time
10 period January 3, 2018 through and including July 30, 2018.

11
12 Payment pursuant to the Plan of Allocation approved by the Court shall be
13 conclusive against all Authorized Claimants. No person shall have any claim against
14 Defendants, Defendants’ Counsel, Plaintiffs, Lead Counsel or the Claims
15 Administrator or other agent designated by Lead Counsel based on the distributions
16 made substantially in accordance with the Stipulation and the Settlement contained
17 therein, the Plan of Allocation, or further orders of the Court. Each claimant shall be
18 deemed to have submitted to the jurisdiction of the Court with respect to the claimant’s
19 Proof of Claim and Release Form. All persons involved in the review, verification,
20 calculation, tabulation, or any other aspect of the processing of the claims submitted in
21 connection with the Settlement, or otherwise involved in the administration or taxation
22 of the Settlement Fund or the Net Settlement Fund shall be released and discharged
23 from any and all claims arising out of such involvement, and all Settlement Class
24 Members, whether or not they are to receive payment from the Net Settlement Fund,
25 will be barred from making any further claim against the Net Settlement Fund beyond
26 the amount allocated to them as provided in any distribution orders entered by the
27 Court.

1 **9. How can I get a payment?**

2 To qualify for a payment, you must send in a form entitled “Proof of Claim and
3 Release Form” (“Proof of Claim”). This Proof of Claim is attached to this Notice.
4 You may also obtain a claim Proof of Claim on the Internet at
5 www.strategicclaims.net. Read the instructions carefully, fill out the form, sign
6 it in the location indicated, and mail the Proof of Claim, together with all
7 documentation requested in the form, postmarked no later than _____,
8 202__, to:

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10 Verb Technology Company, Inc. Securities Litigation
11 c/o Strategic Claims Services
12 600 N. Jackson St., Ste. 3
13 P.O. Box 230
14 Media, PA 19063
15 Tel.: 866-274-4004
16 Fax: 610-565-7985
17 info@strategicclaims.net

18 The Claims Administrator will process your claim and determine whether you
19 are an Authorized Claimant.

20 **10. What am I giving up to get a payment or stay in the Class?**

21 Unless you exclude yourself from the Settlement Class by the _____, 202__
22 deadline, you will remain a member of the Settlement Class and will be bound
23 by the release of claims against the Defendants and other Released Parties if the
24 Settlement is approved. That means you and all other Settlement Class Members
25 and each of their respective parent entities, associates, affiliates, subsidiaries,
26 predecessors, successors, assigns, attorneys, immediate family members, heirs,
27 representatives, administrators, executors, devisees, legatees, and estates will
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release (agreeing never to sue, continue to sue, or be part of any other lawsuit) as against the Defendants and other Released Parties any and all claims which arise out of, are based upon or relate in any way to the purchase or acquisition of Verb common stock during the Settlement Class Period. It means that all of the Court’s orders will apply to you and legally bind you. That means you will accept a share of the Net Settlement Fund as the sole compensation for any losses you suffered in the purchase, acquisition, sale or ownership of Verb common stock during the Settlement Class Period. The specific terms of the release are included in the Stipulation.

11. How do I exclude myself from the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep any right you may have to sue or continue to sue Defendants or other Released Parties on your own about the claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. To exclude yourself from the Settlement, you must mail a letter that (A) clearly indicates your name, address, phone number and e-mail contact information (if any) and states that you “request to be excluded from the Settlement Class in *Hartmann v. Verb Technology Company, Inc., and Rory J. Cutaia*, No. 2:19-cv-05896-GW-MAA (C.D. Cal.),” and (B) states the date, number of shares and dollar amount of each Verb common stock purchase or acquisition during the Settlement Class Period, and any sale transactions, and (C) the number of shares of Verb common stock held by you as of May 2, 2018. To be valid, such request for exclusion must be submitted with documentary proof (i) of each purchase or acquisition and, if applicable, sale transaction of Verb common stock during the Settlement Class Period, and (ii) demonstrating your status as a beneficial owner of the Verb

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common stock. Any such request for exclusion must be signed and submitted by you, as the beneficial owner, under penalty of perjury. You must mail your exclusion request, to be received no later than _____, 202_, to the Claims Administrator at the following address:

Verb Technology Company, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
P.O. Box 230
Media, PA 19063

You cannot exclude yourself by telephone or by e-mail.

If you properly exclude yourself, you will not receive a payment from the Net Settlement Fund, you cannot object to the Settlement, and you will not be legally bound by the Final Judgment in this case.

