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19 **UNITED STATES DISTRICT COURT**
20 **CENTRAL DISTRICT OF CALIFORNIA**
21 **WESTERN DIVISION**

22 **RAND-HEART OF NEW YORK, and**
23 **MIKE CLEMENTI, Individually and**
24 **on Behalf of All Others Similarly**
25 **Situated,**

26 **Plaintiffs,**

27 **v.**

28 **NETSOL TECHNOLOGIES, INC.,**
NAJEEB GHAURI, NAEEM
GHAURI, and SALIM GHAURI,

Defendants.

Case No. 2:14-CV-5787 PA (PJWx)

STIPULATION OF SETTLEMENT

1 This Stipulation of Settlement (together with all Exhibits and Schedules
2 thereto, the “Stipulation”), dated as of February 25, 2016, which is entered into by
3 and among (i) Plaintiff Mike Clementi (“Plaintiff”) on his own behalf and on behalf
4 of the Settlement Class (as defined herein), and (ii) NetSol Technologies, Inc.
5 (“NetSol” or the “Company”) and Najeeb Ghauri (collectively, “Defendants”), by
6 and through their undersigned attorneys, states all of the terms of the settlement and
7 sets forth the resolution of this matter by the Settling Parties (as defined herein) and
8 is intended by the Settling Parties to fully, finally, and forever release, resolve, and
9 discharge the Released Claims (as defined herein) against the Released Parties (as
10 defined herein), subject to the approval of the United States District Court for the
11 Central District of California (the “Court”).

12 Throughout this Stipulation, all terms used with initial capitalization, but not
13 immediately defined, shall have the meanings ascribed to them in Section 1 below.

14 **WHEREAS:**

15 **A. The Action**

16 Beginning on July 25, 2014, after investigation, a putative class action lawsuit
17 was filed in this Court against NetSol and others, alleging violations of the Securities
18 Exchange Act of 1934.

19 On October 29, 2014, the Court appointed Rand-Heart of New York, Inc.
20 (“Rand-Heart”) as Lead Plaintiff and approved its selection of Gainey McKenna &
21 Egleston as Lead Counsel and Stull, Stull & Brody as Liaison Counsel (collectively,
22 “Plaintiff’s Counsel”), pursuant to the Private Securities Litigation Reform Act
23 (“PSLRA”), as amended.

24 Plaintiff’s Counsel conducted a further extensive investigation regarding the
25 claims asserted in the Action. Following this investigation, on December 19, 2014,
26 Rand-Heart filed the Consolidated Complaint (“Consolidated Complaint”). Dkt. No.
27 46.

28 Defendants filed a motion to dismiss the Consolidated Complaint. After full

1 briefing thereon, the Court issued an Order on March 19, 2015, granting the motion
2 and dismissing the Consolidated Complaint without prejudice and giving Rand-Heart
3 leave to replead. Dkt. No. 55.

4 Thereafter, Plaintiff's Counsel conducted a further investigation and on March
5 31, 2015, Rand-Heart and Plaintiff Mike Clementi filed Plaintiffs' First Amended
6 Consolidated Complaint (the "FACC"). Dkt. No. 56.

7 Defendants filed a motion to dismiss the FACC. After full briefing thereon,
8 the Court issued an Order on June 22, 2015, granting in part and denying in part the
9 motion and dismissing Defendant Naeem Ghauri. Dkt. No. 63.

10 The Court found that Plaintiff had adequately pled a claim only as to
11 statements made by Defendants NetSol and Najeeb Ghauri on October 24, 2013, and
12 October 25, 2013, whose alleged falsity was revealed fourteen (14) days later on
13 November 8, 2013, when Defendants made a further disclosure to the public
14 markets. Dkt. No. 63, at p. 6.

15 The claims of Rand-Heart were based on earlier made statements of the
16 Defendants, which were found not to state a cause of action and were dismissed by
17 the Court's Order of June 22, 2015.

18 On July 21, 2015, Defendants NetSol and Najeeb Ghauri filed their Answer
19 and Affirmative Defenses to the FACC. Dkt. No. 64.

20 Thereafter the parties engaged in discovery, including the exchange of written
21 discovery demands and formal responses, and the production by Defendants of
22 internal Company documents.

23 On September 18, 2015, this Court issued a scheduling Order setting various
24 deadlines for the progress of the case. Dkt. No. 75.

25 Plaintiff filed a Motion for Class Certification proposing himself as the class
26 representative. After full briefing thereon, the Court took the Motion for Class
27 Certification under advisement on January 7, 2016 (Dkt. Nos. 82-85).

28 After affording Plaintiff's Counsel an opportunity to review Defendants'

1 document production and discovery responses, the Settling Parties agreed to mediate
2 the case before retired Judge Dickran M. Tevrizian and the JAMS organization. In
3 advance of that scheduled mediation, however, the parties negotiated for over a
4 month and were able to reach a settlement.

5 **B. The Settlement**

6 This Stipulation memorializes the agreement between the Parties to fully,
7 finally, and forever settle the Action and to fully release all claims remaining against
8 Defendants and the Released Parties with prejudice in return for the specified
9 consideration.

10 **C. Defendants' Denial Of Wrongdoing And Liability**

11 Throughout the course of the Action, Defendants have denied and continue to
12 deny any and all allegations of wrongdoing, fault, liability or damage whatsoever
13 asserted in the FACC. Defendants have also denied and continue to deny, *inter alia*,
14 the allegations that Plaintiff or the Settlement Class have suffered damage or that
15 Plaintiff or the Settlement Class were harmed by the conduct alleged in the Action.

16 Defendants enter into this Stipulation to eliminate the uncertainties, burden
17 and expense of further litigation. Nothing in this Stipulation shall be construed as
18 any admission by either any of the Defendants or any of the Released Parties of any
19 wrongdoing, fault, liability, or damages whatsoever.

