

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement (the “Stipulation”) is entered into by and between Court-appointed plaintiffs John Oum and Raymond Balestra (the “Class Representatives”) on behalf of themselves and the Class (as defined below), and Defendants Cloud With Me, Ltd. (“Cloud”), Gilad Somjen (“Gilad”), and Asaf Zamir (“Asaf”) (collectively, “Defendants”) by and through their respective counsel.¹ The Stipulation is intended by Lead Plaintiff and the Defendants (collectively, the “Parties”) to fully, finally, and forever resolve, discharge, release and settle the Settled Claims, as defined below, upon and subject to the terms and conditions hereof.

WHEREAS:

A. On June 19, 2018, Raymond Balestra filed a Class Action Complaint for Violation of the Federal Securities Laws initiating the above-captioned action, *Balestra v. Cloud With Me, Ltd.*, Case No. 1:18cv00804-MRH-LPL (the “Action”), in the United States District Court for the

¹ Additional capitalized terms used in this Stipulation are defined below under the heading “Certain Definitions.”

Western District of Pennsylvania asserting claims under §§ 12(a)(1) and 15(a) of the Securities Act of 1933 against Defendants (ECF No. 1, the “Complaint”);

B. On June 20, 2018, pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”), counsel for Plaintiff published notice on *GlobeNewswire* informing other potential class members of their right to move for appointment as lead plaintiff for the putative Class;

C. On August 20, 2018, Lead Plaintiff moved to be appointed lead plaintiff and moved for his attorneys, Levi & Korsinsky, LLP (“Levi & Korsinsky”) (“Class Counsel”), to be appointed Lead Counsel (ECF No. 3);

D. On October 18, 2018, the Court issued an Order appointing Lead Plaintiff as such and Levi & Korsinsky as Lead Counsel (ECF No. 8);

E. The Complaint asserts claims on behalf of Lead Plaintiff and all persons or entities who purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 and June 19, 2018, inclusive, (the “Class Period”), while located within the United States at the time of their transaction (ECF No. 1);

F. On May 1, 2019, Lead Plaintiff requested entry of default against Cloud, Gilad and Asaf. (ECF Nos. 14-16, the “Requests for Default”). On May 3, 2019, the Clerk of the Court granted the Requests for Default and entered default against each of Cloud, Gilad and Asaf (ECF Nos. 17-19). On October 17, 2020, Asaf filed a motion to set aside default judgment and dismiss pursuant to Rules 12(b)(2) and 12(b)(5). (ECF No. 29, the “Motion to Set Aside Default”). Lead Plaintiff filed his opposition to the Motion to Set Aside Default, and an accompanying declaration, on November 9, 2020. (ECF Nos. 31–32). Defendants filed their reply on the Motion to Set Aside Default on November 23, 2020. (ECF No. 34);

G. On July 30, 2020, the Court certified the Class in this Action, and appointed Lead Plaintiff John Oum and plaintiff Raymond Balestra as the Class Representatives. The Class Representatives, through Class Counsel, diligently investigated the claims against the Defendants including by analyzing public documents.

H. On March 29, 2021, the Court issued a Memorandum Order denying Asaf's Motion to Set Aside Default (ECF No. 41);

I. After vigorous arm's-length negotiations through their counsel, the Class Representatives and the Defendants agreed to the terms set forth in this Stipulation;

J. Defendants have denied and continue to deny that they have committed any act giving rise to any liability and/or violation of law. Defendants further deny that the Class Representatives or the Class have suffered any damages, or that the Class Representatives or the Class were harmed by any conduct alleged in the Action or that could have been alleged therein. Neither the Settlement (as defined below), nor this Stipulation, whether or not consummated, nor any of its terms nor any proceedings relating thereto, shall be construed as, or deemed to be evidence of, an admission or concession on the part of Defendants with respect to any claim of any fault or wrongdoing or damage whatsoever, or of any infirmity in any defense that the Defendants have or could have asserted. Defendants do not admit any liability or wrongdoing in connection with the allegations set forth in the Action, or any facts related thereto;

K. Defendants represent that they are entering into this Settlement to eliminate the burden and expense of further litigation. Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like this Action. Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions set forth in this Stipulation;

L. Class Counsel represents that they have conducted a diligent investigation into the claims and the underlying events and transactions alleged in this Action. Among other things, Class Counsel have analyzed public filings, records, and news stories;

M. Based on their investigation and review, the Class Representatives and Class Counsel believe that the claims asserted in the Action have merit. However, the Class Representatives and Class Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Defendants, including the inherent uncertainties and risks of any complex securities litigation, the difficulties in enforcing a judgment in foreign countries and hurdles to collecting any damages award from Defendants. Thus, after weighing the substantial and immediate benefits that the Class will receive under the Settlement against the risks, costs and uncertainties of further litigation, the Class Representatives and Class Counsel believe, subject to Confirmatory Discovery (defined below), that the terms and conditions of this Stipulation are fair, reasonable and adequate to the Class and are in its best interests, and have agreed to settle the claims raised in the Action pursuant to the terms and provisions of this Stipulation.

N. Based on their investigation and confirmatory discovery, the Class Representatives and Class Counsel have learned that the total proceeds Defendants garnered from the sale of CLD Tokens was \$1,090,346.09, of which \$253,162 came from individuals who selected the United States as their country of residence. This is substantially less than the amounts alleged in the Complaint in this matter, which was based on information and belief at the time it was filed.

NOW THEREFORE, without any admission or concession whatsoever on the part of the Class Representatives or Class Counsel of any lack of merit of the Action, and without any admission or concession whatsoever on the part of the Defendants of any liability or wrongdoing

on their part or of any lack of merit in their defenses, it is hereby STIPULATED AND AGREED, by and among the Parties to this Stipulation through their respective undersigned attorneys, and subject to approval of the Court, that, in consideration of the benefits flowing to the Parties hereto from the Settlement, all Settled Claims (as defined below) as against the Released Parties (as defined below) and all Settled Defendants' Claims (as defined below) as against the Released Plaintiff Parties (as defined below) shall be compromised, settled, released, and dismissed with prejudice, and without costs, except for as agreed to herein, upon and subject to the following terms and conditions:

CERTAIN DEFINITIONS

As used in this stipulation, the following terms shall have the following meanings:

- (a) "Action" means *Balestra v. Cloud With Me, Ltd.*, Case No. 1:18cv00804-MRH-LPL, pending in the United States District Court for the Western District of Pennsylvania.
- (b) "Alternative Judgment" has the meaning ascribed to that term in ¶26(f) below.
- (c) "Authorized Claimant" means a Class Member who submits a timely and valid Proof of Claim form to the Claims Administrator.
- (d) "Claims Administrator" means Strategic Claims Services or such other entity as the Court shall appoint to provide notice and administer the Settlement.
- (e) "Class" means, for the purposes of this Settlement only, all persons or entities that purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 and June 19, 2018, inclusive, while located within the United States at the time of their transaction, and that were allegedly damaged thereby. Excluded from the Class are: the Defendants; all current or former officers or directors of Cloud With Me, Ltd., its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Defendant has or had a controlling interest; the members of the immediate families of

the Defendants; the parents, subsidiaries and affiliates of Cloud; persons who purchased or otherwise acquired CLD Tokens while located outside the United States at the time of their transaction; and, the legal representatives, heirs, successors, or assigns of any excluded Person. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of the Notice.