12. If I do not exclude myself, can I sue the Defendants for the same thing later?

No. Unless you followed the procedure outlined in this Notice and the Court's Preliminary Approval Order to exclude yourself, you give up any right to sue the Defendants or other Released Parties for the claims being released in this Settlement. If you have a pending lawsuit related to any Released Claims, speak to your lawyer in that case immediately, since you must exclude yourself from this Settlement Class to continue your own lawsuit.

1 **13. Do I have a lawyer in this case?**

2 The Court appointed The Rosen Law Firm, P.A. as Lead Counsel, to represent
3 you and the other Settlement Class Members. If you want to be represented by
4 your own lawyer, you may hire one at your own expense. Contact information
5 for The Rosen Law Firm, P.A. is provided above.
6

7 **14. How will the lawyers be paid?**

8 Lead Counsel have expended considerable time litigating this action on a
9 contingent fee basis, and have paid for the expenses of the case themselves. They
10 have not been paid attorneys' fees or reimbursed for their expenses in advance
11 of this Settlement. Lead Counsel have done so with the expectation that, if they
12 are successful in recovering money for the Settlement Class, they will receive
13 attorneys' fees and be reimbursed for their litigation expenses from the
14 Settlement Fund, as is customary in this type of litigation. Lead Counsel will not
15 receive attorneys' fees or be reimbursed for their litigation expenses except from
16 the Settlement Fund. Therefore, Lead Counsel will file a motion asking the Court
17 at the Settlement Hearing to make an award of attorneys' fees in an amount not
18 to exceed 25% of the Settlement, or \$160,000, for reimbursement of reasonable
19 litigation expenses not to exceed \$25,000, and awards to Plaintiffs in an amount
20 not to exceed \$1,000 each. The Court may award less than these amounts. Any
21 amounts awarded by the Court will come out of the Settlement Fund.
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24 **15. How do I tell the Court that I object to the Settlement?**

25 You can tell the Court you do not agree with the Settlement, any part of the
26 Settlement, the Plan of Allocation, Lead Counsel's motion for attorneys' fees
27 and expenses, or application for an award to Plaintiffs, and that you think the
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Court should not approve any or all of the foregoing, by mailing a letter stating that you object to the Settlement in the matter of *Hartmann v. Verb Technology Company, Inc., and Rory J. Cutaia*, No. 2:19-cv-05896-GW-MAA (C.D. Cal.). Be sure to include (1) your name, address, and telephone number, (2) a list of all purchases and sales of Verb common stock during the Settlement Class Period in order to show membership in the Settlement Class, (3) all grounds for the objection, including any legal support known to you or your counsel, (4) the name, address and telephone number of all counsel, if any, who represent you, and (5) the number of times you and/or your counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary. Objectors wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and after instruction pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Be sure to serve copies of any objections, papers and briefs to **each** of the addresses listed below, to be received no later than _____, 202_:

<p>1 Clerk of the Court 2 United States District 3 Court 4 Central District of 5 California, First Street 6 Federal Courthouse 7 350 W. First Street, Suite 4311 Los Angeles, CA 90012</p>	<p>LEAD COUNSEL: Jacob A. Goldberg, Esq. THE ROSEN LAW FIRM, P.A. 101 Greenwood Avenue Suite 440 Jenkintown, PA 19046</p>	<p>COUNSEL FOR DEFENDANTS: Steven M. Schatz Catherine E. Moreno WILSON SONSINI GOODRICH & ROSATI, P.C. 650 Page Mill Road Palo Alto, CA 94304</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

9 **16. What is the difference between objecting and requesting exclusion?**

10 Objecting is simply telling the Court you do not like something about the
 11 Settlement or some portion thereof. You can object only if you stay in the
 12 Settlement Class. Requesting exclusion is telling the Court you do not want to
 13 be part of the Settlement Class and Settlement. If you exclude yourself, you
 14 cannot object to the Settlement because it no longer concerns you. If you stay in
 15 the Settlement Class and object, but your objection is overruled, you will not be
 16 allowed a second opportunity to exclude yourself.

18 **17. When and where will the Court decide whether to approve the
 19 Settlement?**

20 The Court will hold a Settlement Hearing on _____, 202_, at __:__ .m., at
 21 the U.S. District Court, Central District of California, First Street Federal
 22 Courthouse, 350 W. First Street, Courtroom 9D, 9th Floor, Los Angeles, CA
 23 90012, or by telephonic or videoconference means as directed by the Court.

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 26 At this hearing, the Court will consider whether the Settlement is fair,
 27 reasonable, and adequate and whether to approve the Settlement. If there are
 28 objections, the Court will consider them, and the Court will listen to people who

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have asked to speak at the hearing. The Court may also decide whether to approve the Plan of Allocation, as well as how much to pay Lead Counsel for attorneys’ fees and expenses and how much to award to Plaintiffs.