20 **D. Claims of Plaintiff And Benefits Of Settlement**

21 Plaintiff believes that the claims remaining in the FACC have merit. Plaintiff,
22 however, recognizes and acknowledges the expense and length of continued
23 proceedings necessary to prosecute the Action against Defendants through trial and
24 appeals. Plaintiff has also taken into account the uncertain outcome, the risk of any
25 litigation, and the limited amount of recoverable damages even if the litigation were
26 successful. In particular, Plaintiff has considered the challenges in conducting
27 discovery in Pakistan and elsewhere in the world and the risk in being able to collect
28 any judgment against Defendants. Plaintiff has therefore determined that the

1 Settlement set forth in this Stipulation is fair, adequate, reasonable, and in the best
2 interests of the Settlement Class.

3 **NOW, THEREFORE, IT IS HEREBY STIPULATED, CONSENTED**
4 **AND AGREED**, by and among Plaintiff, for himself and on behalf of the Settlement
5 Class, and Defendants and through their respective undersigned counsel that, subject
6 to the approval of the Court pursuant to Rule 23(e) of the Federal Rules of Civil
7 Procedure, in consideration of the benefits flowing to the Settling Parties from the
8 Settlement set forth herein, the Action and the Released Claims as against the
9 Released Parties shall be fully, finally, and forever compromised, settled and
10 released and the Action shall be dismissed with prejudice, upon and subject to the
11 terms and conditions of this Stipulation, as follows.

12 **1. Definitions**

13 In addition to the terms defined above, the following capitalized terms, used in
14 this Stipulation, shall have the meanings specified below:

15 **1.1.** “Action” means the putative class action captioned *Rand Heart of New*
16 *York, et al. vs. NetSol Technologies, Inc. et al.*, Case No. 14-CV-5787 (PA) (PJWx)
17 (C.D. Cal.).

18 **1.2.** “Administrative Costs” means all costs and expenses associated with
19 providing notice of the Settlement to the Settlement Class and otherwise
20 administering or carrying out the terms of the Settlement. Such costs may include,
21 without limitation: escrow agent costs, the costs of publishing summary notice, and
22 the costs of printing and mailing the full Notice and Proof of Claim, as directed by
23 the Court. Such costs do not include legal fees.

24 **1.3.** “Authorized Claimant” means any Settlement Class Member who is a
25 Claimant and whose claim for recovery has been allowed pursuant to the terms of
26 this Stipulation, the exhibits hereto, and any order of the Court.

27 **1.4.** “Claimant” means any Settlement Class Member who files a Proof of
28 Claim in such form and manner, and within such time, as the Court shall prescribe.

1 **1.5.** “Claims” means any and all manner of claims, demands, rights,
2 actions, potential actions, causes of action, liabilities, rights, duties, damages, losses,
3 diminutions in value, obligations, agreements, suits, fees, attorneys’ fees, expert or
4 consulting fees, debts, expenses, costs, sanctions, judgments, decrees, matters, issues
5 and/or controversies of every description, kind or nature whatsoever, whether known
6 or unknown, contingent or absolute, liquidated or not liquidated, accrued or
7 unaccrued, suspected or unsuspected, disclosed or undisclosed, apparent or not
8 apparent, foreseen or unforeseen, concealed or hidden, matured or not matured,
9 which now exist, or heretofore or previously existed, or may hereafter exist,
10 (including, but not limited to, any claims arising under common law or any federal or
11 state law, statute, rule, or regulation relating to alleged fraud, negligence, fraudulent
12 conveyance, avoidance, violations of the Securities Exchange Act of 1934, as
13 amended and rules promulgated thereunder, violations of other federal securities
14 laws, or otherwise), whether individual, class, direct, derivative, representative, on
15 behalf of others, legal, equitable, regulatory, governmental or of any other type or in
16 any other capacity that remained as not dismissed in the FACC.

17 **1.6.** “Claims Administrator” means Strategic Claims Services, who shall
18 administer the Settlement.

19 **1.7.** “Class Period” means October 24, 2013 through and including
20 November 8, 2013.

21 **1.8.** “Defendants” means NetSol Technologies, Inc. and Najeeb Ghauri, the
22 only defendants remaining in the case and as identified in paragraphs 16 and 17 of the
23 FACC.

24 **1.9.** “Escrow Account” means an interest-bearing escrow account
25 established by the Escrow Agent or their appointed agent. The Escrow Account
26 shall be managed by the Escrow Agent, subject to the Court’s supervisory authority,
27 for the benefit of Plaintiff and the Settlement Class in accordance with the terms of
28 the Stipulation.

1 **1.10.** The “Escrow Agent” is Strategic Claims Services or their appointed
2 agent. The Escrow Agent shall perform the duties as set forth in this Stipulation.

3 **1.11.** “Effective Date” means the first date by which all of the events and
4 conditions specified in ¶ 10.3 of this Stipulation have been met and have occurred.

5 **1.12.** “FACC” means the Plaintiffs’ First Amended Consolidated Complaint
6 filed on March 31, 2015, Dkt. No. 56.

7 **1.13.** “Final” when referring to the Final Judgment means exhaustion of all
8 possible appeals, meaning (i) if no appeal or request for review is filed, three (3)
9 business days after the date of expiration of any time for appeal or review of the
10 Final Judgment, and (ii) if an appeal or request for review is filed, three (3) business
11 days after the date the appeal or request for review is dismissed, or the Final
12 Judgment is upheld on appeal or review in all material respects, and is not subject to
13 further review on appeal or by certiorari or otherwise; provided, however, that any
14 dispute or appeals relating solely to the amount, payment or allocation of attorneys’
15 fees and expenses or the Plan of Allocation shall have no effect on finality for
16 purposes of determining the date on which the Final Judgment becomes Final.

17 **1.14.** “Final Judgment” means the judgment and order to be entered by the
18 Court approving the Settlement, materially in the form attached hereto as Exhibit B.

19 **1.15** “Lead Counsel” means Gainey McKenna & Egleston.

20 **1.16.** “Individual Defendant” means Najeeb Ghauri.

21 **1.17.** “Lead Plaintiff” means Rand-Heart of New York. “Plaintiff” means
22 Mike Clementi.

23 **1.18.** “Notice” means the “Notice of Proposed Settlement of Class Action
24 and Settlement Fairness Hearing, and Motion for Attorneys’ Fees and Reimbursement
25 of Expenses,” which is to be sent to Settlement Class Members substantially in the
26 form attached hereto as Exhibit A-1.