- (f) “Class Distribution Order” means an order of the Court approving the Claims Administrator’s administrative determinations concerning the acceptance and rejection of the claims submitted and approving any fees and expenses not previously paid (including the unpaid fees and expenses of the Claims Administrator) and, if the Effective Date has occurred, directing payment of the Net Settlement Fund to Authorized Claimants.
- (g) “Class Member” means any person or entity that is a member of the Class and not excluded therefrom.
- (h) “Company” means Cloud With Me, Ltd.
- (i) “Court” means the United States District Court for the Western District of Pennsylvania.
- (j) “Effective Date of Settlement” or “Effective Date” means the date upon which the Settlement contemplated by this Stipulation shall become effective, as set forth in ¶26 below.
- (k) “Escrow Agent” means an account for the benefit of the Class to be opened with an FDIC insured financial institution and managed by the Claims Administrator pursuant to and consistent with the terms of this Stipulation.
- (l) “Fee and Expense Award” refers to any award of attorneys’ fees and expenses by the Court to Class Counsel as described in ¶11.

- (m) “Final” means when the last of the following with respect to the Final Judgment or any Alternative Judgment (as defined in ¶26(f) below) shall occur: (i) the expiration of the time to file a motion to alter or amend the Final Judgment or Alternative Judgment under Federal Rule of Civil Procedure 59(b) without any such motion having been filed, or if such a motion is filed, the determination of that motion in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of this Stipulation; (ii) if there is an appeal from the Final Judgment or Alternative Judgment, the date of final affirmance on appeal or review of the Final Judgment or Alternative Judgment and the expiration of the time for any further judicial review whether by appeal, reconsideration, or a petition for a writ of certiorari; or (iii) if there is no appeal from the Final Judgment or Alternative Judgment, the expiration of the time for the filing or noticing of any appeal from the Final Judgment or Alternative Judgment.
- (n) “Final Judgment” means the proposed judgment to be entered by the Court approving the Settlement, substantially in the form attached hereto as Exhibit B.
- (o) “Class Counsel” means the law firm of Levi & Korsinsky, LLP and Law Office of Alfred G Yates Jr. PC.
- (p) “Lead Plaintiff” means John Oum.
- (q) “Net Settlement Fund” shall have the meaning ascribed to it in ¶6 below.
- (r) “Notice” means the Notice of Pendency and Proposed Settlement of Class Action, which is to be sent to all Class Members, and which, subject to the approval of the Court, shall be substantially in the form attached as Exhibit A-1 to Exhibit A hereto.
- (s) “Order for Notice and Hearing” means the proposed order to be entered by the Court preliminarily approving the Settlement and directing notice thereof to the Class, and which,

subject to the approval of the Court, shall be substantially in the form attached as Exhibit A hereto.

- (t) “Person” means an individual, corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, limited liability company or corporation, variable interest entity, professional corporation, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity, including his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.
- (u) “Plan of Allocation” means the plan described in the Notice or any alternate plan approved by the Court whereby the Net Settlement Fund shall be distributed to Authorized Claimants. Any Plan of Allocation is not part of the Stipulation, and the Released Parties shall have no responsibility therefore or liability with respect thereto.
- (v) “Proof of Claim” means the Proof of Claim and Release to be submitted to Class Members, substantially in the form attached as Exhibit A-3 to Exhibit A hereto.
- (w) “Released Parties” means the Defendants, Defendants’ attorneys and their firms and affiliates, any entity in which any Defendant has a controlling interest, and the Defendants’ immediate family members, spouses and marital communities.
- (x) “Released Plaintiff Parties” means the Class Representatives, Class Members and Class Counsel, and each and all of their past or present partners, insurers, co-insurers, reinsurers, attorneys, employees, legal representatives, agents, assigns, executors, estates, administrators, related or affiliated persons or entities, predecessors, successors, parents, subsidiaries, divisions and joint ventures; the Class Members’ immediate family members, spouses and marital communities; and any trust of which the Class Representatives, any

Class Member or Class Counsel is the settlor or which is for the benefit of any of their immediate family members.

- (y) “Releasing Parties” means individually and collectively the Class Representatives and each Class Member, whether or not they object to the Settlement set forth in this Stipulation, and whether or not they make a claim for payment from the Net Settlement Fund.
- (z) “Settled Claims” means any and all claims, debts, demands, rights, liabilities, and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether known or “Unknown” (as defined below), whether based on federal, state, local, statutory, common or foreign law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or unliquidated, at law or in equity, and whether matured or un-matured, by the Releasing Parties against any of the Released Parties, which arise out of, or are based upon or related in any way to, the allegations, transactions, facts, reports, communications, occurrences, representations or omissions alleged in the Complaint. Excluded from Settled Claims are claims based upon, relating to, or arising out of the interpretation or enforcement of this Stipulation.
- (aa) “Settled Defendants’ Claims” means all claims, debts, demands, rights, liabilities, sanctions, and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liabilities whatsoever), whether known or “Unknown” (as defined below), whether based on federal, state, local, statutory, common or foreign law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued,

liquidated or unliquidated, at law or in equity, and whether matured or un-matured, that any Released Party may have against any of the Released Plaintiff Parties that arise out of or relate in any way to the Action or the Settled Claims, the institution, prosecution, settlement or resolution of the Action or the Settled Claims, except claims based upon, relating to, or arising out of the interpretation or enforcement of the Settlement.