18. Do I have to come to the hearing?

No. Lead Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the Court will consider it.

19. What happens if I do nothing at all?

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Parties about the Released Claims (as defined in the Stipulation) ever again.

DATED: _____

BY ORDER OF THE UNITED STATES
DISTRICT COURT FOR THE CENTRAL
DISTRICT OF CALIFORNIA

PROOF OF CLAIM AND RELEASE FORM

Deadline for Submission: _____

IF YOU PURCHASED VERB TECHNOLOGY COMPANY, INC. (“VERB” OR “COMPANY”) COMMON STOCK DURING THE PERIOD JANUARY 3, 2018 THROUGH MAY 2, 2018, INCLUSIVE (“SETTLEMENT CLASS PERIOD”), YOU ARE A “SETTLEMENT CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS. (EXCLUDED FROM THE CLASS ARE DEFENDANTS, THE PRESENT AND FORMER OFFICERS AND DIRECTORS OF VERB, OR ANY SUBSIDIARY THEREOF, DURING THE SETTLEMENT CLASS PERIOD, THE IMMEDIATE FAMILY MEMBERS, LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS OR ASSIGNS OF SUCH EXCLUDED PERSONS, AND ANY ENTITY AFFILIATED WITH ANY EXCLUDED PERSON OR IN WHICH ANY EXCLUDED PERSON HAS A CONTROLLING INTEREST.)

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN _____, 202_ TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Verb Technology Company, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

YOUR FAILURE TO SUBMIT YOUR CLAIM BY _____, 202_ WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOU FROM RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL, AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR. IF YOU ARE A SETTLEMENT CLASS MEMBER AND DO NOT SUBMIT A PROPER PROOF OF CLAIM, YOU WILL NOT SHARE IN THE SETTLEMENT, BUT YOU NEVERTHELESS WILL BE BOUND BY THE FINAL JUDGMENT OF THE COURT UNLESS YOU EXCLUDE YOURSELF.

SUBMISSION OF A PROOF OF CLAIM DOES NOT ASSURE THAT YOU WILL SHARE IN THE PROCEEDS OF THE SETTLEMENT.

CLAIMANT'S STATEMENT

1. I (we) purchased Verb Technology Company, Inc. ("Verb" or "Company") common stock during the Settlement Class Period. (Do not submit this Proof of Claim if you did not purchase Verb common stock during the Settlement Class Period.)
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Settlement Class Member(s) as defined above or am (are) acting for such person(s); that I am (we are) not a Defendant(s) in the Action or anyone excluded from the Settlement Class; that I (we) have read and understand the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"); that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund; that I (we) elect to participate in the proposed Settlement; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Settlement Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Settlement Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Settlement Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of Verb common stock during the Settlement Class Period, and each sale, if any, of the same. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase and sale of Verb common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER OR TAX ADVISOR BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your Recognized Loss. In some cases, the Claims Administrator may condition acceptance of the claim upon the production of additional information, including, where applicable, information concerning transactions in any derivative securities, such as options.)
7. Upon the occurrence of the Court's approval of the Settlement, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates) of each of the "Released Parties" of all "Released Claims."

EXHIBIT A-3

8. Upon the occurrence of the Court's approval of the Settlement, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a covenant by me (us) and my (our) parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates) to permanently refrain from prosecuting or attempting to prosecute any Released Claims against any of the Released Parties.
9. "Released Parties" means Verb and Rory J. Cutaia, and each and all of their Related Parties, including all of Verb's current and former officers, directors, and employees.
10. "Released Claims" means and includes any and all Claims and Unknown Claims that have been or could have been asserted by or on behalf of any of the Releasing Parties, in any capacity, which arise out of, are based upon, or relate in any way to the purchase or acquisition of Verb common stock during the Settlement Class Period, including but not limited to any claims alleged in the Action and any claims related to the allegations, transactions, facts, events, matters, occurrences, acts, disclosures, representations, omissions, or any other matter whatsoever involved, set forth, referred to, or otherwise related, directly or indirectly, to the allegations in the Action or the disclosures or statements made by Verb or its officers or directors during the Settlement Class Period (including the adequacy and completeness or such disclosures or statements). Notwithstanding the foregoing, "Released Claims" does not include claims to enforce the terms of this Stipulation or orders or judgments issued by the Court in connection with this Settlement, nor does it include the derivative claims asserted in *Moore v. Verb Technology Company, Inc. et al.*, Case No. 2:19-cv-08393-GW-MAA (C.D. Cal.).
11. "Unknown Claims" means all Claims of every nature and description which Plaintiffs or any Settlement Class Member does not know or suspect to exist in their favor at the time of the release of the Released Parties which, if known by them, might have affected their settlement with and release of the Released Parties, or might have affected their decision not to opt-out or object to this Settlement.
12. With respect to any and all Released Claims, including Unknown Claims, I (we) agree and acknowledge that I (we) shall be deemed to have waived, and by operation of the Final Judgment shall have waived, the provisions, rights, and benefits of California Civil Code § 1542, which provides:

A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

I (we) agree and acknowledge that I (we) shall be deemed to have waived, and by operation of the Final Judgment shall have waived, any and all provisions, rights and benefits conferred by any law of any state, territory, foreign country or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542.