27 **1.19.** “Opt-Out” means any one of, and “Opt-Outs” means all of, any Persons
28 who otherwise would be Settlement Class Members and have timely and validly

1 requested exclusion from the Settlement Class in accordance with the provisions of
2 the Preliminary Approval Order and the Notice given pursuant thereto.

3 **1.20.** “Person” means a natural person, individual, corporation, fund, limited
4 liability corporation, professional corporation, limited liability partnership,
5 partnership, limited partnership association, joint stock company, estate, legal
6 representative, trust, unincorporated association, government or any political
7 subdivision or agency thereof, and any business or legal entity and their spouses,
8 heirs, predecessors, successors, representatives, or assigns.

9 **1.21.** “Plaintiff’s Counsel” means the law firms of Gainey McKenna &
10 Egleston and Stull, Stull & Brody.

11 **1.22.** “Plan of Allocation” means a plan or formula for allocating the
12 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
13 Taxes and Tax Expenses, and such attorneys’ fees, costs and expenses as may be
14 awarded by the Court. Any Plan of Allocation is not a condition to the effectiveness
15 of this Stipulation, and the Released Parties shall have no responsibility or liability
16 with respect thereto.

17 **1.23.** “Preliminary Approval Order” means the proposed order preliminarily
18 approving the Settlement and directing notice thereof to the Settlement Class
19 substantially in the form attached hereto as Exhibit A.

20 **1.24.** “Proof of Claim” means the Proof of Claim to be submitted by
21 Claimants, substantially in the form attached as Exhibit A-3.

22 **1.25.** “Released Claims” collectively means any and all Claims, including
23 Unknown Claims, that have been, could have been, or in the future can or might be
24 asserted in any federal, state or foreign court, tribunal, forum or proceeding by on or
25 behalf of any of the Releasing Parties against any one or more of the Released
26 Parties, regardless of upon what legal theory based, whether legal or equitable, and
27 regardless of whether any such Released Parties were named, served with process, or
28 appeared in the Action, which directly or indirectly arise out of or relate to (i) the

1 subject matter of the Action or any of the claims remaining and not dismissed in the
2 Action, (ii) the purchase, acquisition, sale and/or holding of NetSol common stock
3 by any of the Releasing Parties during the Class Period, and (iii) any claims in
4 connection with, based upon, arising out of, or relating to the Settlement (but
5 excluding any claims to enforce the terms of the Settlement).

6 **1.26.** “Released Parties” means Defendants and each of their past, present
7 and future, direct or indirect, parent entities, associates, affiliates, and subsidiaries,
8 each and all of their respective past and present directors, officers, partners, alleged
9 partners, stockholders, predecessors, successors and employees, and in their capacity
10 as such, each and all of their underwriters, attorneys, advisors, consultants, trustees,
11 insurers, co-insurers, reinsurers, principals, agents, advisors, accountants, auditors,
12 joint ventures, representatives, and assigns, and Individual Defendant’s spouse(s),
13 family members, and any entity or trust in which Individual Defendant and/or any
14 member of Individual Defendant’s family has, had or have a controlling interest
15 (directly or indirectly).

16 **1.27.** “Releasing Parties” means Plaintiff’s Counsel, each and every member
17 of the Settlement Class and each of their respective parent entities, associates,
18 affiliates, subsidiaries, predecessors, successors, assigns, attorneys, heirs,
19 representatives, administrators, executors, devisees, legatees, and estates.

20 **1.28.** “Settlement” means the settlement contemplated by this Stipulation.

21 **1.29.** “Settlement Amount” means the sum of \$850,000.00 (Eight Hundred
22 and Fifty Thousand U.S. dollars).

23 **1.30.** “Settlement Class” means all Persons (including, without limitation,
24 their beneficiaries) who purchased the common stock of NetSol between October 24,
25 2013 and November 8, 2013, inclusive. Excluded from the Settlement Class are (i)
26 persons who suffered no compensable losses, *e.g.*, those who bought NetSol
27 common stock during the Class Period but sold prior to any alleged corrective
28 disclosure; (ii) Opt-Outs and (iii) Defendants and any entity in which the Defendants

1 have a controlling interest, and the officers, directors, affiliates, legal representatives,
2 immediate family members, heirs, successors, subsidiaries and/or assigns of any such
3 individual or entity in their capacity as such.

4 **1.31.** “Settlement Class Member” means any one of, and “Settlement Class
5 Members” means all of, the members of the Settlement Class.

6 **1.32.** “Settlement Hearing” means the hearing at or after which the Court will
7 make a final decision pursuant to Rule 23 of the Federal Rules of Civil Procedure as
8 to whether the Settlement contained in the Stipulation is fair, reasonable and
9 adequate, and therefore, should receive final approval from the Court.

10 **1.33.** “Settling Party” means any one of, and “Settling Parties” means all of,
11 the parties to the Stipulation, namely NetSol and Najeeb Ghauri on the one hand, and
12 Plaintiff on behalf of himself and the Settlement Class on the other hand.

13 **1.34.** “Taxes” means all taxes (including any estimated taxes, interest or
14 penalties) arising with respect to the income earned by the Settlement Fund.

15 **1.35.** “Tax Expenses” means expenses and costs incurred in connection with
16 the calculation and payment of taxes or the preparation of tax returns and related
17 documents (including without limitation, expenses of tax attorneys and/or
18 accountants and costs and expenses relating to filing (or failing to file) the returns
19 described in ¶ 4.1 herein).

20 **1.36.** “Unknown Claims” means collectively all claims, demands, rights,
21 liabilities, and causes of action of every nature and description whatsoever which any
22 Settlement Class Member does not know or suspect to exist in his, her or its favor at
23 the time of the release of the Released Parties which, if known by him, her or it, might
24 have affected his, her or its settlement with and release of the Released Parties, or
25 might have affected his, her or its decision not to opt-out or object to this Settlement.
26 With respect to any and all Released Claims, the Settling Parties stipulate and agree
27 that, upon the Effective Date, Plaintiff shall expressly waive, and each of the
28 Settlement Class Members shall be deemed to have waived, and by operation of the

1 Final Judgment shall have waived, the provisions, rights and benefits of California
2 Civil Code § 1542, which provides:

3 **A general release does not extend to claims which the creditor**
4 **does not know or suspect to exist in his or her favor at the time of**
5 **executing the release, which if known by him or her must have**
6 **materially affected his or her settlement with the debtor.**

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

26 **2. The Settlement Consideration**

27 **2.1.** In consideration for the promises and obligations contained herein and
28 the full, final, and forever release, settlement and discharge of all Released Claims

1 against the Released Parties, the Settling Parties have agreed that, subject to the terms
2 of the Stipulation, Defendants shall pay or cause to be paid the Settlement Amount to
3 be deposited into the Escrow Account, under the control of the Escrow Agent, within
4 fifteen (15) business days after entry of the Preliminary Approval Order or
5 Defendants' receipt of wire transfer instructions, whichever is later. The funds
6 transferred to the Escrow Account pursuant to this paragraph, and any interest earned
7 thereon, are referred to as the "Settlement Fund."

