



**IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE**

3-SIGMA VALUE FINANCIAL )  
OPPORTUNITIES LP, BRH )  
OPPORTUNITIES FEEDER, LLC, BRH )  
OPPORTUNITIES III, LLC, )  
BLUEMOUNTAIN FINANCIAL HOLDINGS, )  
LLC, TDSS EQUITY INVESTMENTS A LLC, )  
and SCOPESII EQUITY INVESTMENTS A )  
LLC, on Behalf of Themselves and all others )  
Similarly Situated and Derivatively on Behalf of )  
Nominal Defendant, CERTUSHOLDINGS, )  
INC., )

Plaintiffs, )

v. )

C.A. No. 11655-VCG )

MILTON JONES, WALTER DAVIS, )  
CHARLES WILLIAMS, ANGELA WEBB, J. )  
VERONICA BIGGINS, ROBERT J. BROWN, )  
DOUGLAS JOHNSON, WILLIAM F. )  
PICKARD, HILDY TEEGEN, ROBERT L. )  
WRIGHT, INTEGRATED CAPITAL )  
STRATEGIES HOLDINGS, LLC AND )  
INTEGRATED CAPITAL STRATEGIES, )  
LLC, )

Defendants, )

v. )

CERTUS HOLDINGS, INC., )

Nominal Defendant. )

**STIPULATION AND AGREEMENT OF SETTLEMENT,  
COMPROMISE AND RELEASE WITH INDIVIDUAL DEFENDANTS**

This Stipulation and Agreement of Settlement, Compromise and Release (the “Stipulation”) is entered into by and among: (a) plaintiffs BRH Opportunities Feeders, LLC, BRH Opportunities III, LLC, BlueMountain Financial Holdings, LLC, TDSS Equity Investments A LLC, and SCOPESII Equity Investments A LLC (collectively, “Plaintiffs”)<sup>1</sup>, on behalf of themselves and the Settlement Class (defined below), and derivatively on behalf of the Nominal Defendant (defined below); (b) defendants Milton Jones (“Jones”), Walter Davis (“Davis”), Charles Williams (“Williams”), Angela Webb (“Webb”), J. Veronica Biggins (“Biggins”), Robert J. Brown (“Brown”), Douglas Johnson (“Johnson”), Hildy Teegen (“Teegen”), and Robert L. Wright (“Wright”) (collectively, the “Individual Defendants”)<sup>2</sup>; and (c) nominal defendant Certus Holdings, Inc. (the “Nominal Defendant,” “Certus” or the “Company”), and, together with the ICS Stipulation (defined below), embodies the terms and conditions of the settlement of the above-captioned action (the “Action”).<sup>3</sup> Subject to the approval of the Court of Chancery of the State of Delaware (the “Court”) and the terms and conditions expressly provided herein, this Stipulation, together with the ICS Stipulation, is intended to

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<sup>1</sup> The parties filed the Stipulation of Withdrawal as to Plaintiff 3-Sigma Value Financial Opportunities LP on September 21, 2016.

<sup>2</sup> Plaintiffs voluntarily dismissed William F. Pickard on January 13, 2016.

<sup>3</sup> All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in ¶ 1 herein.

fully, finally and forever compromise, settle, release, resolve, and dismiss with prejudice the Action and all claims asserted therein against the Individual Defendants and defendants Integrated Capital Strategies Holdings LLC and Integrated Capital Strategies LLC (together, “ICS” and, together with the Individual Defendants, “Defendants”).

**WHEREAS:**

A. On October 29, 2015, Plaintiffs filed, based on the investigation of counsel, review of publicly available information and internal Company documents produced pursuant to Plaintiffs’ August 7, 2015 and August 25, 2015 demand for the production of books and records pursuant to Section 220 of the Delaware General Corporation Law, the Verified Class Action and Derivative Complaint (the “Complaint”).

B. The Complaint alleges that Defendants Jones, Davis, Webb and Williams (collectively the “Former Executives”) breached their fiduciary duties and wasted corporate assets by using the Certus corporate treasury for their own personal benefit. The Complaint alleges that the Former Executives breached their fiduciary duties by causing Certus to retain on unfair terms the services of ICS, and entering into unauthorized contracts. The Complaint further alleges that Defendants Biggins, Brown, Johnson, Teegen and Wright (collectively, the “Former Directors”) breached their fiduciary duties by failing to monitor the

activities of the Former Executives to ensure that the Former Executives were managing Certus for the benefit of its stockholders, approving the ICS relationship with Certus despite knowing of the conflicts inherent in any ICS transaction and failing to erect internal controls that would inform them of the Former Executives' misconduct. The Complaint also alleges that ICS aided and abetted in the Former Executives' and the Former Directors' breaches of fiduciary duty and that the Former Executives and ICS tortiously interfered with the Stock Purchase Agreement between Certus and its stockholders, dated May 25, 2010 (the "Stock Purchase Agreement").

C. From February 10, 2016 to November 21, 2016, the parties engaged in extensive discovery, including party and third-party document productions, totaling millions of pages of documents, the deposition of two defendants, and expedited motion practice concerning the entity defendants' representation and deposition.

D. On July 13, 2016, Plaintiffs' Counsel, Individual Defendants' Counsel and Individual Defendants' insurance carriers participated in a full-day mediation session in San Francisco, CA, before Robert A. Meyer, Esq. (the "Mediator"). In advance of that session, the Parties submitted and exchanged detailed mediation statements and exhibits, which addressed the issues of liability, causation and damages. The mediation session ended without any agreement being reached.

E. Thereafter, the Mediator conducted an additional mediation session in New York, NY.

F. After continued arm's-length negotiations and discussions between the Parties, all of which were overseen by the Mediator, and based on a proposal by the Mediator, on November 21, 2016, the Parties reached an agreement in principle to settle the Action.

G. This Stipulation (together with the exhibits hereto) reflects the final and binding agreement between the Parties concerning the Settlement.

H. Based upon their investigation, prosecution and mediation of the case, Plaintiffs and Plaintiffs' Counsel have concluded that the terms and conditions of this Stipulation are fair, reasonable and adequate to Plaintiffs, the Settlement Class, and Certus, and in their best interests. Based on Plaintiffs' direct oversight of the prosecution of this matter and with the advice of their counsel, and with the informed consent and supported by the independent business judgment of the current board of directors of Certus, each of the Plaintiffs has agreed to settle and release the claims raised in the Action pursuant to the terms and provisions of this Stipulation, after considering, among other things: (a) the substantial financial benefit that Plaintiffs, the Settlement Class, and Certus will receive under the proposed Settlement; and (b) the significant risks and costs of continued litigation and trial.