I (we) agree and acknowledge that I (we) may hereafter discover facts in addition to or different from those which I (we) now know or believe to be true with respect to the Released Claims, but I (we) agree and acknowledge that, upon the Effective Date as defined in the Stipulation, I (we) shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of fiduciary duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. I (we)

EXHIBIT A-3

agree and acknowledge that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

13. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at info@strategicclaims.net or visit their website at www.strategicclaims.net to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

I. CLAIMANT INFORMATION

Name:		
Address:		
City	State	ZIP
Foreign Province	Foreign Country	
Day Phone	Evening Phone	
Email		
Social Security Number (for individuals):	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.):

II. SCHEDULE OF TRANSACTIONS IN VERB TECHNOLOGY COMPANY, INC. SECURITIES

Beginning Holdings:

A. State the total number of shares of Verb Technology Company, Inc. common stock held at the close of trading on January 2, 2018 (*must be documented*). If none, write "zero" or "0."

--

Purchases/Acquisitions:

B. Separately list each and every purchase or acquisition of Verb Technology Company, Inc. common stock between January 3, 2018 and May 2, 2018, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Purchased	Price per Share	Total Cost (Excluding Commissions, Taxes, and Fees)

Sales:

C. Separately list each and every sale of Verb Technology Company, Inc. common stock between January 3, 2018 and May 2, 2018, both dates inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Price per Share	Amount Received (Excluding Commissions, Taxes, and Fees)

Ending Holdings:

D. State the total number of shares of Verb Technology Company, Inc. common stock held at the close of trading on May 2, 2018 (*must be documented*).

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If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

III. SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number:

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service (“I.R.S.”) requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number (for individuals)	or	Taxpayer Identification Number (for estates, trusts, corporations, etc.)

IV. CERTIFICATION

I (We) submit this Proof of Claim under the terms of the Stipulation and Agreement of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Central District of California, with respect to my (our) claim as a Settlement Class Member(s) and for purposes of enforcing the release and covenant not to sue set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in this Action. I (We) have not submitted any other claim covering the same purchases or sales of Verb Technology Company, Inc. common stock during the Settlement Class Period and know of no other Person having done so on my (our) behalf.

EXHIBIT A-3

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding; or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY UNDER THE LAWS OF THE UNITED STATES, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign):

(Signature)

(Signature)

(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)
 Check here if proof of authority to file is enclosed.
(See Item 2 under Claimant's Statement)

Date: _____

**THIS PROOF OF CLAIM AND RELEASE FORM MUST BE SUBMITTED NO LATER THAN _____,
202_ AND MUST BE MAILED TO:**

Verb Technology Company, Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 3
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

A Proof of Claim received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by _____, 202_ and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to process fully all of the Proofs of Claim and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim. Please notify the Claims Administrator of any change of address.

REMINDER CHECKLIST

- Please be sure to sign this Proof of Claim on page 7. If this Proof of Claim is submitted on behalf of joint claimants, then both claimants must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim or any supporting documents.
- If you move or change your address, telephone number or email address , please submit the new information to the Claims Administrator, as well as any other information that will assist us in contacting you. NOTE: Failure to submit updated information to the Claims Administrator may result in the Claims Administrator's inability to contact you regarding issues with your claim or to deliver payment to you.

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SCOTT C. HARTMANN, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-05896-GW-MAA
CLASS ACTION

BUMJIN KIM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-06944-GW-MAA
CLASS ACTION

**SUMMARY NOTICE OF PENDENCY AND
PROPOSED CLASS ACTION SETTLEMENT**

1 **TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED**
2 **VERB TECHNOLOGY COMPANY, INC. (“VERB”) COMMON STOCK**
3 **FROM JANUARY 3, 2018 THROUGH MAY 2, 2018, INCLUSIVE.**

4 YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States
5 District Court for the Central District of California, that a hearing will be held on
6 _____, 202_, at __:__ .m. before the Honorable George H. Wu, United States
7 District Judge of the United States District Court for the Central District of California,
8 First Street Federal Courthouse, 350 W. First Street, Courtroom 9D, 9th Floor, Los
9 Angeles, CA 90012, or by telephonic or videoconference means as directed by the
10 Court for the purpose of determining:

11 (1) whether the proposed Settlement of the claims in the above-captioned Action
12 for consideration including the sum of \$640,000 should be approved by the Court as
13 fair, reasonable, and adequate;

14 (2) whether the proposed plan to distribute the Settlement proceeds is fair,
15 reasonable, and adequate;

16 (3) whether the application of Lead Counsel for an award of attorneys’ fees of
17 up to 25% of the Settlement Amount, reimbursement of expenses of not more than
18 \$25,000, and an award of no more than \$1,000 to Plaintiffs, should be approved; and

19 (4) whether this Action should be dismissed with prejudice as set forth in the
20 Stipulation and Agreement of Settlement dated September 17, 2020 (“Stipulation”).

1 If you purchased Verb common stock during the period from January 3, 2018
2 and May 2, 2018, inclusive (“Settlement Class Period”), your rights may be affected
3 by this Settlement, including the release and extinguishment of claims you may possess
4 relating to your ownership interest in Verb common stock. If you have not received a
5 postcard providing instructions for receiving a detailed Notice of Pendency and
6 Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and
7 Release Form (“Proof of Claim”), you may obtain copies by writing to or calling Verb
8 Technology Company, Inc. Securities Litigation, c/o Strategic Claims Services, 600 N.
9 Jackson St., Ste. 3, P.O. Box 230, Media, PA 19063; (Tel) (866) 274-4004; (Fax) (610)
10 565-7985; info@strategicclaims.net, or going to the website, www.strategicclaims.net.
11
12 If you are a member of the Settlement Class, to share in the distribution of the Net
13 Settlement Fund, you must submit a Proof of Claim to the Claims Administrator,
14 postmarked no later than _____, 202_, establishing that you are entitled to
15 recovery. Unless you submit a written exclusion request, you will be bound by any
16 judgment rendered in the Action whether or not you make a claim.
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22 If you desire to be excluded from the Settlement Class, you must submit a request
23 for exclusion in the manner and form explained in the Notice to the Claims
24 Administrator so that it is received no later than _____, 202_. All members
25 of the Settlement Class who have not requested exclusion from the Settlement Class
26 will be bound by any judgment entered in the Action.
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1 Any objection to the Settlement, Plan of Allocation, or Lead Counsel’s request
2 for an award of attorneys’ fees and reimbursement of expenses and award to Plaintiffs
3 must be in the manner and form explained in the Notice and received no later than
4 _____, 202_, to each of the following:
5

6 Clerk of the Court
7 United States District Court
8 Central District of California
9 First Street Federal Courthouse
10 350 W. First Street, Suite 4311
11 Los Angeles, CA 90012

12 LEAD COUNSEL:

13 Jacob A. Goldberg
14 THE ROSEN LAW FIRM, P.A.
15 101 Greenwood Avenue, Suite 440
16 Jenkintown, PA 19046

17 COUNSEL FOR DEFENDANTS

18 Steven M. Schatz
19 Catherine E. Moreno
20 WILSON SONSINI GOODRICH & ROSATI, P.C.
21 650 Page Mill Road
22 Palo Alto, CA 94304

23 If you have any questions about the Settlement, you may call or write to Lead
24 Counsel:
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1 Jacob A. Goldberg
2 THE ROSEN LAW FIRM, P.A.
3 101 Greenwood Avenue, Suite 440
4 Jenkintown, PA 19046
5 Tel.: 215-600-2817

6 **PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE**
7 **REGARDING THIS NOTICE.**

8
9 Dated: _____, 202_

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11 BY ORDER OF THE UNITED
12 STATES DISTRICT COURT FOR THE
13 CENTRAL DISTRICT OF
14 CALIFORNIA
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EXHIBIT B

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SCOTT C. HARTMANN, Individually
and on behalf of all others similarly
situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-05896-GW-MAA

CLASS ACTION

**[PROPOSED] ORDER AND
FINAL JUDGMENT**

Judge: Hon. George H. Wu

BUMJIN KIM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

VERB TECHNOLOGY COMPANY,
INC., and RORY J. CUTAIA,

Defendants.