8 **2.2.** Under no circumstances will Defendants be required to pay more than
9 the Settlement Amount pursuant to this Stipulation and the Settlement for any reason
10 whatsoever, including, without limitation, as compensation to any Settlement Class
11 Member or in payment of any fees or expenses incurred by any Settlement Class
12 Member or Plaintiff's Counsel.

13 **3. Handling And Disbursement Of Funds By The Escrow Agent**

14 **3.1.** No monies will be disbursed from the Settlement Fund until after the
15 Effective Date except:

16 (a) As provided in ¶ 10.9 below, if applicable; and

17 (b) To pay Taxes and Tax Expenses (as defined in ¶ 4.1 below) on the
18 income earned by the Settlement Fund. Taxes and Tax Expenses shall be paid out of
19 the Settlement Fund and shall be considered to be a cost of administration of the
20 Settlement and shall be timely paid by the Escrow Agent without prior Order of the
21 Court.

22 **3.2.** The Escrow Agent may invest any funds (other than security interests
23 in assets) deposited into the Settlement Fund in short term instruments backed by the
24 full faith and credit of the United States Government or fully insured by the United
25 States Government or an agency thereof, and may reinvest the proceeds of these
26 instruments as they mature in similar instruments at their then-current market rates.
27 Defendants, their counsel, and the Released Parties shall have no responsibility for,
28 interest in, or any liability whatsoever with respect to any investment decision

1 executed by the Escrow Agent. The Settlement Fund shall bear all risks related to
2 the investments of the Settlement Amount in accordance with the guidelines set forth
3 in this paragraph.

4 **3.3.** The Escrow Agent shall not disburse the Settlement Fund except as
5 provided in this Stipulation or by an order of the Court.

6 **4. Taxes**

7 **4.1.** The Settling Parties agree to treat the Settlement Fund as being at all
8 times a “qualified settlement fund” within the meaning of Treasury Regulation §
9 1.468B-1. In addition, Lead Counsel or its designee shall timely make such elections
10 as necessary or advisable to carry out the provisions of this ¶ 4.1, including the
11 “relation-back election” (as defined in Treasury Regulation § 1.468B-1) back to the
12 earliest permitted date. Such elections shall be made in compliance with the
13 procedures and requirements contained in such regulations. It shall be the
14 responsibility of Lead Counsel or its designee to timely and properly prepare and
15 deliver the necessary documentation for signature by all necessary parties, and
16 thereafter to cause the appropriate filing to occur.

17 **(a)** For purposes of § 468B of the Internal Revenue Code of 1986, as
18 amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder, the
19 “administrator” shall be the Plaintiff’s Counsel or its designee. Lead Counsel or its
20 designee shall timely and properly file all informational and other tax returns
21 necessary or advisable with respect to the Settlement Fund (including without
22 limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such returns
23 (as well as the election described in this ¶ 4.1) shall be consistent with this ¶ 4.1 and
24 in all events shall reflect that all Taxes (including any estimated Taxes, interest or
25 penalties) on the income earned by the Settlement Fund shall be paid out of the
26 Settlement Fund as provided in this Stipulation.

27 **(b)** All (i) Taxes (including any estimated Taxes, interest or penalties)
28 arising with respect to the income earned by the Settlement Fund, including any

1 Taxes or tax detriments that may be imposed upon Defendants or their counsel with
2 respect to any income earned by the Settlement Fund for any period during which the
3 Settlement Fund does not qualify as a “qualified settlement fund” for federal or state
4 income tax purposes (“Taxes”), and (ii) Tax Expenses, shall be paid out of the
5 Settlement Fund; in no event shall Defendants or their counsel have any liability or
6 responsibility for the Taxes or the Tax Expenses. From the Settlement Fund, the
7 Escrow Agent shall indemnify and hold each Defendant and their counsel harmless
8 for Taxes and Tax Expenses. Further, Taxes and Tax Expenses shall be treated as,
9 and considered to be, a cost of administration of the Settlement Fund and shall be
10 timely paid by the Escrow Agent out of the Settlement Fund without further order
11 from the Court, and the Escrow Agent shall be obligated (notwithstanding anything
12 herein to the contrary) to withhold from distribution to Authorized Claimants any
13 funds necessary to pay such amounts; neither Defendants nor their insurance carriers
14 or their counsel are responsible nor shall they have any liability therefore.

15 **5. Preliminary Approval Order, Notice Order, And Settlement**
16 **Hearing**

17 **5.1.** Plaintiff’s Counsel shall submit this Stipulation and its exhibits to the
18 Court and shall apply for preliminary approval of the Settlement set forth in this
19 Stipulation, entry of a preliminary approval order, and approval for the mailing and
20 dissemination of notice, and Proof of Claim, substantially in the form of Exhibits A,
21 A-1, A-2 and A-3. The mailed Notice (Exhibit A-1) shall include the general terms
22 of the Settlement and the provisions of the Plan of Allocation, and shall set forth the
23 procedure by which recipients of the Notice may object to the Settlement or the Plan
24 of Allocation or request to be excluded from the Settlement Class. The date and time
25 of the Settlement Hearing shall be added to the Notice before it is mailed or
26 otherwise provided to Settlement Class Members.

27 **5.2.** To assist in dissemination of notice, Defendants will cooperate in
28 obtaining the names and contact information of the Settlement Class Members and

1 their nominees or custodians.