- (bb) “Settlement” means settlement of the Action on the terms set forth in this Stipulation.
- (cc) “Settlement Fairness Hearing” means the hearing to be scheduled by the Court to review the Settlement and determine whether it is fair and adequate and should be approved.
- (dd) “Settlement Fund” means: (i) US \$165,000 in cash to be paid by or on behalf of the Defendants and to be held by the Escrow Agent; and (ii) any earnings on any such monies.
- (ee) “Defendants” means Defendants Cloud With Me, Ltd., Gilad Somjen, and Asaf Zamir.
- (ff) “Defendants’ Counsel” means the law firm of Roche Freedman LLP.
- (gg) “Summary Notice” means the summary notice of proposed Settlement and hearing for publication, which, subject to the approval of the Court, shall be substantially in the form attached as Exhibit A-2 to Exhibit A hereto and which shall be disseminated according to the directives set forth herein.
- (hh) “Taxes” has the meaning ascribed to that term in ¶8(c) below.
- (ii) “Unknown Claims” means any and all Settled Claims against the Released Parties, which the Releasing Parties do not know or suspect to exist in his, her, or its favor as of the Effective Date, and any Settled Defendants’ Claims against the Released Plaintiff Parties which the Released Parties do not know or suspect to exist in his, her, or its favor as of the Effective Date, which if known by the Releasing Parties or Released Parties might have affected his, her, or its decision(s) with respect to the Settlement.

SCOPE AND EFFECT OF SETTLEMENT

1. The obligations incurred pursuant to this Stipulation shall be in full and final disposition of: (a) the Action against the Defendants; (b) any and all Settled Claims; and (c) any and all Settled Defendants' Claims.

2. (a) Upon the Effective Date of this Settlement, the Class Representatives and all Class Members, on behalf of themselves and each of the Releasing Parties: (i) shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged all Settled Claims, regardless of whether such Class Member executes and delivers a Proof of Claim; (ii) shall forever be enjoined from prosecuting any Settled Claim against any of the Released Parties; and (iii) agree and covenant not to sue any of the Released Parties on the basis of any Settled Claims, or, unless required by subpoena or other operation of law, to assist any third party in commencing or maintaining any suit against the Released Parties related to any Settled Claims. However, for the sake of clarity, the Class Representatives, Class Members, and all of the Releasing Parties shall retain the right to submit a claim and seek further remuneration from any funds recovered by the United States Securities and Exchange Commission in connection with any potential future litigation against any of the Released Parties, through the mechanism of a Fair Fund or any similar disgorgement process.

(b) Upon the Effective Date of this Settlement, each of the Defendants and the Released Parties: (i) shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever released and discharged each and all of the Released Plaintiff Parties from each and every one of the Settled Defendants' Claims; (ii) shall forever be enjoined from prosecuting the Settled Defendants' Claims; and (iii) agrees and covenants not to sue any of the Released Plaintiff Parties on the basis of any Settled Defendants' Claims or to assist any third party

in commencing or maintaining any suit against the Released Plaintiff Parties related to any Settled Defendants' Claims.

(c) The releases provided in this Stipulation shall become effective immediately upon occurrence of the Effective Date without the need for any further action, notice, condition, or event.

(d) The Releasing Parties and Released Parties may hereafter discover facts other than or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Settled Claims and Settled Defendants' Claims. Nevertheless, the Class Representatives and the Released Parties shall expressly, fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released, any and all Settled Claims and Settled Defendants' Claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiff and the Released Parties acknowledge, and Class Members shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Settled Claims and Settled Defendants' Claims were separately bargained for and were key elements of the Settlement.

THE SETTLEMENT CONSIDERATION

3. In consideration of the releases provided herein and in full settlement of the Settled Claims, Cloud With Me, Ltd., on behalf of the Defendants, shall cause US \$165,000 (the "Settlement Amount") to be transferred to the Escrow Agent within thirty (30) business days after: (i) the full execution of this Stipulation of Settlement, and (ii) Class Counsel has provided to Defendants' Counsel an executed W-9 and the name of the payee.

CONFIRMATORY DISCOVERY

4. Reasonable Confirmatory Discovery has been undertaken, pursuant to a stipulated confidentiality agreement, and provided to Class Counsel and to be used for the purposes of assessing the proposed settlement's fairness.

5. If, as a result of reviewing the confirmatory discovery, the Class Representatives reasonably and in good faith no longer believe that the Settlement is fair, reasonable and adequate, the Class Representatives may terminate the Settlement by providing written notice of its election to do so to Defendants' counsel, and all such confirmatory discovery will be promptly returned to Defendants and/or confirmed to be destroyed.

USE OF SETTLEMENT FUND

6. (a) The Settlement Fund, net of Taxes, if any, on the income thereof, shall be used to pay: (i) the notice and administration costs of the Settlement referred to in ¶11 hereof; (ii) any Fee and Expense Award made by the Court; and (iii) any remaining administration expenses referred to in ¶23 hereof and any other attorney and administrative costs, fees, payments, or awards subsequently approved by the Court. The balance of the Settlement Fund after the above payments shall be the "Net Settlement Fund," which shall be distributed to the Authorized Claimants as provided in ¶¶13–15 hereof. Any portions of the Settlement Fund required to be held in escrow prior to the Effective Date shall be held by the Escrow Agent for the Settlement Fund. The Settlement Fund held by the Escrow Agent 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 Net Settlement Fund shall be distributed to Authorized Claimants, or returned to the Defendants pursuant to this Stipulation and/or further order of the Court. The Escrow Agent shall not disburse the Settlement Fund, or any portion thereof, except as provided in this Stipulation, or upon Order of the Court. The Escrow Agent shall be responsible for investing the Settlement Fund in short-term (up to one-year maturity) United States agency or Treasury securities or other instruments backed by the full

faith and credit of the United States government or an agency thereof, or fully insured by the United States government or an agency thereof, including a United States Treasury money market fund or a bank account that is either (i) fully insured by the Federal Deposit Insurance Corporation (“FDIC”) or (ii) secured by instruments backed by the full faith and credit of the United States government. The proceeds of these instruments or accounts shall be reinvested in similar instruments or accounts at their then-current market rates as they mature. In the event that the yield on securities identified herein is negative, in lieu of purchasing such securities all or any portion of the Settlement Fund held may be deposited in a non-interest-bearing account that is fully insured by the FDIC. All risks related to the investment of the Settlement Fund in accordance with the investment guidelines set forth in this paragraph shall be borne by the Settlement Fund and not by the Released Parties.

(b) If there is any balance remaining in the Settlement Fund after six months from the date of distribution of the Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), or as reasonably soon thereafter, the Claims Administrator shall, if logistically feasible and economically justifiable, make a further distribution of such balance among Authorized Claimants in an equitable fashion. After any reallocation, or if a reallocation is not undertaken, any balance that still remains in the Settlement Fund shall be donated to The Legal Aid Society of New York, a non-sectarian, §501(c)(3) non-profit organization.

7. The Class Representatives and Class Members shall look solely to the Settlement Fund and the other consideration provided for herein as full, final, and complete satisfaction of all Settled Claims against the Released Parties. Except as set forth in ¶3 above, Defendants shall have no obligation under this Stipulation or the Settlement to pay or cause to be paid any amount of money, and Defendants shall have no obligation to pay or reimburse any fees, expenses, costs,

liability, losses, Taxes, or damages whatsoever alleged or incurred by the Class Representatives, by any Class Member, or by any Releasing Party, including but not limited to their attorneys, experts, advisors, agents, or representatives, with respect to the Action and Settled Claims. the Class Representatives and Class Members shall be deemed to acknowledge that, as of the Effective Date, the releases given herein shall become effective immediately by operation of the Final Judgment and shall be permanent, absolute, and unconditional.