No. 2:19-cv-06944-GW-MAA

CLASS ACTION

1 On the ____ day of _____, 202_, a hearing having been held before
2 this Court to determine: (1) whether the terms and conditions of the Stipulation and
3 Agreement of Settlement dated September 17, 2020 (“Stipulation”) are fair,
4 reasonable and adequate for the settlement of all claims asserted by the Settlement
5 Class against Defendants (as defined in the Stipulation), including the release of the
6 Released Claims against the Released Parties, and should be approved; (2) whether
7 judgment should be entered dismissing this Action with prejudice; (3) whether to
8 approve the proposed Plan of Allocation as a fair and reasonable method to allocate
9 the Net Settlement Fund among Settlement Class Members; (4) whether and in what
10 amount to award Class Counsel as fees and reimbursement of expenses; and (5)
11 whether and in what amount to approve awards to the Class Representatives; and

12 The Court having considered all matters submitted to it at the hearing and
13 otherwise; and

14 It appearing in the record that the Notice substantially in the form approved
15 by the Court in the Court’s Order Granting Plaintiffs’ Motion for Preliminary
16 Approval of Class Action Settlement, dated _____, 202_ (“Preliminary
17 Approval Order”) was mailed to all reasonably identifiable Settlement Class
18 Members and posted to the website of the Claims Administrator, both in accordance
19 with the Preliminary Approval Order and the specifications of the Court; and

20 It appearing in the record that the Summary Notice substantially in the form
21 approved by the Court in the Preliminary Approval Order was published in
22 accordance with the Preliminary Approval Order and the specifications of the
23 Court;

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

26 1. All capitalized terms used herein have the same meanings as set forth
27 and defined in the Stipulation.

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1 2. For purposes of this Settlement, the Court has jurisdiction over the
2 subject matter of the Action, Plaintiffs, all Settlement Class Members, and
3 Defendants.

4 3. The Court finds that the prerequisites for a class action under Rule
5 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that:
6 (a) the number of Settlement Class Members is so numerous that joinder of all
7 members thereof is impracticable; (b) there are questions of law and fact common
8 to the Settlement Class; (c) Plaintiffs' claims are typical of the claims of the
9 Settlement Class they seek to represent; (d) Plaintiffs fairly and adequately
10 represent the interests of the Settlement Class; (e) questions of law and fact common
11 to the members of the Settlement Class predominate over any questions affecting
12 only individual members of the Settlement Class; and (f) a class action is superior
13 to other available methods for the fair and efficient adjudication of this Action. The
14 Settlement Class is being certified for settlement purposes only.

15 4. The Court hereby finally certifies this action as a class action for
16 purposes of the Settlement, pursuant to Rule 23(a) and (b)(3) of the Federal Rules
17 of Civil Procedure, on behalf of all Persons (including, without limitation, their
18 beneficiaries) who purchased common stock of Verb Technology Company, Inc.
19 during the period from January 3, 2018 through May 2, 2018, inclusive ("Settlement
20 Class Period"), except that excluded from the Settlement Class are all: (i)
21 Defendants and all officers and directors of Verb during the Settlement Class
22 Period; (ii) immediate family members of any Person excluded under section (i) of
23 this definition; (iii) any entities affiliated with or controlled by any person excluded
24 under sections (i) and (ii) of this definition; (iv) the legal representatives, heirs,
25 successors or assigns of any person excluded under subsections (i) through (iii) of
26 this definition; and (v) Opt-Outs. Pursuant to Rule 23 of the Federal Rules of Civil
27 Procedure, Plaintiffs are certified as the class representatives on behalf of the
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1 Settlement Class (“Class Representatives”) and Lead Counsel previously selected
2 by Plaintiffs and appointed by the Court are hereby appointed as Class Counsel for
3 the Settlement Class (“Class Counsel”).

4 5. In accordance with the Court’s Preliminary Approval Order, the Court
5 hereby finds that the forms and methods of notifying the Settlement Class of the
6 Settlement and its terms and conditions met the requirements of due process, Rule
7 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7) of the Exchange
8 Act, 15 U.S.C. § 78u-4(a)(7), as amended by the Private Securities Litigation
9 Reform Act of 1995; constituted the best notice practicable under the
10 circumstances; and constituted due and sufficient notice of these proceedings and
11 the matters set forth herein, including the Settlement and Plan of Allocation, to all
12 persons and entities entitled to such notice. No Settlement Class Member is relieved
13 from the terms and conditions of the Settlement, including the releases provided for
14 in the Stipulation, based upon the contention or proof that such Settlement Class
15 Member failed to receive actual or adequate notice. A full opportunity has been
16 offered to the Settlement Class Members to object to the proposed Settlement and
17 to participate in the hearing thereon. Thus, it is hereby determined that all
18 Settlement Class Members are bound by this Final Judgment except those persons
19 listed on Exhibit A to this Final Judgment.

20 6. The Settlement is approved as fair, reasonable and adequate, and in the
21 best interests of the Settlement Class. This Court further finds that the Settlement
22 set forth in the Stipulation is the result of good faith, arm’s-length negotiations
23 between experienced counsel representing the interests of Class Representatives,
24 Settlement Class Members, and Defendants. The Parties are directed to
25 consummate the Settlement in accordance with the terms and provisions of the
26 Stipulation.