2 **5.3.** At the time of the submission described in ¶ 5.1 hereof, the Settling
3 Parties, through their counsel, shall jointly request that, after the Notice is provided,
4 the Court hold the Settlement Hearing and (i) approve the Settlement as set forth
5 herein and (ii) enter judgment substantially in the form of Exhibit B hereto, as
6 promptly after the Settlement Hearing as possible.

7 **6. Releases And Covenants Not To Sue**

8 **6.1.** Upon the Effective Date, as defined in ¶ 1.11 hereof, the Releasing
9 Parties, on behalf of themselves, their successors and assigns, and any other Person
10 claiming (now or in the future) through or on behalf of them, regardless of whether
11 any such Releasing Party ever seeks or obtains by any means, including without
12 limitation by submitting a Proof of Claim, any disbursement from the Settlement
13 Fund, shall be deemed to have, and by operation of the Final Judgment shall have,
14 fully, finally, and forever released, relinquished, and discharged all Released Claims
15 against the Released Parties and shall have covenanted not to sue the Released
16 Parties with respect to all such Released Claims, and shall be permanently barred and
17 enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating,
18 or in any way participating in the commencement or prosecution of any action or
19 other proceeding, in any forum, asserting any Released Claim, either directly,
20 representatively, derivatively, or in any other capacity, against any of the Released
21 Parties. Nothing contained herein shall, however, bar the Releasing Parties from
22 bringing any action or claim to enforce the terms of this Stipulation or the Final
23 Judgment.

24 **6.2.** Upon the Effective Date, as defined in ¶ 1.11 hereof, Defendants, on
25 behalf of themselves, their heirs, executors, predecessors, successors and assigns,
26 shall be deemed to have, and by operation of the Final Judgment shall have, fully,
27 finally, and forever released, relinquished, and discharged Plaintiff, Settlement Class
28 Members and Plaintiff's Counsel from all Claims which arise out of, concern or

1 relate to the institution, prosecution, settlement or dismissal of the Action (the
2 “Defendants’ Released Claims”), and shall be permanently enjoined from
3 prosecuting the Defendants’ Released Claims against Plaintiff, Settlement Class
4 Members and Plaintiff’s Counsel. Nothing contained herein shall, however, bar the
5 Defendants or any Released Party from bringing any action or claim to enforce the
6 terms of this Stipulation or the Final Judgment.

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

9 **7.1.** Under the supervision of Lead Counsel, acting on behalf of the
10 Settlement Class, and subject to such supervision and direction of the Court as may
11 be necessary or as circumstances may require, the Claims Administrator shall
12 administer and calculate the claims submitted by Settlement Class Members and
13 shall oversee distribution of the Net Settlement Fund (as defined below) to
14 Authorized Claimants.

15 **7.2.** The Settlement Fund shall be applied as follows:

- 16 (a) To pay the Taxes and Tax Expenses described in ¶ 4.1 above;
- 17 (b) To pay Administrative Costs;
- 18 (c) To pay Plaintiff’s Counsel’s attorneys’ fees and expenses (the
19 “Fee and Expense Award”), to the extent allowed by the Court; and
- 20 (d) To distribute the balance of the Settlement Fund, that is, the
21 Settlement Fund less the items set forth in ¶ 7.2(a), (b), and (c) hereof (the
22 “Net Settlement Fund”), to the Authorized Claimants as allowed by this
23 Stipulation, the Plan of Allocation, or the Court.

24 **7.3.** Upon and after the Effective Date, and in accordance with the terms of
25 the Plan of Allocation or such further approval and further order(s) of the Court as
26 may be necessary or as circumstances may require, the Net Settlement Fund shall be
27 distributed to Authorized Claimants subject to and in accordance with the Plan of
28 Allocation set forth in the Notice. The Net Settlement Fund shall be distributed to

1 Authorized Claimants by the Claims Administrator upon application to the Court by
2 Lead Counsel for a settlement class distribution order only after all of the following
3 having occurred: (i) the Effective Date; (ii) all claims have been processed, and all
4 Claimants whose claims have been rejected or disallowed, in whole or in part, have
5 been notified and provided the opportunity to be heard concerning such rejection or
6 disallowance; (iii) all objections with respect to all rejected or disallowed claims have
7 been resolved by the Court as necessary, and all appeals therefrom have been
8 resolved or the time therefor has expired; (iv) all matters with respect to Attorneys'
9 Fees and Expenses, costs, and disbursements have been resolved by the Court, and
10 all appeals therefrom have been resolved or the time therefor has expired; and (v) all
11 costs of administration have been paid.

12 **7.4.** This is not a claims-made settlement, and if all conditions of the
13 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
14 Settlement Fund will be returned to NetSol. Neither Defendants nor their counsel
15 shall have any responsibility for, interest in, or liability whatsoever with respect to the
16 investment or distribution of the Net Settlement Fund, the Plan of Allocation, the
17 determination, administration, or calculation of claims, the payment or withholding
18 of Taxes or Tax Expenses, or any losses incurred in connection therewith. No Person
19 shall have any claims against Plaintiff's Counsel, the Claims Administrator or any
20 other agent designated by Plaintiff's Counsel based on distribution determinations or
21 claim rejections made substantially in accordance with this Stipulation and the
22 Settlement contained herein, the Plan of Allocation, or orders of the Court. Lead
23 Counsel shall have the right, but not the obligation, to waive what they deem to be
24 formal or technical defects in any Proofs of Claim filed, where doing so is in the
25 interest of achieving substantial justice.

26 **7.5.** It is understood and agreed by the Settling Parties that any proposed
27 Plan of Allocation of the Net Settlement Fund including, but not limited to, any
28 adjustments to an Authorized Claimant's claim set forth therein, is not a condition of

1 this Stipulation and is to be considered by the Court separately from the Court's
2 consideration of the fairness, reasonableness, and adequacy of the Settlement set forth
3 in this Stipulation. Any order or proceedings relating to the Plan of Allocation, or any
4 appeal from any order relating thereto or reversal or modification thereof, shall not
5 operate to modify, terminate or cancel this Stipulation, or affect or delay the finality
6 of the Final Judgment, or any other orders entered pursuant to this Stipulation.