TAX TREATMENT OF SETTLEMENT FUNDS

8. (a) The Parties agree that the Settlement Fund is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation §1.468B-1, and agree not to take any position for Tax purposes inconsistent therewith. If the Settlement does not become effective for any reason, the Settlement Fund, less any amounts incurred for notice, administration, and/or Taxes, plus any accrued interest thereon, shall revert to the person(s) making the deposits, as provided in ¶28 below, including by reason of a termination of the Settlement pursuant to ¶¶28 or 29 herein. The Settlement Fund includes any interest earned thereon.

(b) For the purpose of §1.468B of the Code and the Treasury regulations thereunder, the Escrow Agent shall be designated as the “administrator” of the Settlement Fund. The Escrow Agent shall timely and properly file all income, informational, and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treasury Regulation §1.468B-2(k)). Such returns shall be consistent with the provisions of this ¶6 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.

(c) All (i) taxes or other similar imposts or charges (including any estimated taxes, interest, penalties, or additions to tax) arising with respect to the income earned by the Settlement Fund, including any taxes that may be imposed upon the Released Parties with respect

to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” within the meaning of Treasury Regulation §1.468B-1 (or any relevant equivalent for state tax purposes); and (ii) other taxes or tax expenses imposed on or in connection with the Settlement Fund including expenses of tax attorneys and accountants (collectively “Taxes”), shall promptly be paid out of the Settlement Fund by the Escrow Agent without prior order from the Court. The Escrow Agent shall also be obligated to, and shall be responsible for, withholding from distribution to Class Members any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes. The Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

(d) Neither the Parties nor their counsel shall have any responsibility for or liability whatsoever with respect to: (i) any act, omission, or determination of the Escrow Agent or the Settlement Administrator, or any of their respective designees or agents, in connection with the administration of the Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination, administration, calculation, or payment of any claims asserted against the Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or costs incurred in connection with the taxation of the Settlement Fund or the filing of any returns. The Escrow Agent shall indemnify and hold harmless the Released Parties from and against any claims, liabilities, or losses relating to the matters addressed in the preceding sentence. The Escrow Agent may use funds from the Settlement Fund to indemnify the Released Parties but any indemnification obligation by the Escrow Agent shall not be limited by the amounts available in the Settlement Fund.

CLAIMS ADMINISTRATOR

9. The Claims Administrator shall administer and calculate the claims that shall be allowed and shall oversee distribution of the Settlement Fund subject to the jurisdiction of the Court. The Claims Administrator agrees to be subject to the jurisdiction of the Court with respect to the administration of the Settlement and the distribution of the Settlement Fund pursuant to the terms of this Stipulation. The Released Parties shall have no role in, or responsibility for, the administration of the Settlement and shall have no liability to the Class Representatives, the Class, or any other Person in connection with, as a result of, or arising out of such administration.

(a) The Claims Administrator and Class Counsel shall cause the Summary Notice, substantially in the form annexed hereto, to be published on a national wire service and on Class Counsel's firm website within twenty (20) calendar days of the entry of the Preliminary Approval Order. A link to the Summary Notice shall further be posted on <https://www.reddit.com/r/cloudtoken> by Class Counsel and/or the Claims Administrator.

(b) The Claims Administrator shall post on its website at www.strategicclaims.net the Stipulation, Notice and Proof of Claim form within twenty (20) calendar days of the entry of the Preliminary Approval Order.

(c) Within ten (10) days of the full execution of this Stipulation, counsel for Defendants shall provide a list of all known class members and any available physical and email addresses therefor to Class Counsel and to the Claims Administrator. Within twenty (20) days of the entry of the Preliminary Approval Order, the Claims Administrator shall cause the Summary Notice to be sent to such identified Class members by United States Mail when practicable, or by electronic mail where email addresses are known and no physical address is available.

PAYMENT OF ADMINISTRATION EXPENSES

10. Class Counsel may pay from the Settlement Fund, without further approval from Defendants or the Court, the reasonable costs and expenses associated with Notice to the Class and the administration of the Settlement, including, without limitation, the actual costs of Notice and disseminating the Notice, and the administrative expenses incurred and fees charged by the Claims Administrator in connection with providing Notice and processing the submitted claims, and the fees, if any, related to the Escrow Account and the investment of the Settlement Fund. All costs and expenses incurred in connection with the administration of the Settlement shall be paid from the Settlement Fund subject to approval from the Court.

ATTORNEYS' FEES AND EXPENSES

11. Class Counsel will submit an application or applications (the "Fee and Expense Application") to the Court for an award from the Settlement Fund of: (a) attorneys' fees not to exceed 33% of the Settlement Fund; (b) reimbursement of litigation expenses; and (c) the reasonable costs and expenses (including lost wages) incurred by the Class Representatives in conjunction with its representation of the Class. Defendants will take no position regarding the Fee and Expense Application. Attorneys' fees, expenses, and interest as are awarded by the Court to Class Counsel shall be paid from the Settlement Fund to Class Counsel immediately upon entry by the Court of an order awarding such amounts, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject to Class Counsel's obligation to repay those amounts to the Settlement Fund, if and when, as a result of any appeal and/or further proceedings on remand, or successful collateral attack, the fee or cost award is reduced or reversed or return of the Settlement Fund is required consistent with the provisions of ¶29 hereof. In such event, Class Counsel shall, within ten (10)

business days from the event which requires repayment of the fee or expense award, refund to the Settlement Fund the fee and expense award paid to it.

12. Notwithstanding any other provision of this Stipulation to the contrary, the Fee and Expense Application to be paid out of the Settlement Fund shall be considered by the Court separate and apart from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to the Fee and Expense Application, or any appeal of any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Stipulation or the Settlement of the Action, or affect the finality or binding nature of any of the releases granted hereunder.

DISTRIBUTION TO AUTHORIZED CLAIMANTS

13. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the "Net Settlement Fund" based upon each Authorized Claimant's Recognized Claim as defined in the Plan of Allocation described in the Notice annexed as Exhibit A-1 to Exhibit A hereto, or in such other Plan of Allocation as the Court approves.

14. The Plan of Allocation set forth in the Notice is not a necessary term of this Stipulation and it is not a condition of this Stipulation that any particular Plan of Allocation be approved. The Released Parties will take no position with respect to the proposed Plan of Allocation or such Plan of Allocation as may be approved by the Court. The Plan of Allocation is a matter separate and apart from the Settlement between the Parties, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement.

15. Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her, or its Recognized Claim compared to the total Recognized Claims of all accepted claimants, as those terms are defined in the Plan of Allocation. The Settlement is non-recapture, *i.e.*, it is not a claims-made settlement. Defendants shall not be entitled to any return of

any of the settlement monies, or interest earned thereon, once the Settlement becomes final. The Released Parties shall have no involvement in reviewing, evaluating, approving, or challenging claims, and shall have no responsibility, liability, or authority for determining the allocation of any payments to any Class Members or for any other matters pertaining to the Plan of Allocation.

ADMINISTRATION OF THE SETTLEMENT

16. Any member of the Class who does not submit a valid Proof of Claim will not be entitled to receive any of the proceeds from the Net Settlement Fund, but will otherwise be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and will be barred from bringing any action against the Released Parties concerning the Settled Claims.

17. The Claims Administrator shall process the Settlement based upon the Proofs of Claim, which may be submitted in connection with this Settlement, and, after entry of the Class Distribution Order, shall distribute the Net Settlement Fund in accordance with the Class Distribution Order. No later than five (5) calendar days after entry of the Order for Notice and Hearing, each Defendant shall provide to Class Counsel, or the Claims Administrator, any physical and email addresses it possesses, or with reasonable effort can obtain, of any Class Members. Except for this obligation and their obligation to fund the Settlement or cause it to be funded, Defendants shall have no liability, obligation, or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund. Class Counsel shall have the right, but not the obligation, to advise the Claims Administrator to waive what Class Counsel may reasonably deem to be formal or technical defects in any Proofs of Claim submitted, including, without limitation, failure to submit a document by the submission deadline, in the interests of achieving substantial justice.

18. For purposes of determining the extent, if any, to which a Class Member shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

(a) Each Class Member shall be required to submit a Proof of Claim (in substantially the form set forth in Exhibit A-3 to Exhibit A hereto) which, *inter alia*, releases all of that Class Member's Settled Claims, is signed under penalty of perjury, and is supported by such documents or proof as Class Counsel and/or the Claims Administrator, in their discretion, may deem acceptable;

(b) All Proofs of Claim must be submitted by the date specified in the Notice, unless such period is extended by Order of the Court. Any Class Member who fails to submit a Proof of Claim by such date shall be forever barred from receiving any payment pursuant to this Stipulation (unless, by Order of the Court, a later submitted Proof of Claim by such Class Member is approved), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and shall be barred from bringing any action against the Released Parties concerning the Settled Claims. Provided that it is received before the motion for the Class Distribution Order is filed, a Proof of Claim shall be deemed to have been submitted when posted, if received with a postmark indicated on the envelope and if mailed by first-class mail and addressed in accordance with the instructions thereon. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator;

(c) Each Proof of Claim shall be submitted to and reviewed by the Claims Administrator, who shall determine, in accordance with this Stipulation, the approved Plan of Allocation, and any applicable orders of the Court, the extent, if any, to which each claim shall be allowed, subject to review by the Court pursuant to subparagraph (e) below. The Released Parties

shall not have any role in, or responsibility or liability to any Person or entity for, the solicitation, review, evaluation, approval, or rejection of any Proofs of Claim;

(d) Proofs of Claim that do not meet the submission requirements may be rejected. Prior to rejection of a Proof of Claim, the Claims Administrator shall communicate with the claimant in order to remedy the curable deficiencies in that claimant's submitted Proof of Claim. The Claims Administrator shall notify, in a timely fashion and in writing, all claimants whose Proofs of Claim they propose to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the claimant whose claim is to be rejected has the right to a review by the Court if the claimant so desires and complies with the requirements of subparagraph (e) below;

(e) If any claimant whose claim has been rejected in whole or in part desires to contest such rejection, the claimant must, within ten (10) days after the date of mailing of the rejection notice required in subparagraph (d) above, serve upon the Claims Administrator a notice and statement of reasons indicating the claimant's grounds for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If a dispute concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court; and

(f) The administrative determinations of the Claims Administrator accepting and rejecting claims shall be presented to the Court, on notice to Defendants' Counsel, for approval by the Court in the Class Distribution Order.

19. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's claim, and the claim will be subject to investigation and discovery pursuant to the Federal Rules of Civil Procedure, provided that such investigation and discovery

shall be limited to that claimant's status as a Class Member and the validity and amount of the claimant's claim. No discovery shall be allowed to be directed to Defendants or any of the Released Parties, and no discovery shall be allowed on the merits of the Action or Settlement in connection with processing of the Proofs of Claim.

20. Payment pursuant to this Stipulation shall be deemed final and conclusive against all Class Members. All Class Members whose claims are not approved by the Court shall be barred from any participation in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Final Judgment to be entered in the Action and the releases provided for herein, and will be barred from bringing any action against the Released Parties concerning the Settled Claims. No Person shall have any claim against the Class Representatives or their counsel (including Class Counsel), or any claims administrator, or other agent designated by Class Counsel, based on the distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation, or any order(s) of the Court.

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

DISTRIBUTION OF NET SETTLEMENT FUND

22. The Net Settlement Fund shall be distributed by the Claims Administrator to, or for the account of, Authorized Claimants, as the case may be, only after the Effective Date and after: (a) the Net Settlement Fund has been fully funded, pursuant to ¶3(a), above; (b) all claims have been processed, and all claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to be heard concerning such rejection or

disallowance; (c) all objections with respect to all rejected or disallowed claims have been resolved by the Court, and all appeals therefrom have been resolved or the time therefor has expired; (d) all matters with respect to the Fee and Expense Application have been resolved by the Court, all appeals therefrom have been resolved or the time therefore has expired; and (e) all fees and costs of administration have been paid.

23. Class Counsel will apply to the Court for entry of a Class Distribution Order approving the Claims Administrator's administrative determinations concerning the acceptance and rejection of the claims submitted herein and approving any fees and expenses not previously applied for, including the fees and expenses of the Claims Administrator, and, if the Effective Date has occurred, directing payment of the Net Settlement Fund to or for the account of Authorized Claimants, as the case may be.

TERMS OF ORDER FOR NOTICE OF HEARINGS

24. Following full execution of this Stipulation, Class Counsel shall apply to the Court by motion for entry of the Order for Notice and Hearing, substantially in the form annexed hereto as Exhibit A, and Defendants shall join (upon Class Counsel's request) in requesting entry of such an Order. Class Counsel and Defendants shall jointly request that the postmark deadline for objecting to and/or submitting exclusions from this Settlement be set at least thirty (30) calendar days prior to the Settlement Fairness Hearing. Upon receiving any objection(s) and/or request(s) for exclusion ("Requests for Exclusion"), the Claims Administrator shall promptly notify Class Counsel and Defendants' Counsel of such objection(s) and/or Requests for Exclusion.