1 7. The Action and all claims contained therein, as well as all of the
2 Released Claims, are dismissed with prejudice as against each and all of the
3 Defendants. The Parties are to bear their own costs, except as otherwise provided
4 in the Settlement Stipulation.

5 8. Upon the Effective Date, the Releasing Parties, on behalf of
6 themselves, their successors and assigns, and any other Person claiming (now or in
7 the future) through or on behalf of them, regardless of whether any such Releasing
8 Party ever seeks or obtains by any means, including without limitation by
9 submitting a Proof of Claim, any disbursement from the Settlement Fund, shall be
10 deemed to have, and by operation of this Final Judgment shall have, fully, finally,
11 and forever released, relinquished, and discharged all Released Claims against the
12 Released Parties. The Releasing Parties shall be deemed to have, and by operation
13 of this Final Judgment shall have, covenanted not to sue the Released Parties with
14 respect to any and all Released Claims in any forum and in any capacity. The
15 Releasing Parties shall be and hereby are permanently barred and enjoined from
16 asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way
17 participating in the commencement or prosecution of any action or other
18 proceeding, in any forum, asserting any Released Claim, in any capacity, against
19 any of the Released Parties. For the avoidance of doubt, Defendants are released
20 from any and all claims for contribution or indemnity, as would otherwise be
21 allowed by Section 21D of the Exchange Act, 15 U.S.C. §78u-4(f)(7). Nothing
22 contained herein shall, however, bar the Releasing Parties from bringing any action
23 or claim to enforce the terms of the Stipulation or this Final Judgment. Nor shall
24 anything contained herein limit or release any claims Defendants may have with
25 regard to insurance coverage that may be available to them under any applicable
26 policy.

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1 9. With respect to any and all Released Claims, Class Representatives
2 and the Released Parties shall waive and each of the Settlement Class Members
3 shall be deemed to have waived, and by operation of this Final Judgment shall have
4 waived, the provisions, rights, and benefits of California Civil Code § 1542, which
5 provides:

6 A general release does not extend to claims which the
7 creditor or releasing party does not know or suspect to
8 exist in his or her favor at the time of executing the release
9 and that, if known by him or her, would have materially
10 affected his or her settlement with the debtor or released
11 party.

12 10. With respect to any and all Released Claims, Class Representatives
13 and the Released Parties shall waive and each of the Settlement Class Members
14 shall be deemed to have waived, and by operation of this Final Judgment shall have
15 waived, any and all provisions, rights and benefits conferred by any law of any state,
16 territory, foreign country or principle of common law, which is similar, comparable
17 or equivalent to California Civil Code § 1542. Class Representatives, the Released
18 Parties and/or one or more Settlement Class Members may hereafter discover facts
19 in addition to or different from those which he, she or it now knows or believes to
20 be true with respect to the Released Claims, but Class Representatives, the Released
21 Parties and each Settlement Class Member, upon the Effective Date, shall be
22 deemed to have, and by operation of this Final Judgment shall have, fully, finally
23 and forever settled and released, any and all Released Claims, known or unknown,
24 suspected or unsuspected, contingent or non-contingent, whether or not concealed
25 or hidden, which now exist, or heretofore have existed, upon any theory of law or
26 equity now existing or coming into existence in the future, including, but not limited
27 to, conduct which is negligent, intentional, with or without malice, or a breach of
28 fiduciary duty, law or rule, without regard to the subsequent discovery or existence

1 of such different or additional facts. Class Representatives and the Released Parties
2 acknowledge and the Settlement Class Members shall be deemed by operation of
3 this Final Judgment to have acknowledged, that the foregoing waiver was separately
4 bargained for and a key element of the Settlement.

5 11. Upon the Effective Date, the Released Parties shall be deemed to have,
6 and by operation of the Final Judgment shall have, fully, finally, and forever
7 released, relinquished, and discharged all claims they may have against the
8 Releasing Parties related to the Releasing Parties' prosecution of the Action or any
9 other known or unknown counter-claim related thereto and shall have covenanted
10 not to sue the Releasing Parties with respect to any counter claim, claim, or sanction
11 related to the Released Claims, and shall be permanently barred and enjoined from
12 asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way
13 participating in the commencement or prosecution of any action or other
14 proceeding, in any forum, asserting any such claim, in any capacity, against any of
15 the Releasing Parties. Nothing contained herein shall, however, bar the Released
16 Parties from bringing any action or claim to enforce the terms of this Stipulation or
17 the Final Judgment.