7 **7.6.** If any funds remain in the Net Settlement Fund by reason of uncashed
8 checks or otherwise, then, after the Claims Administrator has made reasonable and
9 diligent efforts to have Settlement Class Members who are entitled to participate in
10 the distribution of the Net Settlement Fund cash their distribution checks, any
11 balance remaining in the Net Settlement Fund six (6) months after the initial
12 distribution of such funds shall be re-distributed, after payment of any unpaid costs
13 or fees incurred in administering the Net Settlement Fund for such redistribution, to
14 Settlement Class Members who have cashed their checks and who would receive at
15 least \$10.00 from such re-distribution. If any funds shall remain in the Net
16 Settlement Fund six months after such re-distribution, then such balance shall be
17 contributed to a nonsectarian charity or any not-for-profit successor of it chosen by
18 Lead Counsel.

19 **8. Plaintiff's Counsel's Attorneys' Fees And Reimbursement Of**
20 **Expenses**

21 **8.1.** Plaintiff's Counsel may submit an application or applications (the "Fee
22 and Expense Application") for distributions from the Settlement Fund to Plaintiff's
23 Counsel for (i) an award of attorneys' fees; (ii) reimbursement of actual costs and
24 expenses, including the fees and expenses of experts and/or consultants, incurred in
25 connection with prosecuting the Action; and (iii) a case contribution award.

26 **8.2.** Except as otherwise provided in this paragraph, the attorneys' fees and
27 expenses awarded by the Court shall be paid to Lead Counsel from the Settlement
28 Fund within two (2) business days of the date the Court enters an order awarding

1 such fees and expenses. In the event that the Effective Date does not occur, or the
2 Final Judgment and Order is reversed or modified in any way that affects the award
3 of attorneys' fees and expenses, or the Stipulation is terminated for any other reason,
4 then Lead Counsel and any other Plaintiff's Counsel receiving fees or expenses
5 under this provision shall, within ten (10) business days from receiving notice from
6 Defendants' Counsel or from a court of appropriate jurisdiction, refund to the
7 Settlement Fund, either the full amount of the fees and expenses previously received
8 by it pursuant to these provisions or an amount consistent with any modification of
9 the Final Judgment and Order with respect to the fee and expense award. Lead
10 Counsel and any other plaintiffs' counsel's law firm that receives fees and expenses,
11 on behalf of itself and each partner and/or shareholder of it, agrees that the law firm
12 and its partners and/or shareholders are subject to the jurisdiction of the Court for the
13 purpose of enforcing the provisions of this paragraph, and each shall be liable for
14 repayment of all attorneys' fees and expenses awarded by the Court.

15 **8.3.** The procedure for, and allowance or disallowance by the Court of, any
16 application by Plaintiff's Counsel for attorneys' fees, expenses, including the fees and
17 expenses of experts and/or consultants, and/or case contribution awards are not a
18 condition of the Settlement set forth in this Stipulation and are to be considered by the
19 Court separately from the Court's consideration of the fairness, reasonableness, and
20 adequacy of the Settlement set forth in this Stipulation. Any order of or proceedings
21 relating to the Fee and Expense Application, or any appeal from any order relating
22 thereto or reversal or modification thereof, shall not operate to modify, terminate or
23 cancel this Stipulation, or affect or delay the finality of the Final Judgment or any
24 other orders entered pursuant to this Stipulation.

25 **8.4.** Any award of attorneys' fees and/or expenses and/or any case
26 contribution award shall be paid solely from the Settlement Fund and shall reduce the
27 settlement consideration paid to the Settlement Class accordingly. The Released
28 Parties shall have no responsibility for, and no liability whatsoever with respect to,

1 any payments to Plaintiff's Counsel or Plaintiff and/or any other Person who receives
2 payment from the Settlement Fund.

3 **9. Class Certification**

4 **9.1.** In the Final Judgment, the Settlement Class shall be certified for
5 purposes of this Settlement, but in the event that the Final Judgment does not become
6 Final or the Settlement fails to become effective for any reason, all Settling Parties
7 reserve all their rights on all issues, including whether a class should be certified in
8 the Action. For settlement purposes only, in connection with the Final Judgment,
9 Defendants shall consent to (i) the appointment of Plaintiff as the class
10 representative, (ii) the appointment of Lead Counsel as class counsel, and (iii) the
11 certification of the Settlement Class pursuant to Rules 23(a) and (b)(3) of the Federal
12 Rules of Civil Procedure.

13 **10. Conditions Of Settlement, Effect of Disapproval, Cancellation Or**
14 **Termination**

15 **10.1.** Plaintiff, on behalf of the Settlement Class, and Defendants shall each
16 have the right to terminate the Settlement and Stipulation by providing written notice
17 of their election to do so ("Termination Notice") to all other Settling Parties within
18 fourteen (14) business days of:

19 (a) entry of a Court order declining to enter the Preliminary Approval
20 Order in any material respect;

21 (b) entry of a Court order refusing to approve this Stipulation in any
22 material respect;

23 (c) entry of a Court order declining to enter the Final Judgment in any
24 material respect;

25 (d) entry of an order by which the Final Judgment is modified or reversed
26 in any material respect by the Court, the Court of Appeals or the United States
27 Supreme Court. In the absence of any of the events enumerated in the preceding
28 sentence, no Party shall have the right to terminate the Settlement and Stipulation for

1 any reason; or

2 (e) Defendants, and each of them, shall have the right to cancel and
3 terminate the Settlement upon the conditions set forth in paragraph 10.5 below.

4 **10.2.** If the Settlement Amount is not paid into the Escrow Account in
5 accordance with paragraph 2.1 of this Stipulation, then Plaintiff, on behalf of the
6 Settlement Class, shall have the right to terminate the Settlement and Stipulation by
7 providing written notice to NetSol (“Failure to Fund Termination Notice”) at any
8 time prior to the Court’s entry of the Final Judgment. Defendants may not terminate
9 this Settlement and Stipulation if the Settlement Amount is not paid into the Escrow
10 Account in accordance with paragraph 2.1 of this Stipulation.