TERMS OF FINAL JUDGMENT

25. If the Settlement contemplated by this Stipulation is approved by the Court, Class Counsel and Defendants' Counsel shall jointly request that the Court enter a Final Judgment substantially in the form annexed as Exhibit B hereto.

EFFECTIVE DATE OF SETTLEMENT, WAIVER, OR TERMINATIONS

26. The Effective Date of Settlement shall be the date when all the following shall have occurred and shall be conditioned on the occurrence of all of the following events:

(a) the Settlement Amount has been paid into the Settlement Fund by or on behalf of the Defendants as required by the Stipulation;

(b) entry of the Order for Notice and Hearing in all material respects in the form attached hereto as Exhibit A;

(c) final approval by the Court of the Settlement, following notice to the Class and a hearing;

(d) no parties have exercised their option to terminate the Stipulation;

(e) entry by the Court of a Final Judgment, substantially in the form of Exhibit B annexed hereto, and the Final Judgment becomes Final, or, in the event that the Court enters a final judgment in a form other than that provided above (“Alternative Judgment”) and neither the Class Representatives nor any Defendant elect to terminate this Settlement, the date that such Alternative Judgment becomes Final.

27. Notwithstanding any other provision herein, any proceeding or order, or motion for reconsideration, appeal, petition for a writ of certiorari or its equivalent pertaining solely to any Plan of Allocation and/or Fee and Expense Application, shall not in any way delay or preclude the Effective Date.

28. The Class Representatives and the Defendants, through their respective counsel, shall, in each of their separate discretions, have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so (“Termination Notice”) to all other Parties hereto within thirty (30) days of the date on which: (a) the Court files an order declining to enter the Order for Notice and Hearing in any material respect; (b) the Court enters an order

refusing to approve this Stipulation or any material part of it; (c) the Court enters an order declining to enter the Final Judgment in any material respect; (d) the Final Judgment is modified or reversed by a court of appeal or any higher court in any material respect; or (e) an Alternative Judgment is modified or reversed by a court of appeal or any higher court in any material respect. Notwithstanding this paragraph, the Court's determination as to the Fee and Expense Application and/or any Plan of Allocation, or any determination on appeal from any such order, shall not provide grounds for termination of the Stipulation or Settlement.

29. Except as otherwise provided herein, in the event the Settlement is terminated in accordance herewith, is vacated, is not approved, or the Effective Date fails to occur for any reason, then the Parties to this Stipulation shall be deemed to have reverted to their respective litigation positions in the Action as of May 20, 2021, and, except as otherwise expressly provided herein, the Parties shall proceed in all respects as if this Stipulation and any related orders had not been entered, and any portion of the Settlement Fund previously paid by or on behalf of Defendants, together with any interest earned thereon (and, if applicable, re-payment of any attorneys' fee and expense award referred to in ¶11 hereof), less any Taxes due with respect to such income, and less costs of administration and notice actually incurred and paid or payable from the Settlement Fund, shall be returned to any Person who funded the Settlement Fund in proportion to the amount paid within ten (10) business days from the date of such termination. At the request of Defendants' Counsel, the Escrow Agent shall apply for any tax refund owed on the Settlement Fund and pay the proceeds to such Persons that paid into the Settlement Fund, pro rata, in accordance with the amounts paid by such Persons.

NO ADMISSION OF WRONGDOING

30. Nothing in this Stipulation constitutes or reflects a waiver or release of any rights or claims of any Defendants against their insurers, or their insurers' subsidiaries, predecessors,

successors, assigns, affiliates, or representatives. Nothing in this Stipulation constitutes or reflects a waiver or release of any rights or claims relating to indemnification, advancement, or any undertakings by an indemnified party to repay amounts advanced or paid by way of indemnification or otherwise.

31. Defendants deny that they have committed any act giving rise to any liability and/or violation of law, and state that they are entering into this Settlement to eliminate the burden and expense of further litigation. This Stipulation, whether or not consummated, including any and all of its terms, provisions, exhibits, and prior drafts, and any negotiations or proceedings related or taken pursuant to it:

(a) shall not be offered or received against any Defendant as evidence of a presumption, concession, or admission by any Defendant with respect to the truth of any fact alleged by the Class Representatives or the validity of any claim that has been or could have been asserted in the Action or any litigation, or the deficiency of any defense that has been or could have been asserted in the Action or any litigation;

(b) shall not be offered or received against any Defendant as evidence of a presumption, concession, or admission with respect to any liability, negligence, fault, or wrongdoing, or in any way referred to for any other reason as against any Defendant in any other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Court and becomes effective pursuant to its terms, the Defendants may refer to it to effectuate the liability protection granted them hereunder;

(c) shall not be construed as or received in evidence as an admission, concession, or presumption against the Class Representatives or any of the Class Members that

any of their claims are without merit, or that any defenses asserted by Defendants have any merit, or that damages recoverable under the Complaint would not have exceeded the Settlement Fund; and

(d) notwithstanding the foregoing, the Defendants, the Class Representatives, Class Members, and/or the Released Parties may file the Stipulation and/or the Final Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, offset or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim. This ¶31 shall survive the termination of this Stipulation.

MISCELLANEOUS PROVISIONS

32. All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein, and are material and integral parts hereof.

33. Defendants represent, based on current knowledge, information and belief, that at the time Defendants will make payment or cause payment to be made pursuant to ¶3 above, Defendants will not be insolvent, nor will such payment render Defendants insolvent.

34. In the event of the entry of a final order of a court of competent jurisdiction determining that the transfer of money or any portion thereof to the Settlement Fund by or on behalf of the Defendants to be an improper preference, voidable transfer, fraudulent transfer, or similar transaction, and any portion thereof is required to be returned, and such amount is not promptly re-deposited into the Settlement Fund by others on behalf of the Defendants, then, at the sole discretion of Class Counsel, the Parties shall jointly move the Court to vacate and set aside the releases given and any Judgment entered in favor of the Defendants and the other Released Parties pursuant to this Stipulation, which releases and Judgment shall then be null and void, and the Parties shall be restored to their respective positions in the Action immediately prior to the date

hereof, and any cash amounts in the Settlement Fund shall be returned in accord with the provisions of ¶29 above.

35. The Parties to this Stipulation intend the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by the Class Representatives and/or any Class Member against the Released Parties with respect to the Action and the Settled Claims. Accordingly, the Class Representatives and the Defendants agree not to assert in any proceeding that the Action was brought by the Class Representatives or defended by the Defendants in bad faith. The Parties hereto further agree that each has complied fully with Rule 11 of the Federal Rules of Civil Procedure, and agree not to assert in any proceeding that any party violated Rule 11 of the Federal Rules of Civil Procedure in connection with the commencement, maintenance, defense, litigation, and/or resolution of the Action. The Parties agree that the amount to be paid and the other terms of the Settlement were negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached voluntarily.