I. This Stipulation constitutes a compromise of matters that are in dispute between the Parties. Individual Defendants are entering into this Stipulation solely to eliminate the uncertainty, burden and expense of further protracted litigation. Each of the Individual Defendants denies any wrongdoing, and this Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Individual Defendants with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Individual Defendants have, or could have, asserted. The Individual Defendants expressly deny that Plaintiffs have asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever. Similarly, this Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any Plaintiff of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of the Individual Defendants' defenses to liability had any merit. Each of the Parties recognizes and acknowledges, however, that the Action has been initiated, filed and prosecuted by Plaintiffs in good faith and defended by Individual Defendants in good faith, that the Action is being voluntarily settled with the advice of counsel, and that the terms of the Settlement are fair, adequate and reasonable.

**NOW THEREFORE, IT IS STIPULATED AND AGREED**, by and among Plaintiffs (individually and on behalf of the Settlement Class and derivatively on behalf of Certus), Individual Defendants and Certus, by and through their respective undersigned attorneys and subject to the approval of the Court pursuant to Rules 23 and 23.1 of the Rules of the Court of Chancery, that, in consideration of the benefits flowing to the Parties from the Settlement, among other things, all Released Plaintiffs' Claims as against the Released Individual Defendant Parties and all Released Individual Defendants' Claims as against the Released Plaintiff Parties and the Released Certus Parties shall be settled and released, upon and subject to the terms and conditions set forth below:

### **DEFINITIONS**

1. As used in this Stipulation and any exhibits attached hereto and made a part hereof, the following capitalized terms shall have the following meanings:

(a) "Action" means the stockholder class and derivative action styled *3-Sigma Value Financial, et al. v. Jones, et al.* C.A. No. 11655-VCG.

(b) "Attorneys' Fee and Expense Award" means the amount of attorneys' fees and litigation expense reimbursement awarded by the Court to Plaintiffs' Counsel, as described in ¶¶ 33-34 of this Stipulation.

(c) "Certus Board" means Certus's current board of directors.

(d) “Certus Common Stock” means Certus Class A Voting and Class B Non-Voting common stock.

(e) “Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, diminutions in value, costs, debts, expenses, interest, penalties, fines, sanctions, fees, attorneys’ fees, expert or consulting fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, of every nature or description whatsoever, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, which now exist, or heretofore or previously existed, or may hereafter exist, including known claims and Unknown Claims, whether direct, derivative, individual, class, representative, legal, equitable or of any other type, or in any other capacity, whether based on state, local, foreign, federal, statutory, regulatory, common or other law or rule, including but not limited to any claims under state securities law, or under state disclosure law.

(f) “Complaint” means Verified Class Action and Derivative Complaint filed in the Action on October 29, 2015.

(g) “Court” means the Court of Chancery of the State of Delaware.



(h) “Current Stockholders” means all record holders of Certus Common Stock as of the date of execution of this Stipulation.

(i) “Defendants” means the Individual Defendants and ICS.

(j) “Effective Date” means the first date by which all of the conditions precedent set forth in ¶ 30 of this Stipulation have been met and occurred or have been waived in writing by the Parties.

(k) “Employment Claims” means (i) any and all claims, rights or defenses asserted, or that may be asserted, by Defendants Jones, Davis and/or Webb against Certus, CertusBank, N.A., CBSUB, Inc., and any of their respective parents, subsidiaries, divisions, affiliates, associated entities, predecessors, predecessors-in-interest, successors, successors-in-interest, or assigns, and (ii) any and all claims, other than claims actually asserted in or related to the Action, arising under the employment agreements between Defendants Jones, Davis, and Webb and Certus, rights or defenses asserted, or that may be asserted, by Certus, CertusBank, N.A., CBSUB, Inc., and any of their respective parents, subsidiaries, divisions, affiliates, associated entities, predecessors, predecessors-in-interest, successors, successors-in-interest, or assigns against Defendants Jones, Davis and/or Webb in the action pending in the Court of Common Pleas, State of South Carolina, County of Greenville, styled *Milton Jones, Jr., et al. v. CertusBank N.A., et al.*, Civil Action No. 2014-CP-23-05970, and currently being arbitrated before

Thomas W. Traxler, Esquire; *provided, however*, that Certus shall not be precluded from arguing or raising in defense of the Employment Claims the factual allegations of wrongdoing at issue in the Action asserted against Defendants Jones, Davis and/or Webb.

(l) “Escrow Agent” means Valley National Bank.

(m) “Escrow Agreement” means the agreement between Plaintiffs’ Counsel, Individual Defendants’ Counsel, and Valley National Bank setting forth the terms under which the Escrow Agent shall maintain the Settlement Escrow Account. The law firms of Bernstein Litowitz Berger & Grossmann LLP (on behalf of Plaintiffs) and Ross Aronstam & Moritz LLP (on behalf of the Individual Defendants) shall be joint signatories on the Settlement Escrow Account until the Effective Date of the Settlement. Upon the Effective Date of the Settlement, the law firm of Bernstein Litowitz Berger & Grossmann LLP shall be the sole signatory on the Settlement Escrow Account.

(n) “Excluded Stockholders” means Certus, Defendants, and all officers, directors, and managing partners of Certus or ICS prior to April 1, 2014, to the extent any of the foregoing actually are stockholders of Certus (“Excluded Officers, Directors and Partners”); members of the Immediate Family of each of the Individual Defendants and of each of the Excluded Officers, Directors and Partners; any person or entity in which any Defendant, Certus, or any of the

Excluded Officers, Directors and Partners has a controlling interest; and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party.

(o) “Final” with respect to the judgment approving this Settlement or any other court order means: (i) if no appeal of the judgment or order is filed, the expiration date of the time provided for filing or noticing any appeal under the Rules of the Court of Chancery; or (ii) if there is an appeal of the judgment or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on certiorari or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of review, and, if certiorari or other form of review is granted, the date of final affirmance following review pursuant to that grant. However, any appeal or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect to attorneys’ fees, costs or expenses shall not in any way delay or preclude a judgment from becoming Final.

(p) “Final Order and Judgment” or “Judgment” means the Final Order and Judgment of the Court, substantially in the form attached hereto as Exhibit B, to be entered by the Court approving the Settlement.

(q) “ICS” means defendants Integrated Capital Strategies Holdings, LLC and Integrated Capital Strategies, LLC.

(r) “ICS Stipulation” means the Stipulation and Agreement of Settlement, Compromise and Release with ICS entered into contemporaneously herewith by and among Plaintiffs, Individual Defendants, Certus, and ICS.

(s) “Immediate Family” means children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, and sisters-in-law. As used in this paragraph, “spouse” shall mean a husband, a wife, or a partner in a state-recognized domestic relationship or civil union.