18 12. The Court finds that all Parties and their counsel have complied with
19 all requirements of Rule 11 of the Federal Rules of Civil Procedure and the Private
20 Securities Litigation Record Act of 1995 as to all proceedings herein.

21 13. Neither this Final Judgment, the Stipulation (nor the Settlement
22 contained therein), nor any of its terms and provisions, nor any of the negotiations,
23 documents or proceedings connected with them is evidence, or an admission or
24 concession by any Party or their counsel, any Settlement Class Member, or any of
25 the Released Parties, of any fault, liability or wrongdoing whatsoever, as to any
26 facts or claims alleged or asserted in the Action or could have been alleged or
27 asserted, or any other actions or proceedings, or as to the validity or merit of any of
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1 the claims or defenses alleged or asserted or could have been alleged or asserted in
2 any such action or proceeding. This Final Judgment is not a finding or evidence of
3 the validity or invalidity of any claims or defenses in the Action, any wrongdoing
4 by any Party, Settlement Class Member, or any of the Released Parties, or any
5 damages or injury to any Party, Settlement Class Member, or any Released Parties.
6 Neither this Final Judgment, the Stipulation (nor the Settlement contained therein),
7 nor any of its terms and provisions, nor any of the negotiations, documents or
8 proceedings connected with therewith (a) shall (i) be argued to be, used or construed
9 as, offered or received in evidence as, or otherwise constitute an admission,
10 concession, presumption, proof, evidence, or a finding of any, liability, fault,
11 wrongdoing, injury or damages, or of any wrongful conduct, acts or omissions on
12 the part of any Released Party, or of any infirmity of any defense, or of any damages
13 to Class Representatives or any other Settlement Class Member, or (ii) otherwise
14 be used to create or give rise to any inference or presumption against any of the
15 Released Parties concerning any fact or any purported liability, fault, or wrongdoing
16 of the Released Parties or any injury or damages to any person or entity, or (b) shall
17 otherwise be admissible, referred to or used in any proceeding of any nature, for
18 any purpose whatsoever; provided, however, that this Final Judgment, the
19 Stipulation, or the documents related thereto may be introduced in any proceeding,
20 whether in the Court or otherwise, as may be necessary to enforce the Settlement or
21 Final Judgment, or as otherwise required by law.

22 14. Except as otherwise provided herein or in the Stipulation, all funds
23 held by the Escrow Agent shall be deemed to be in *custodia legis* and shall remain
24 subject to the jurisdiction of the Court until such time as the funds are distributed
25 or returned pursuant to the Stipulation and/or further order of the Court.

26 15. Exclusive jurisdiction is hereby retained over the Parties and the
27 Settlement Class Members for all matters relating to the Action, including the
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1 administration, interpretation, effectuation or enforcement of the Stipulation and
2 this Final Judgment, and including any application for fees and expenses incurred
3 in connection with administering and distributing the Settlement Fund to the
4 Settlement Class Members.

5 16. Without further order of the Court, Defendants and Class
6 Representatives may agree to reasonable extensions of time to carry out any of the
7 provisions of the Stipulation.

8 17. There is no just reason for delay in the entry of this Final Judgment
9 and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule
10 54(b) of the Federal Rules of Civil Procedure.

11 18. The finality of this Final Judgment shall not be affected, in any
12 manner, by rulings that the Court makes herein on the proposed Plan of Allocation
13 or Class Counsel's application for an award of attorneys' fees and expenses or an
14 award to Class Representatives.

15 19. The Court hereby finds that the proposed Plan of Allocation is a fair
16 and reasonable method to allocate the Net Settlement Fund among Settlement Class
17 Members, and Class Counsel and the Claims Administrator are directed to
18 administer the Plan of Allocation in accordance with its terms and the terms of the
19 Stipulation.

20 20. Class Counsel are hereby awarded _____% of the Settlement Amount
21 in fees, which the Court finds to be fair and reasonable, and \$_____ in
22 reimbursement of out-of-pocket expenses. Each Class Representative is hereby
23 awarded \$_____, which the Court finds to be fair and reasonable.
24 Defendants and the Released Parties shall have no responsibility for, and no liability
25 whatsoever with respect to, any payments to Class Counsel, Class Representatives,
26 the Settlement Class and/or any other Person who receives payment from the
27 Settlement Fund.

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21. In the event the Settlement is not consummated in accordance with the terms of the Stipulation, then the Stipulation and this Final Judgment (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be shall have no further force and effect with respect to the Parties and shall not be used in the Action or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*. and each Party shall be restored to his, her or its respective litigation positions as they existed prior to September 17, 2020, pursuant to the terms of the Stipulation.

Dated: _____, 202_

HON. GEORGE H. WU
UNITED STATES DISTRICT JUDGE