36. All agreements made and orders entered during the course of this Action relating to the confidentiality of documents and information shall survive the Stipulation pursuant to their terms.

37. This Stipulation may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all Parties hereto or their respective successors.

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

39. 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 relating to the award of attorneys' fees and expenses, the Plan of Allocation, and the enforcement of the terms of this Stipulation.

40. 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.

41. This Stipulation and its exhibits constitute the entire agreement among the Parties hereto concerning the Settlement of the Action, and no representations, warranties, or inducements have been made by any Party hereto concerning this Stipulation and its exhibits other than the representations, warranties, and covenants contained and memorialized in such documents.

42. This Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Stipulation shall exchange among themselves original signed counterparts. Signatures sent by facsimile or PDF via email by Class Counsel or Defendants' Counsel shall be deemed originals.

43. The Class Representatives and Defendants represent and warrant that they have not assigned, pledged, loaned, hypothecated, conveyed, or otherwise transferred, voluntarily or involuntarily, to any other person or entity, the Settled Claims, or any interest in or part or portion thereof, specifically including any rights arising out of the Settled Claims.

44. This Stipulation shall be binding upon, and inure to the benefit of, the successors, assigns, executors, administrators, heirs, and legal representatives of the Parties hereto. No assignment shall relieve any Party hereto of obligations hereunder.

45. The construction, interpretation, operation, effect, and validity of this Stipulation, and all documents necessary to effectuate it, shall be governed by the laws of the state of New

York, without regard to conflicts of laws, except to the extent that federal law requires that federal law governs.

46. 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.

47. Each counsel and each 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.

48. Class Counsel and Defendants' Counsel agree to cooperate fully with one another in seeking Court approval of the Order for Notice and Hearing, of the Stipulation, and of the Settlement, and in consummating the Settlement in accordance with its terms, and further agree 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.

49. Neither any Defendant nor any of their counsel shall, directly or indirectly, solicit or encourage any Person to request exclusion from the Class.

50. Pending approval by the Court of this Stipulation, all proceedings in this Action against the Defendants shall be stayed.

51. Except as otherwise provided herein, each party shall bear its own costs.

52. By entering into this Stipulation, the Defendants accept service of the Complaint, agree to submit to the jurisdiction of this Court, and waive any potential defenses relating to service of process in connection with the effectuation of this Settlement of this Action.

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DATED: January 20, 2022

LEVI & KORSINSKY LLP

BY: _____

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Cloud With Me Ltd. and Gilad Somjen*

EXHIBIT A

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

**[PROPOSED] ORDER FOR HEARING AND NOTICE DIRECTING: (A) ISSUANCE OF
NOTICE OF PROPOSED CLASS ACTION SETTLEMENT; AND (B) SETTING DATE
FOR FINAL SETTLEMENT FAIRNESS HEARING**

WHEREAS, on January ___, 2022 Court-appointed Lead Plaintiff John Oum (“Lead Plaintiff”) in the above-entitled action (the “Action”), on behalf of himself and the Class (as defined below), and Cloud With Me Ltd. (“Cloud”), Gilad Somjen, and Asaf Zamir (together, the “Defendants”) entered into a Stipulation and Agreement of Settlement (the “Stipulation”) which is subject to review by this Court under Rule 23 of the Federal Rules of Civil Procedure (“Fed. R. Civ. P.”) and which, together with the exhibits thereto, sets forth the terms and conditions for the proposed settlement of the claims alleged in the Complaint against the Defendants with prejudice (the “Settlement”);

WHEREAS, the Court having read and considered the Stipulation and the accompanying exhibits;

WHEREAS, the Parties to the Stipulation have consented to the entry of this Order; and

WHEREAS, all capitalized terms used herein shall have the same meanings defined in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED, this _____ day of _____, 2022 that:

1. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlement only, this Action is hereby preliminarily certified as a class action on behalf of Lead Plaintiff and all persons who purchased or otherwise acquired Cloud CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 and June 19, 2018, both dates inclusive (the “Class Period”), while located within the United States, and were allegedly damaged thereby. Excluded from the Class are: the Defendants; all current or former officers or directors of Cloud With Me, Ltd., its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Defendant has or had a controlling interest; the members of the immediate families of the Defendants; the parents, subsidiaries and affiliates of Cloud With Me; persons who purchased otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. while located outside the United States at the time of their transaction; and, the legal representatives, heirs, successors, or assigns of any excluded Person. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of the Notice.

2. The Court preliminarily finds, for the purposes of the Settlement only, that the prerequisites for a class action under Rule 23 of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Class Members is so numerous that joinder of all members thereof is impracticable; (b) there are questions of law and fact common to the Class; (c) the Lead Plaintiff’s claims are typical of the claims of the Class they seek to represent; (d) Lead Plaintiff and Lead Counsel will fairly and adequately represent the interests of the Class; (e) the questions of law and fact, common to the members of the Class, predominate over any questions

affecting only individual members of the Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of this controversy.

3. For purposes of the Settlement only, John Oum and Raymond Balestra are certified as Class Representatives for the Class, and Levi & Korsinsky, LLP (“L&K”) and the Law Office of Alfred G Yates Jr. PC (“Yates”) are conditionally appointed as Class Counsel.

4. The Court preliminarily finds that:

(a) The proposed Settlement resulted from informed, arm’s-length negotiations, by counsel well-versed in securities litigation;

(b) Class Counsel has concluded that the proposed Settlement is fair, reasonable and adequate; and

(c) The proposed Settlement is within the range of what could be determined to be fair, reasonable, and adequate. *See Girsh v. Jepson*, 521 F.2d 153, 157 (3d Cir. 1975) and *In re Pruential Ins. Co. Am. Sales Practice Litig. Agent Actions*, 148 F.3d 283, 323 (3d Cir. 1998).