(t) “Individual Defendants’ Counsel” means Ross Aronstam & Moritz LLP Young Conaway Stargatt & Taylor, LLP, and Morris Nichols Arsht & Tunnell LLP.

(u) “Nominal Defendant,” “Certus” or the “Company” means nominal defendant Certus Holdings, Inc.

(v) “Notice” means the Notice of Pendency and Proposed Settlement of Stockholder Class and Derivative Action, Settlement Hearing and Right to Appear, substantially in the form attached hereto as Exhibit C.

(w) “Notice and Administration Costs” means all costs, fees and expenses related to (i) providing notice of the Settlement to Settlement Class

Members and Current Stockholders; and (ii) administering the Settlement, including but not limited to the distribution of the Settlement Payment to Certus stockholders, as well as the costs, fees and expenses incurred in connection with the Settlement Escrow Account.

(x) “Parties” means Plaintiffs, Individual Defendants, and Certus.

(y) “Plaintiffs” means plaintiffs BRH Opportunities Feeders, LLC, BRH Opportunities III, LLC, BlueMountain Financial Holdings, LLC, TDSS Equity Investments A LLC, and SCOPESII Equity Investments A LLC.

(z) “Plaintiffs’ Counsel” means the law firms of Bernstein Litowitz Berger & Grossmann LLP and Friedlander & Gorris, P.A.

(aa) “Preserved Claims” means (i) any and all claims, rights or defenses asserted, or that may be asserted, by Individual Defendants Jones, Davis and/or Webb against Benjamin Weinger and 3-Sigma Value Financial Opportunities LP, and any of its parents, subsidiaries, divisions, affiliates, associated entities, predecessors, predecessors-in-interest, successors, successors-in-interest, and assigns, in the action pending in the United States District Court for the District of South Carolina, Greenville Division, styled *Milton Jones, Jr., et al. v. Benjamin Weinger, et al.*, Civil Action No. 6-15-CV-03922-TMC, and (ii) the Employment Claims.

(bb) “Released Certus Parties” means Certus and its respective past, present, or future trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, stockholders, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, officers, directors, managing directors, managing partners, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, personal or legal representatives, accountants and associates.

(cc) “Released Individual Defendants’ Claims” means any and all Claims that (a) are or were alleged, asserted, set forth, or claimed in the Action; or (b) could have been alleged, asserted, set forth or claimed in the Action or in any other action, court (whether state or federal), tribunal, forum or proceeding, including claims under any and all federal or state securities laws (including those within the exclusive jurisdiction of the federal courts), whether asserted directly by Individual Defendants, Certus or any other Released Certus Parties or Released Individual Defendant Parties, or asserted derivatively on behalf of Certus, that (x)

are based upon, arise out of, result from, relate to, or involve or previously were based upon, arose out of, resulted from, related to or involved, directly or indirectly, any of the actual, alleged or attempted actions, transactions, occurrences, statements, representations, misrepresentations, omissions, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that are or were alleged, asserted, set forth, or claimed in the Action, including without limitation any such claims related to: (i) the operation or management of Certus, (ii) Individual Defendants' service as directors, officers, and/or employees of Certus, (iii) any contractual or financial obligation of Individual Defendants that relates to any agreement entered into between Certus and any Individual Defendant during the time of the Individual Defendant's service as a director, officer, and/or employee of Certus, and/or (iv) any fiduciary obligations of Individual Defendants in connection with their service as directors and/or officers of Certus; or (y) that arise out of or relate in any way to the institution, prosecution, settlement or dismissal of claims asserted in the Action; *provided, however*, that the Released Individual Defendants' Claims shall not include (a) the Preserved Claims; (b) claims to enforce the Stipulation, or (c) claims to enforce a right or entitlement to reimbursement or advancement of fees and expenses as preserved by ¶ 26 below.

(dd) “Released Individual Defendant Parties” means Individual Defendants and their respective past, present, or future Immediate Family members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, stockholders, principals, officers, directors, managing directors, managing partners, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, personal or legal representatives, accountants and associates.

(ee) “Released Plaintiffs’ Claims” means:

(1) as to Individual Defendants Jones, Davis and Webb and their respective Released Individual Defendant Parties, (a) with respect to the direct claims of Plaintiffs and all other Settlement Class Members, any and all Claims which are or were alleged, asserted, set forth, or claimed in the Action, or which could have been alleged, asserted, set forth or claimed in the Action or in any other action, court (whether state or federal), tribunal, forum or proceeding, including



claims under any and all federal or state securities laws (including those within the exclusive jurisdiction of the federal courts), that relate to his, her or its status as a Certus stockholder, including any claims which are based upon, arise out of, result from, relate in any way to, or involve, directly or indirectly, his, her or its decision to invest in Certus; (b) any and all Claims that are based upon, arise out of, result from, relate to, or involve or previously were based upon, arose out of, resulted from, related to or involved, directly or indirectly, any of the actual, alleged or attempted actions, transactions, occurrences, statements, representations, misrepresentations, omissions, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that are or were alleged, asserted, set forth, or claimed in the Action, including without limitation any such claims related to: (i) the operation or management of Certus, (ii) Individual Defendants' service as directors, officers, and/or employees of Certus, (iii) any contractual or financial obligation of Individual Defendants that relates to any agreement entered into between Certus and any Individual Defendant during the time of the Individual Defendant's service as a director, officer, and/or employee of Certus, and/or (iv) any fiduciary obligations of Individual Defendants in connection with their service as directors and/or officers of Certus; and (c) any and all Claims that arise out of or relate in any way to the institution, prosecution, settlement or dismissal of claims asserted in the Action; *provided, however,* that

the Released Plaintiffs' Claims shall not include claims to enforce the Stipulation; and

(2) as to Individual Defendants Williams, Biggins, Brown, Johnson, Teegan and Wright and their respective Released Individual Defendant Parties, any and all Claims which are based upon, arise out of, result from, relate to, or involve or previously were based upon, arose out of, resulted from, related to or involved, directly or indirectly, (a) any Settlement Class Member's status as a Certus stockholder, including any claims which are based upon, arise out of, result from, relate in any way to, or involve, directly or indirectly, any stockholder's decision to invest in Certus, (b) the operation or management of Certus, (c) Individual Defendants' service as directors, officers, and/or employees of Certus, (d) any contractual or financial obligation of Individual Defendants that relates to any agreement entered into between Certus and any Individual Defendant during the time of the Individual Defendant's service as a director, officer, and/or employee of Certus, and/or (e) any fiduciary obligations of Individual Defendants in connection with their service as directors and/or officers of Certus. Released Plaintiffs' Claims also includes all claims that arise out of or relate in any way to the institution, prosecution, settlement or dismissal of claims asserted in the Action. Released Plaintiffs' Claims include, but are not limited to, any of the actual, alleged or attempted actions, transactions, occurrences, statements,

representations, misrepresentations, omissions, allegations, facts, practices, events, claims or any other matters, things or causes whatsoever, or any series thereof, that (x) are or were alleged, asserted, set forth, or claimed in the Action, (y) are related to the subject matter of the claims that were alleged, asserted, set forth, or claimed in the Action, or (z) could have been alleged, asserted, set forth or claimed in the Action or in any other action, court (whether state or federal), tribunal, forum or proceeding, including claims under any and all federal or state securities laws (including those within the exclusive jurisdiction of the federal courts); *provided, however,* that the Released Plaintiffs' Claims shall not include claims to enforce the Stipulation.