11 **10.3.** The Effective Date of this Stipulation shall not occur unless and until
12 each of the following events occurs and shall be the date upon which the last in time
13 of the following events occurs:

14 (a) The Court has entered the Preliminary Approval Order attached hereto
15 as Exhibit A or an order containing materially the same terms;

16 (b) The sum of \$850,000.00 (Eight Hundred and Fifty Thousand Dollars)
17 has been paid into the Escrow Account, as set forth in paragraph 2.1;

18 (c) The Court has approved the Settlement, following notice to the
19 Settlement Class and the Settlement Hearing, and has entered the Final Judgment;
20 and

21 (d) The Final Judgment has become Final as defined in ¶ 1.13.

22 **10.4.** Upon the occurrence of the Effective Date, any and all interest or right
23 of NetSol in or to the Settlement Fund, if any, shall be absolutely and forever
24 extinguished, except as set forth in this Stipulation.

25 **10.5.** If prior to final Court approval of the Settlement, (i) Persons who
26 otherwise would be Settlement Class Members have filed with the Court valid and
27 timely requests for exclusion from the Settlement Class in accordance with the
28 provisions of the Preliminary Approval Order and the notice given pursuant thereto

1 (“Opt-Outs”), and such Persons in the aggregate purchased stock during the
2 Settlement Class Period in an amount greater than the amount specified in a separate
3 Supplemental Agreement between the parties (the “Supplemental Agreement”), or
4 (ii) Persons file lawsuits alleging claims under the federal securities laws in
5 connection with the purchase of more than the number of NetSol shares specified as
6 the Opt-Out Threshold in the Supplemental Agreement, then Defendants shall have,
7 in 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 the
9 Supplemental Agreement (the “Supplemental Termination Option”). Except as
10 required by the Court, the Supplemental Agreement shall not be filed with the Court
11 unless and until a dispute arises among the Settling Parties concerning its
12 interpretation or application.

13 **10.6.** If some or all of the conditions specified in 10.3 above are not met, or
14 in the event that this Stipulation is not approved by the Court, or the Settlement set
15 forth in this Stipulation is terminated or fails to become effective in accordance with
16 its terms, then this Stipulation shall be canceled and terminated, unless all of the
17 Settling Parties agree in writing to proceed with this Stipulation. None of the Settling
18 Parties, or any of them, shall have any obligation whatsoever to proceed under any
19 terms other than those provided for and agreed herein. If any Settling Party engages
20 in a material breach of the terms hereof, any other Settling Party, provided that it is
21 in substantial compliance with the terms of this Stipulation, may terminate this
22 Stipulation on notice to all the Settling Parties.

23 **10.7.** In the event the Stipulation shall terminate, or be canceled, or shall not
24 become effective for any reason, the Settling Parties shall be restored to their
25 respective positions in the Action immediately prior to February 25, 2016, and they
26 shall proceed in all respects as if the Stipulation had not been executed and the
27 related orders had not been entered, and in that event all of their respective claims
28 and defenses as to any issue in the Action shall be preserved without prejudice.

1 **10.8.** In the event that the Stipulation is not approved by the Court or the
2 Settlement set forth in this Stipulation is terminated or fails to become effective in
3 accordance with its terms, the terms and provisions of this Stipulation, except as
4 otherwise provided herein, shall have no further force and effect with respect to the
5 Settling Parties or Defendants and shall not be used in this Action or in any other
6 proceeding for any purpose, and any judgment or order entered by the Court in
7 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro*
8 *tunc*.

9 **10.9.** In the event the Stipulation shall be terminated, or be canceled, or shall
10 not become effective for any reason, within seven (7) business days (except as
11 otherwise provided in the Supplemental Agreement) after the occurrence of such
12 event, the Settlement Fund, less taxes and any Administrative Costs which have either
13 been disbursed or are determined to be chargeable, shall be refunded by the Escrow
14 Agent to the Person that pays the Settlement Amount. At the request of counsel for
15 NetSol at NetSol's expense, Lead Counsel or its designee shall apply for any tax
16 refund owed on the Settlement Fund and pay the proceeds, after deduction of any fees
17 or expenses incurred in connection with such applications(s) for refund, pursuant to
18 written direction from counsel for NetSol.

19 **10.10.** No order of the Court or modification or reversal on appeal of any
20 order of the Court concerning the Plan of Allocation or the amount of any attorneys'
21 fees, costs, expenses, and interest awarded by the Court to Plaintiff's Counsel shall
22 constitute grounds for cancellation or termination of the Stipulation.

23 **11. No Admission Of Liability**

24 **11.1.** The Settling Parties covenant and agree that neither this Stipulation, nor
25 any terms of the Settlement, nor any communication relating thereto, nor the
26 Supplemental Agreement, is evidence, or an admission or concession by any Settling
27 Party or their counsel, any Settlement Class Member, or any of the Released Parties,
28 of any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or

1 asserted in the Action, or any other actions or proceedings, or as to the validity or
2 merit of any of the claims or defenses alleged or asserted in any such action or
3 proceeding. This Stipulation is not a finding or evidence of the validity or invalidity
4 of any claims or defenses in the Action, any wrongdoing by any Settling Party,
5 Settlement Class Member, or any of the Released Parties, or any damages or injury to
6 any Settling Party, Settlement Class Member, or any Released Parties. Neither this
7 Stipulation, nor the Supplemental Agreement, nor any of the terms and provisions of
8 this Stipulation or the Supplemental Agreement, nor any of the negotiations or
9 proceedings in connection therewith, nor any of the documents or statements referred
10 to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the
11 Settlement proceedings, nor any statement in connection therewith, (a) shall (i) be
12 argued to be, used or construed as, offered or received in evidence as, or otherwise
13 constitute an admission, concession, presumption, proof, evidence, or a finding of any
14 liability, fault, wrongdoing, injury or damages, or of any wrongful conduct, acts or
15 omissions on the part of any Released Party, or of any infirmity of any defense, or of
16 any damages to Plaintiff or any other Settlement Class Member, or (ii) otherwise be
17 used to create or give rise to any inference or presumption against any of the
18 Released Parties concerning any fact or any purported liability, fault, or wrongdoing
19 of the Released Parties or any injury or damages to any person or entity, or (b) shall
20 otherwise be admissible, referred to or used in any proceeding of any nature, for any
21 purpose whatsoever; provided, however, that the Stipulation or the Supplemental
22 Agreement or the Final Judgment may be introduced in any proceeding, whether in
23 the Court or otherwise, as may be necessary to argue and establish that the
24 Stipulation or Supplemental Agreement or Final Judgment has *res judicata*,
25 collateral estoppel, or other issue or claim preclusion effect or to otherwise
26 consummate or enforce the Settlement or Supplemental Agreement or Final
27 Judgment, or as otherwise required by law.