(ff) "Released Plaintiff Parties" means Plaintiffs and all other Settlement Class Members, and their respective past, present, or future Immediate Family members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, stockholders, principals, officers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing

any fairness opinion, underwriters, brokers, dealers, financing sources, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, and associates.

(gg) “Releases” means the releases set forth in ¶¶ 23-25 below.

(hh) “Settlement” means the settlement between and among Plaintiffs, Individual Defendants, ICS, and Certus on the terms and conditions set forth in this Stipulation and in the ICS Stipulation.

(ii) “Settlement Administrator” means the firm retained by Plaintiffs’ Counsel, subject to approval of the Court, to provide all notices approved by the Court to Settlement Class Members and Current Stockholders and to administer the Settlement.

(jj) “Settlement Amount” means \$19,200,000 in cash.

(kk) “Settlement Class” means any and all signatories to the Stock Purchase Agreement and their transferees, successors or assigns. Excluded from the Settlement Class are Certus and Defendants; members of the Immediate Family of each of the Individual Defendants; any person or entity in which any Defendant or Certus has a controlling interest; and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party.

(ll) “Settlement Class Members” means each person or entity who or which is a member of the Settlement Class.

(mm) “Settlement Hearing” means the hearing set by the Court under Rules 23 and 23.1 of the Rules of the Court of Chancery to consider final approval of the Settlement.

(nn) “Settlement Scheduling Order” means the scheduling order to be entered pursuant to Rules 23 and 23.1 of the Rules of the Court of Chancery, substantially in the form attached hereto as Exhibit A.

(oo) “Taxes” means: (i) all federal, state and/or local taxes of any kind (including any interest or penalties thereon) on any income earned by the Settlement Fund; (ii) the expenses and costs incurred by Plaintiffs’ Counsel in connection with determining the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation, expenses of tax attorneys and accountants); and (iii) all taxes imposed on payments by the Settlement Fund, including withholding taxes.

(pp) “Unknown Claims” means any Released Plaintiffs’ Claims that Certus, any Plaintiff, or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Individual Defendants’ Claims that any of the Individual Defendants, Certus, or any of the other Released Individual Defendant Parties or Released Certus Parties does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have

affected his, her, or its decision(s) with respect to the Settlement. With respect to any and all Released Plaintiffs' Claims and Released Individual Defendants' Claims, the Parties stipulate and agree that Certus, each of the Plaintiffs, and each of the Individual Defendants shall expressly waive, and each of the other Settlement Class Members, Released Individual Defendant Parties and Released Certus Parties shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by California Civil Code § 1542 or any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

Certus, each of the Plaintiffs, and each of the Individual Defendants acknowledge, and each of the other Settlement Class Members, Released Individual Defendant Parties and Released Certus Parties shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement.

## **NO ADMISSION OF WRONGDOING**

2. Neither this Stipulation (whether or not consummated), including the exhibits hereto, the negotiations leading to the execution of this Stipulation, nor any proceedings taken pursuant to or in connection with this Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Released Individual Defendant Parties or Released Certus Parties as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Individual Defendant Parties or Released Certus Parties with respect to the truth of any fact alleged by Plaintiffs or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in this Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Released Individual Defendant Parties or Released Certus Parties or in any way referred to for any other reason as against any of the Released Individual Defendant Parties or Released Certus Parties, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(b) shall be offered against any of the Released Plaintiff Parties or Released Certus Parties, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Released Plaintiff Parties or Released Certus Parties that any of their claims are without merit, that any of the Released Individual Defendant Parties or Released Certus Parties had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Released Plaintiff Parties or Released Certus Parties, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; or

(c) shall be construed against any of the Released Plaintiff Parties, Released Individual Defendant Parties or Released Certus Parties as an admission, concession, or presumption that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; *provided, however,* that if this Stipulation is approved by the Court, the Parties and the Released Plaintiff Parties, Released Individual Defendant Parties and Released Certus Parties and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.



### **SETTLEMENT CONSIDERATION**

3. In consideration of the settlement of the Released Plaintiffs' Claims against Individual Defendants and the other Released Individual Defendant Parties, Certus and Individual Defendants shall make reasonable best efforts to cause the Company's directors' and officers' insurance policy carriers (the "Insurers") to pay (a) \$8,289,163.47 into an interest-bearing escrow account controlled by the Escrow Agent and governed by the Escrow Agreement (the "Settlement Escrow Account") no later than fifteen (15) business days after entry of the Settlement Scheduling Order, and (b) the remaining balance of the Settlement Amount (\$10,910,836.53) into the Settlement Escrow Account no later than fifteen (15) business days after the date of entry of the Judgment, notwithstanding any objections to the Settlement, potential for appeal from the Judgment, any appeals to the Judgment that may be taken, or any collateral attack on the Settlement. For the avoidance of doubt, Individual Defendants shall have no obligation to pay any portion of the Settlement Amount; rather the Settlement Amount shall be funded solely by the Insurers.

4. Individual Defendants Williams, Biggins, Brown, Johnson, Teegan and Wright (the "Surrendering Individual Defendants") shall, on the Effective Date, irrevocably and unconditionally relinquish to Certus all rights, title, possession, or ownership of any and all shares of Certus stock held of record by

them on Certus's stock ledger, and agree to cooperate with Certus and to take any steps necessary to effectuate the relinquishment of any shares of Certus stock held of record by them. Any shares of Certus stock held of record by the Surrendering Individual Defendants on the Certus stock ledger as of the Effective Date shall be deemed Certus treasury stock. The Surrendering Individual Defendants represent and warrant that: (i) no Certus stock held of record by the Surrendering Individual Defendants on the Certus stock ledger has been assigned, encumbered, hypothecated, pledged, or in any manner transferred in whole or in part; and (ii) other than as provided in this Agreement, Surrendering Individual Defendants will not attempt to assign, encumber, hypothecate, pledge, or in any manner transfer, in whole or in part, any of the stock held of record in their names.

5. Individual Defendants hereby irrevocably and unconditionally waive all rights they hold to receive any portion of the Settlement Amount, regardless of whether such payment could be made by Certus rather than through the Settlement Escrow Account as described in ¶¶ 6 and 13-20 below. This waiver applies only to such payments, interests and other rights linked to any payment of the Settlement Amount or any distribution of the Settlement Amount to Certus stockholders. Individual Defendants do not waive, and expressly reserve all rights with respect to, any other payment, dividend, interest, or any other rights accruing to them as

holders of Certus stock, including relating to any funds of, or available to, Certus other than the Settlement Amount.

6. The Certus Board represents and warrants that it has passed a resolution evidencing its good faith and informed judgment, including advice of counsel, that so long as it receives, directly or indirectly, from the Settlement Escrow Account no less than \$600,000 with respect to the Settlement of this Action, the remaining balance of the Settlement Amount, plus any and all interest earned on that amount while held in the Settlement Escrow Account (the “Settlement Fund”), less any Attorneys’ Fee and Expense Award paid to Plaintiffs’ Counsel pursuant to ¶¶ 33-34 below, any Notice and Administration Costs, and any Taxes (the “Net Settlement Fund”), shall be distributed to Current Stockholders, excluding all Excluded Stockholders (as defined in paragraph 1(n) above) and their transferees, successors or assigns, in accordance with ¶¶ 13-20 below, without regard to whether any such amount could be characterized as a recovery with respect to any direct or derivative claims. Individual Defendants shall have no role, involvement and/or liability with respect to the Company’s decision(s) or action(s) with respect to any distribution of the Settlement Fund, including any payment made directly to the Company or holders of Certus Common Stock from the Settlement Amount.

7. Plaintiffs and Plaintiffs' Counsel represent and warrant that they will cause no less than \$600,000 to be transferred to Certus from the Settlement Escrow Account within twenty (20) business days after the Effective Date; *provided, however,* that such funds shall not be transferred from the Settlement Escrow Account prior to the Effective Date.

8. All funds held in the Settlement Escrow Account shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall be distributed or returned pursuant to the terms of this Stipulation and/or further order of the Court. The Escrow Agent shall invest any funds in the Settlement Escrow Account exclusively in United States Treasury Bills (or a mutual fund invested solely in such instruments) and shall collect and reinvest all interest accrued thereon, except that any residual cash balances up to the amount that is insured by the FDIC may be deposited in any account that is fully insured by the FDIC. In the event that the yield on United States Treasury Bills is negative, in lieu of purchasing such Treasury Bills, all or any portion of the funds held by the Escrow Agent may be deposited in any account that is fully insured by the FDIC or backed by the full faith and credit of the United States.

9. Certus and Plaintiffs agree that the Settlement Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation § 1.468B-1

and that Plaintiffs' Counsel, as administrators of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be solely responsible for filing or causing to be filed all informational and other tax returns as may be necessary or appropriate (including, without limitation, the returns described in Treasury Regulation § 1.468B-2(k)) for the Settlement Fund. Plaintiffs' Counsel shall also be responsible for causing payment to be made from the Settlement Fund of any Taxes owed with respect to the Settlement Fund. The Released Individual Defendant Parties shall not have any liability or responsibility for any such Taxes. Upon written request, Individual Defendants will provide to Plaintiffs' Counsel the statement described in Treasury Regulation § 1.468B-3(e). Plaintiffs' Counsel, as administrators of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this paragraph, including, as necessary, making a "relation back election," as described in Treasury Regulation § 1.468B-1(j), to cause the Qualified Settlement Fund to come into existence at the earliest allowable date, and shall take or cause to be taken all actions as may be necessary or appropriate in connection therewith.

10. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid by the Escrow Agent pursuant to the disbursement instructions to be set forth in the Escrow Agreement, and without further order of the Court. Any tax returns

prepared for the Settlement Fund (as well as the election set forth therein) shall be consistent with the previous paragraph and in all events shall reflect that all Taxes on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided herein. The Released Individual Defendant Parties shall have no responsibility or liability for the acts or omissions of Plaintiffs' Counsel or its agents with respect to the payment of Taxes, as described herein.

11. Upon the occurrence of the Effective Date, no Individual Defendant, Released Individual Defendant Parties, Insurer, or any other person or entity who or which paid any portion of the Settlement Amount shall have any right to the return of the Settlement Fund or any portion thereof for any reason whatsoever.

12. Notwithstanding the fact that the Effective Date of the Settlement has not yet occurred, the signatories to the Settlement Escrow Account may direct the Escrow Agent to pay from the Settlement Escrow Account, without further approval from Certus or further order of the Court, all Notice and Administration Costs actually incurred up to the sum of \$25,000. Such costs and expenses shall include, without limitation, the administrative expenses incurred and fees charged by the Settlement Administrator in connection with administering the Settlement and the fees, if any, of the Escrow Agent. In the event that the Settlement is terminated pursuant to the terms of this Stipulation, all Notice and Administration Costs paid or incurred, including any related fees, shall not be returned or repaid to

the Insurers or any other person or entity who or which paid any portion of the Settlement Amount.

### **DISTRIBUTION OF NET SETTLEMENT FUND**

13. Certus and Plaintiffs agree that the Net Settlement Fund shall be allocated among and distributed to all Current Stockholders, excluding any and all Excluded Stockholders (as defined in paragraph 1(n) above) and their transferees, successors or assigns (“Eligible Stockholders”), provided that such Eligible Stockholder first provides the Settlement Administrator with a completed and signed IRS Form W-9 (“Form W-9”). All such Eligible Stockholders who provide a timely, completed and signed Form W-9 to the Settlement Administrator shall be an “Authorized Stockholder.”

14. Within two (2) business days of the date of execution of this Stipulation, Certus shall provide Plaintiffs’ Counsel with a list of all Current Stockholders, which shall contain the following information for each Current Stockholder: (a) the name and most current address of the stockholder, and for each entity stockholder, the appropriate contact person for the entity (including, as available, the telephone number and email address of the contact person); and (b) the number of shares of Class A Voting and/or Class B Non-Voting common stock held by the Current Stockholder as of the date of execution of this Stipulation (the “Current Stockholder Records”). Certus shall provide Plaintiffs’ Counsel with

updated Current Stockholder Records to reflect any change in ownership of Certus Common Stock through the Effective Date of the Settlement, as well as any change in the contact information/address of any of the record holders.