28 **12. Miscellaneous Provisions**

1 **12.1.** Except in the event of the filing of a Termination Notice or Failure to
2 Fund Termination Notice or termination notice in accordance with the Parties'
3 Supplemental Agreement, pursuant to Paragraphs 10.1, 10.2 or 10.5 of this
4 Stipulation, the Settling Parties shall take all actions necessary to consummate the
5 Settlement and Stipulation; and (b) agree to cooperate with each other to the extent
6 reasonably necessary to effectuate and implement all terms and conditions of the
7 Stipulation.

8 **12.2.** The Settling Parties and their counsel represent that they will not
9 encourage or otherwise influence any Settlement Class Members to request
10 exclusion from, or object to, the Settlement.

11 **12.3.** Each of the attorneys executing this Stipulation, any of its exhibits, or
12 any related settlement documents on behalf of any Settling Party hereto hereby
13 warrants and represents that he or she has been duly empowered and authorized to do
14 so by the Settling Party he or she represents.

15 **12.4.** Plaintiff and Lead Counsel represent and warrant that Plaintiff is a
16 Settlement Class Member and none of Plaintiff's claims or causes of action against
17 one or more Defendants in the Action, or referred to in this Stipulation, or that could
18 have been alleged against one or more Defendants in the Action, have been assigned,
19 encumbered or in any manner transferred in whole or in part.

20 **12.5.** This Stipulation, together with the Supplemental Agreement,
21 constitutes the entire agreement between the Settling Parties and supersedes any
22 prior agreements. No representations, warranties or inducements have been made to
23 or relied upon by any Settling Party concerning this Stipulation, other than the
24 representations, warranties and covenants expressly set forth herein and in the
25 Supplemental Agreement. Except as otherwise provided herein, each Settling Party
26 shall bear its own costs.

27 **12.6.** This Stipulation may not be modified or amended, nor may any of its
28 provisions be waived, except by a writing signed by all Settling Parties or their

1 counsel or their respective successors in interest.

2 **12.7.** This Stipulation shall be binding upon, and shall inure to the benefit
3 of, the Settling Parties and their respective agents, successors, executors, heirs, and
4 assigns.

5 **12.8.** The Released Parties who do not appear on the signature lines below,
6 including but not limited to the Individual Defendant, are acknowledged and agreed
7 to be third party beneficiaries of this Stipulation and Settlement and have the same
8 rights to enforce this Stipulation and Settlement as the signatories hereto.

9 **12.9.** The headings herein are used for the purpose of convenience only and
10 are not meant to have legal effect.

11 **12.10.** This Stipulation may be executed in any number of counterparts by
12 any of the signatories hereto and the transmission of an original signature page
13 electronically (including by facsimile or portable document format) shall constitute
14 valid execution of the Stipulation as if all signatories hereto had executed the same
15 document. Copies of this Stipulation executed in counterpart shall constitute one
16 agreement.

17 **12.11.** This Stipulation, the Settlement, and any and all disputes arising out of
18 or relating in any way to this Stipulation, whether in contract, tort or otherwise, shall
19 be governed by and construed in accordance with the laws of the State of California
20 without regard to conflict of laws principles.

21 **12.12.** The Court shall retain jurisdiction with respect to the implementation
22 and enforcement of the terms of this Stipulation, and all parties hereto submit to the
23 jurisdiction of the Court for purposes of implementing and enforcing the Settlement
24 embodied in this Stipulation.

25 **12.13.** The Stipulation shall not be construed more strictly against one Party
26 than another merely by virtue of the fact that it, or any part of it, may have been
27 prepared by counsel for one of the Settling Parties, it being recognized that it is the
28 result of arm's-length negotiations between the Settling Parties, and all Settling

1 Parties have contributed substantially and materially to the preparation of this
2 Stipulation.

3 **12.14.** All agreements by, between or among the Settling Parties, their
4 counsel and their other advisors as to the confidentiality of information exchanged
5 between or among them shall remain in full force and effect, and shall survive the
6 execution and any termination of this Stipulation and the final consummation of the
7 Settlement, if finally consummated, without regard to any of the conditions of the
8 Settlement.

9 **12.15.** The Settling Parties shall not assert or pursue any action, claim or
10 rights that any party violated any provision of Rule 11 of the Federal Rules of Civil
11 Procedure in connection with the Action, the Settlement, the Stipulation or the
12 Supplemental Agreement. The Settling Parties agree that the Action was resolved in
13 good faith following arm's-length bargaining.

14 **12.16.** Any failure by any of the Settling Parties to insist upon the strict
15 performance by any other Settling Party of any of the provisions of the Stipulation
16 shall not be deemed a waiver of any of the provisions hereof, and such Settling Party,
17 notwithstanding such failure, shall have the right thereafter to insist upon the strict
18 performance of any and all of the provisions of this Stipulation to be performed by
19 the other Settling Parties to this Stipulation.

20 **12.17.** The waiver, express or implied, by any Settling Party of any breach or
21 default by any other Settling Party in the performance by such Settling Party of its
22 obligations under the Stipulation shall not be deemed or construed to be a waiver of
23 any other breach, whether prior, subsequent, or contemporaneous, under this
24 Stipulation.

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IN WITNESS WHEREOF, the Settling Parties have executed this Stipulation by their undersigned counsel effective as of the date set forth below.

DATED: February 25, 2016

GAINEY McKENNA & EGLESTON

By: Thomas J. McKenna

Thomas J. McKenna
(admitted *Pro Hac Vice*)
440 Park Avenue South, 5th Floor
New York, NY 10016
Tel: (212) 983-1300
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Lead Counsel for Plaintiff Mike Clementi and the Putative Class

DATED: February 25, 2016

PERKINS COIE LLP

By: Sean T. Prosser

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Attorneys for Defendants NetSol Technologies, Inc. and Najeeb Ghauri