15. The Net Settlement Fund shall be allocated among and distributed to Authorized Stockholders on a *pro rata* basis. Specifically, each Authorized Stockholder shall receive a *pro rata* distribution from the Net Settlement Fund equal to the product of (a) the Net Settlement Fund and (b) a fraction, the numerator of which is the number of shares of Certus Common Stock held by such Authorized Stockholder as of the Effective Date (“Eligible Shares”), and the denominator of which is a number representing the total number of Eligible Shares held by all Authorized Stockholders.

16. Certus and Plaintiffs agree that the Net Settlement Fund shall be distributed to the Authorized Stockholders within twenty (20) business days after the Effective Date, or as promptly thereafter as practicable; *provided, however*, that the Net Settlement Fund shall not be distributed to the Authorized Stockholders prior to the Effective Date. None of the Excluded Stockholders or their transferees, successors or assigns shall receive any portion of the Settlement Fund. Individual Defendants shall have no role, involvement and/or liability with respect to administration of the Settlement Fund or the distribution of the Net Settlement Fund to Authorized Stockholders.



17. Payment from the Settlement Fund made pursuant to and in the manner set forth above shall be deemed conclusive of compliance with this Stipulation.

18. If there is any balance remaining in the Net Settlement Fund after six months from the date of its distribution to Authorized Stockholders, the Settlement Administrator shall, after full payment of any Taxes or Notice and Administration Costs, reallocate, if feasible, the remaining balance of the Net Settlement Fund among Authorized Stockholders who cashed their respective previously issued checks from the Settlement Administrator. If such reallocation is not feasible, any remainder in the Settlement Fund shall, after full payment of any Taxes or Notice and Administration Costs, escheat to the State of Delaware.

19. The distribution of the Net Settlement Fund to Authorized Stockholders pursuant to the terms of this Stipulation shall be final and conclusive against all Certus stockholders. Plaintiffs, Individual Defendants, and Certus, and their respective counsel, and all other Released Individual Defendant Parties, shall have no liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund, the determination, administration, or calculation of any payment from the Net Settlement Fund, the nonperformance of the Settlement Administrator, the payment or withholding of Taxes (including interest

and penalties) owed by the Settlement Fund, or any losses incurred in connection therewith.

20. All proceedings with respect to the administration of the Settlement and the distribution of the Settlement proceeds pursuant to this Stipulation shall be subject to the jurisdiction of the Court.

### **CLASS CERTIFICATION**

21. Solely for purposes of the Settlement and for no other purpose, Plaintiffs, Individual Defendants and Certus stipulate and agree to: (a) certification of the Action as a class action pursuant to Rules 23(a) and 23(b)(1) and (2) of the Rules of the Court of Chancery on behalf of the Settlement Class; (b) certification of Plaintiffs as Class Representatives for the Settlement Class; and (c) appointment of Plaintiffs' Counsel as Class Counsel for the Settlement Class.

### **RELEASES**

22. The obligations incurred pursuant to this Stipulation are in consideration of: (i) the full and final disposition of the Action as against Individual Defendants; and (ii) the Releases provided for herein.

23. Pursuant to the Judgment, upon the Effective Date, Plaintiffs, Settlement Class Members, the other Released Plaintiff Parties, Certus, and the other Released Certus Parties, on behalf of themselves and any other person or entity who could assert any of the Released Plaintiffs' Claims on their behalf, in

such capacity only, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever released, settled, and discharged, and shall forever be enjoined from prosecuting, the Released Plaintiffs' Claims against the Released Individual Defendant Parties and the Released Certus Parties.

24. Pursuant to the Judgment, upon the Effective Date, Individual Defendants, the other Released Individual Defendant Parties, Certus, and the other Released Certus Parties, on behalf of themselves and any other person or entity who could assert any of the Released Individual Defendants' Claims on their behalf, in such capacity only, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever released, settled, and discharged, and shall forever be enjoined from prosecuting, the Released Individual Defendants' Claims against the Released Plaintiff Parties and the Released Certus Parties.

25. Pursuant to the Judgment, upon the Effective Date, Individual Defendants and the other Released Individual Defendant Parties, on behalf of themselves and any other person or entity who could assert any of the Released Plaintiffs' Claims, the Released Individual Defendants' Claims, or the Preserved Claims on their behalf, in such capacity only, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever released, settled, and discharged, and shall forever be enjoined from prosecuting,

the Released Plaintiffs' Claims, the Released Individual Defendants' Claims, or the Preserved Claims against the Released Individual Defendant Parties.

26. Notwithstanding ¶¶ 22-25 above, nothing in this Stipulation shall modify, amend, change or otherwise reduce the scope, nature, right or entitlement to reimbursement or advancement of fees and expenses to any Released Individual Defendant Party provided as a result of the Company's Bylaws or other governing documents, applicable law, any policy of insurance, or any other contract providing for similar reimbursement or advancement, or impact the ability of any Released Individual Defendant Party to seek judicial enforcement of such right or entitlement.

#### **SCHEDULING ORDER AND NOTICE**

27. Promptly after the execution of this Stipulation, the Parties shall jointly request entry of the Settlement Scheduling Order: (i) approving the form and manner of notice to Settlement Class Members and Current Stockholders of the pendency of this Action, the Settlement and of their right to object; (ii) setting the date and time of the Settlement Hearing and establishing the procedures and schedule for the Court's consideration of the Settlement and Plaintiffs' Counsel's application for attorneys' fees and expenses; and (iii) staying all further proceedings in this Action except as may be necessary to implement the Settlement.

28. For purposes of providing notice to the Settlement Class, within two (2) business days of the date of execution of this Stipulation, Certus shall provide Plaintiffs' Counsel with a list of all Settlement Class Members who are not included in the Current Stockholder Records provided pursuant to paragraph 14 above, which shall contain the name and most current address of each such Settlement Class Member, and for each such entity Settlement Class Member, the appropriate contact person for the entity (including, as available, the telephone number and email address of the contact person) (the "Settlement Class Records"). In accordance with the terms of the Settlement Scheduling Order to be entered by the Court, no later than five (5) business days after the date of entry of the Settlement Scheduling Order, the Settlement Administrator shall mail the Notice to each identified Settlement Class Member and Current Stockholder at his, her or its last known address appearing in the Settlement Class Records and Current Stockholder Records. Any and all Notice and Administration Costs shall be paid from the Settlement Fund.

### **FINAL ORDER AND JUDGMENT**

29. If the Settlement is approved by the Court, the Parties shall jointly request that the Court enter the Judgment, substantially in the form attached hereto as Exhibit B.

## **CONDITIONS OF SETTLEMENT AND TERMINATION**

30. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver in writing of all of the following events:

(a) the Court has entered the Settlement Scheduling Order, substantially in the form attached hereto as Exhibit A, as required by ¶ 27 above;

(b) the Settlement Amount has been deposited into the Settlement Escrow Account in accordance with the provisions of ¶ 3 above;

(c) the Court has approved the Settlement as described herein, following notice to the Settlement Class and the Settlement Hearing, and entered the Judgment; and

(d) the Judgment has become Final.

31. Plaintiffs and the Individual Defendants shall have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so (“Termination Notice”), through counsel, to all other Parties hereto within thirty (30) calendar days of: (a) the Court’s final refusal to enter the Settlement Scheduling Order in any material respect; (b) the Court’s final refusal to approve the Settlement or any material part thereof, including as set forth in the ICS Stipulation; (c) the Court’s declining to enter the Judgment in any material respect as to the Settlement; or (d) the date upon which an order vacating or reversing, or modifying or revising in any material respect, the Judgment, becomes

Final. In addition, Plaintiffs shall have the right to terminate the Settlement if the Settlement Amount is not paid into the Settlement Escrow Account in accordance with the provisions of ¶ 3 above.

32. In the event the Settlement is terminated pursuant to ¶ 31 above, then: this Stipulation and Settlement (including the Releases given pursuant to the terms of this Stipulation) shall be cancelled and shall become null and void and of no force and effect, except as specifically provided herein; and the Parties shall be restored to their respective positions in the Action immediately prior to November 21, 2016, and shall work in good faith to agree on a new scheduling order to govern further proceedings in the Action, and any portion of the Settlement Amount paid by the Insurers pursuant to this Stipulation, plus any and all accrued interest thereon, less any Notice and Administration Costs actually incurred, paid or payable, shall be returned to the Insurers who paid such settlement amounts within fifteen (15) business days. In the event of such termination, this Stipulation shall not be admissible for any purpose in any proceedings before any court or tribunal and any judgments or orders entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated *nunc pro tunc*.

#### **ATTORNEYS' FEES AND EXPENSES**

33. Plaintiffs' Counsel will apply to the Court for an award of attorneys' fees and reimbursement of their litigation expenses to be paid from (and out of) the

Settlement Fund. Plaintiffs' Counsel's fee and expense application shall seek no more than 25% of the Settlement Fund (net of expenses) plus an award of reasonable litigation expenses incurred by Plaintiffs' Counsel in connection with the institution, prosecution and settlement of the Action. Plaintiffs' Counsel's application for an award of attorneys' fees and litigation is not the subject of any agreement between Individual Defendants, Certus and Plaintiffs other than what is set forth in this Stipulation.

34. Any attorneys' fees and litigation expenses awarded to Plaintiffs' counsel (the "Attorneys' Fee and Expense Award") shall be paid from the Settlement Fund to Plaintiffs' Counsel within three (3) business days of the award, notwithstanding any objections thereto, potential for appeal therefrom, appeals that may be taken, or any collateral attack on the Settlement or the Attorneys' Fee and Expense Award. If the Settlement is terminated pursuant to the terms of this Stipulation, or if the Attorneys' Fee and Expense Award is reversed or modified by court order and such order has become Final, the Attorneys' Fee and Expense Award shall be repaid in an amount consistent with such termination, reversal or modification.

35. An award of attorneys' fees and/or expenses to Plaintiffs' Counsel is not a necessary term of this Stipulation and is not a condition of the Settlement embodied herein. Neither Plaintiffs nor Plaintiffs' Counsel may cancel or



terminate the Settlement based on this Court's or any appellate court's ruling with respect to attorneys' fees and/or expenses.

36. The Released Individual Defendant Parties and Released Certus Parties shall have no responsibility for or liability whatsoever with respect to the allocation or award of attorneys' fees or expenses to Plaintiffs' Counsel. The Attorneys' Fees and Expenses Award shall be payable solely from the Settlement Fund.

### **MISCELLANEOUS PROVISIONS**

37. All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto, the terms of the Stipulation shall prevail.

38. In the event of the entry of a final order of a court of competent jurisdiction prior to the distribution of any portion of the Net Settlement Amount to Eligible Stockholders or any payment of funds from the Settlement Escrow Account to Certus, determining the payment of the Settlement Amount by the Insurers or any portion thereof to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to be returned, and such amount is not promptly deposited into the Settlement Escrow Account by

others, then, at the election of Plaintiffs, Plaintiffs may move the Court to vacate and set aside the Releases given and the Judgment entered in favor of Individual Defendants and the other Released Defendant Parties pursuant to this Stipulation, in which event the releases and Judgment shall be null and void, and the Parties shall be restored to their respective positions in the litigation as provided in ¶ 32 above and any cash amounts in the Settlement Escrow Account shall be returned as provided in ¶ 32. Individual Defendants agree to not oppose any such motion by Plaintiffs provided that all conditions set forth in this ¶ 38 have been satisfied.

39. Each of the Plaintiffs, on their own behalf, represent and warrant that they are stockholders of Certus and were stockholders of Certus at all relevant times for purposes of maintaining standing in the Action.

40. Each of the Plaintiffs and Certus, on their own behalf, represent and warrant that: (i) none of the Released Plaintiffs' Claims has been assigned, encumbered or in any manner transferred in whole or in part; and (ii) they will not attempt to assign, encumber or in any manner transfer, in whole or in part, any of the Released Plaintiffs' Claims.

41. Each of the Individual Defendants, on their own behalf, represent and warrant that: (i) none of the Released Individual Defendants' Claims has been assigned, encumbered or in any manner transferred in whole or in part; and (ii)

they will not attempt to assign, encumber or in any manner transfer, in whole or in part, any of the Released Individual Defendants' Claims.

42. Each Party represents and warrants that the Party has made such investigation of the facts pertaining to the Settlement provided for in this Stipulation, and all of the matters pertaining thereto, and has been advised by counsel, as the Party deems necessary and advisable.

43. The Parties intend this Stipulation and the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Plaintiffs, any other Settlement Class Members, and Certus against the Released Individual Defendant Parties with respect to the Released Plaintiffs' Claims. Accordingly, Plaintiffs and their counsel and Individual Defendants and their counsel agree not to assert in any forum that this Action was brought by Plaintiffs or defended by Individual Defendants in bad faith. The Parties agree that the amounts paid and the other terms of the Settlement were negotiated at arm's-length and in good faith by the Parties, including through a mediation process supervised and conducted by the Mediator, and reflect the Settlement that was reached voluntarily after extensive negotiations and consultation with experienced legal counsel, who were fully competent to assess the strengths and weaknesses of their respective clients' claims or defenses.

44. The terms of the Settlement, as reflected in this Stipulation, may not be modified or amended, nor may any of its provisions be waived except by a writing signed on behalf of Plaintiffs, Individual Defendants and Certus (or their successors-in-interest).

45. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

46. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and expenses to Plaintiffs' Counsel and enforcing the terms of this Stipulation.

47. The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

48. This Stipulation and its exhibits constitute the entire agreement among Plaintiffs, Individual Defendants and Certus concerning the Settlement and this Stipulation and its exhibits. All Parties acknowledge that no other agreements, representations, warranties, or inducements have been made by any Party hereto concerning this Stipulation or its exhibits other than those contained and memorialized in such documents.

49. This Stipulation may be executed in one or more counterparts, including by signature transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email. All executed counterparts and each of them shall be deemed to be one and the same instrument.

50. This Stipulation shall be binding upon and inure to the benefit of the successors and assigns of the Parties, including any and all Released Plaintiff Parties, Released Individual Defendant Parties and Released Certus Parties and any corporation, partnership, or other entity into or with which any Party hereto may merge, consolidate or reorganize.

51. The construction, interpretation, operation, effect and validity of this Stipulation and all documents necessary to effectuate it shall be governed by the internal laws of the State of Delaware without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.

52. Any action arising under or to enforce this Stipulation or any portion thereof, shall be commenced and maintained only in the Court.

53. The Parties acknowledge and agree that (i) any breach of this Stipulation will result in immediate and irreparable injury for which there is no adequate remedy at law; and (ii) in addition to any other remedies available, specific performance and injunctive relief are appropriate remedies to compel performance of this Stipulation.

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

55. All counsel and any other person executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

56. Counsel for the Parties agree to cooperate fully with one another in seeking Court approval of the Settlement, as embodied in this Stipulation, and to use best efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

57. If any Party is required to give notice to another Party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery or email transmission, with confirmation of receipt. Notice shall be provided as follows:

If to Plaintiffs or Plaintiffs'  
Counsel:

Bernstein Litowitz Berger & Grossmann LLP  
Attn: Mark Lebovitch, Esq.  
1251 Avenue of the Americas  
New York, NY 10020  
Telephone: (212) 554-1400  
Email: markl@blbglaw.com

Friedlander & Gorris, P.A.  
Attn: Joel Friedlander, Esq.  
1201 N. Market St., Ste. 2200  
Wilmington, DE 19801  
Telephone: (302) 573-3500  
Email: jfriedlander@friedlandergorris.com

If to Individual Defendants  
Jones, Davis, or Webb:

Ross Aronstam & Moritz LLP  
Attn: David E. Ross, Esq.  
100 S. West Street, Suite 400  
Wilmington, Delaware 19801  
Telephone: (302) 576-1600  
Email: dross@ramllp.com

If to Individual Defendant  
Williams

Young Conaway Stargatt & Taylor, LLP  
Attn: Elena C. Norman, Esq.  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Email: enorman@ycst.com

If to Individual Defendants  
Biggins, Brown, Johnson,  
Teegen, or Wright

Morris Nichols Arsht & Tunnell LLP  
David J. Teklits, Esq.  
1201 N. Market Street  
Wilmington, Delaware 19801  
Telephone: (302) 658-9200  
Email: dteklits@mnat.com

If to Certus:

Cipriani & Werner, P.C.  
Morgan A. Sack, Esq.  
1000 N. West Street  
Suite 1200  
Wilmington, Delaware 19801  
Telephone: (302) 401-1600  
Email: msack@c-waw.com

58. Except as otherwise provided herein, each Party shall bear its own costs.

59. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed and proceedings in connection with the Stipulation confidential.

60. Notwithstanding anything herein, the fact of the Settlement, the terms thereof, or the negotiations leading thereto shall not be used in any action or other proceeding for any purpose, and shall not be admissible or usable in any proceeding before any court or tribunal, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation.

61. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.

62. No opinion or advice concerning the tax consequences of the proposed Settlement to Certus stockholders is being given or will be given by the



Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Certus stockholder's tax obligations, and the determination thereof, are the sole responsibility of the stockholder, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual stockholder.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed by their duly authorized counsel, as of February 8, 2017.

FRIEDLANDER & GORRIS, P.A.

/s/ Joel Friedlander

Joel Friedlander (Bar No. 3163)  
Christopher Foulds (Bar No. 5169)  
1201 N. Market St., Ste. 2200  
Wilmington, DE 19801  
(302) 573-3500

*Plaintiffs' Counsel*

OF COUNSEL:

BERNSTEIN LITOWITZ BERGER  
& GROSSMANN LLP

Mark Lebovitch

John Mills

Christopher J. Orrico

1251 Avenue of the Americas

New York, NY 10020

(212) 554-1400

*Plaintiffs' Counsel*

ROSS ARONSTAM & MORITZ LLP

/s/ Eric D. Selden

David E. Ross (#5228)

Bradley R. Aronstam (#5129)

Eric D. Selden (#4911)

John A. Eakins (#5160)

100 S. West Street, Suite 400

Wilmington, Delaware 19801

(302) 576-1600

*Attorneys for Individual Defendants*

*Milton Jones, Walter Davis, and Angela*

*Webb*

YOUNG CONAWAY STARGATT  
& TAYLOR, LLP

*/s/ Elena C. Norman*

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Elena C. Norman (#4780)  
Elisabeth S. Bradley (#5459)  
Benjamin Potts (#6007)  
1000 N. King Street  
Wilmington, Delaware 19801  
(302) 571-6600

*Attorneys for Individual Defendant  
Charles Williams*

MORRIS NICHOLS ARSHT  
& TUNNELL LLP

*/s/ David J. Teklits*

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David J. Teklits (#3221)  
Kevin M. Coen (#4775)  
Thomas P. Will (#6086)  
1201 N. Market Street  
Wilmington, Delaware 19801  
(302) 658-9200

*Attorneys for Individual Defendants J.  
Veronica Biggins, Robert J. Brown,  
Douglas Johnson, Hildy Teegen, and  
Robert L. Wright*

CIPRIANI & WERNER, P.C.

/s/ Morgan A. Sack

Morgan A. Sack (#5231)

1000 N West Street

Suite 1200

Wilmington, Delaware 19801

(302) 401-1600

*Counsel for Nominal Defendant  
CertusHoldings, Inc.*

OF COUNSEL:

JAMES-BATES-BRANNAN-  
GROOVER-LLP

Thomas Simpson

Buckhead Tower at Lenox Square

3399 Peachtree Road NE

Suite 1700

Atlanta, Georgia 3032

(404) 997-7506

*Counsel for Nominal Defendant  
CertusHoldings, Inc.*