5. A hearing (the “Settlement Fairness Hearing”) pursuant to Fed. R. Civ. P. 23(e) is hereby scheduled to be held before the Court on _____, 2022, at __:___ .m., at the United States District Court, Western District of Pennsylvania, 700 Grant Street, Pittsburgh, PA 15219, for the following purposes:

(a) to finally determine whether this Action satisfies the applicable prerequisites for class action treatment under Rule 23 of the Federal Rules of Civil Procedure; whether Lead Plaintiff should be finally certified as Class Representative for the Class; and whether the law firm of L&K should be finally appointed as Class Counsel;

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

(c) to determine whether the Final Judgment as provided under the Stipulation should be entered, dismissing the Complaint filed herein against the Defendants, with prejudice, and to determine whether the releases contemplated by the Stipulation should become effective;

(d) to determine whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable, and should be approved by the Court;

(e) to consider Class Counsel's expected application for an award of attorneys' fees and expenses;

(f) to consider Lead Plaintiff's expected request for reimbursement of the costs and expenses (including lost wages) he incurred in prosecuting this Action on behalf of the Class;

(g) to determine whether an order should be entered barring and enjoining Lead Plaintiff and all Class Members from instituting, commencing, assisting, maintaining or prosecuting, either directly, indirectly, or in a representative capacity, any action in any court or tribunal asserting any Settled Claims; and,

(h) to rule upon such other matters as the Court may deem appropriate.

6. The Court reserves the right to approve the Settlement with or without modification and with or without further notice to the Class and may adjourn the Settlement Fairness Hearing without further notice to the Class. The Court reserves the right to enter its Final Judgment approving the Stipulation and dismissing the Complaint with prejudice as against the Defendants regardless of whether it has approved the Plan of Allocation, Lead

Plaintiff's request for the reimbursement of costs and expenses, or Class Counsel's application for an award of attorneys' fees and expenses.

7. The Court approves the form, substance and requirements of the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), the Summary Notice of Proposed Settlement of Class Action (the "Summary Notice"), and the Claim Form and Release (the "Claim and Release") annexed hereto as Exhibits A-1, A-2, and A-3 respectively.

8. The Court approves the appointment of Strategic Claims Services as the Claims Administrator.

(a) The Claims Administrator and L&K shall cause the Summary Notice, substantially in the form annexed hereto, to be published on a national wire service and on L&K's firm website. A link to the Summary Notice shall further be posted on <https://www.reddit.com/r/CLDcoin/> by L&K and/or the Claims Administrator.

(b) The Claims Administrator shall post on its website at www.strategicclaims.net/CLD the Stipulation, Notice, Notice and Proof of Claim form within twenty (20) calendar days of this Order.

(c) Class Counsel shall, at or before the Settlement Fairness Hearing, file with the Court proof of publication of the Summary Notice and Notice consistent with the directives set forth herein.

9. The form and content of the Notice and the Summary Notice and the method set forth herein for notifying the Class of the Settlement and its terms and conditions, meet: (a) the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Securities Act of 1933, as amended by the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §77z-1(a)(7) (the

“PSLRA”), and due process, (b) constitute the best notice practicable under the circumstances, and (c) shall constitute due and sufficient notice to all Persons and entities entitled thereto.

10. In order to be entitled to participate in the Net Settlement Fund, in the event the Settlement is consummated in accordance with its terms set forth in the Stipulation, each Class Member shall take the following actions and be subject to the following conditions:

(a) A properly executed Claim Form and Release must be submitted to the Claims Administrator, at the Post Office box indicated in the Summary Notice and the Notice, not later than _____, 2022. Such deadline may be further extended by Court Order. Each Proof of Claim shall be deemed to have been submitted when postmarked (if properly addressed and mailed by first class mail, postage prepaid), provided such Proof of Claim is actually received prior to the motion for an order of the Court approving distribution of the Net Settlement Fund. Any Proof of Claim submitted in any other manner shall be deemed to have been submitted when it was actually received at the address designated in the Notice.

(b) The Proof of Claim submitted by each Class Member must satisfy the following conditions: (i) it must be properly completed, signed and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation or proof as Class Counsel and the Claims Administrator, in their discretion, may deem acceptable; (iii) if the Person executing the Proof of Claim is acting in a representative capacity, a certification of his, her or its current authority to act on behalf of the Class Member must be included in the Proof of Claim; and (iv) the Proof of Claim must be complete and

contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) As part of the Proof of Claim, each Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted and shall (subject to effectuation of the Settlement) release all Settled Claims as provided in the Stipulation.

11. Class Members shall be bound by the Stipulation and all determinations and judgments in this Action concerning the Settlement, including, but not limited to, the releases provided therein, whether favorable or unfavorable, unless they request exclusion from the Class in a timely and proper manner, as hereinafter provided. A Class Member wishing to make such request shall, no later than thirty (30) calendar days prior to the date scheduled herein for the Settlement Fairness Hearing, mail a request for exclusion in written form by first class mail postmarked to the address designated in the Notice. Such request for exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, state that the sender requests to be excluded from the Class and the Settlement in *Balestra v. Cloud with Me Ltd., et al.*, Case No. 1:18-cv-00804, and must be signed by such person. Such persons requesting exclusion are also directed to state the date(s), price(s), and number(s) of coins of all purchases, acquisitions, and sales of CLD Tokens during the Class Period, and to provide documentation showing proof of purchase, acquisition or sale, or such other documents evidencing such transactions. The request for exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court. Class Members requesting exclusion from the Class shall not be entitled to receive any payment out of the Net Settlement Fund as described in the Stipulation and the Notice.

12. The Court will consider any Class Member's objection(s) to the Settlement, the Plan of Allocation, any request for reimbursement of Lead Plaintiff's costs and expenses (including lost wages), and/or Class Counsel's application for a Fee and Expense Award only if (a) such objection(s), together with any supporting papers, is/are timely filed not later than twenty (20) calendar days prior to the date scheduled herein for the Settlement Fairness Hearing in writing with the Clerk of Court, United States District Court, Western District of Pennsylvania, 700 Grant Street, Pittsburgh, PA 15219, and (b) copies of all such papers are served not later than twenty (20) calendar days prior to the date scheduled herein for the Settlement Fairness Hearing on both: (i) Donald J. Enright, Levi & Korsinsky, LLP, 1101 30th St., N.W., Suite 115, Washington, D.C. 20007, counsel for the Lead Plaintiff and the Class; and (ii) Eric Rosen and Kyle Roche, Roche Freedman, LLP, 99 Park Avenue, Suite 1910, NY, NY 10016, counsel for Defendants. The written objections must: (i) demonstrate, via affidavits, confirmation emails or other documentation, the objecting Person's membership in the Class, including the number of CLD Tokens purchased, acquired and sold during the Class Period and the dates of any such purchase(s), acquisition(s) and sale(s), the price(s) at which the CLD Tokens were purchased, acquired and/or sold; and (ii) contain a statement of the reasons for objection. Attendance at the Settlement Fairness Hearing is not necessary to object; however, Persons wishing to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, and/or Class Counsel's application for a Fee and Expense Award (or by Lead Plaintiff for reimbursement of his costs and expenses (including lost wages)), are required to indicate in their written objection their intention to appear at the hearing. Persons who intend to object to the Settlement, the Plan of Allocation, and/or the application for a Fee and Expense Award and desire to present evidence at the Settlement Fairness Hearing must include in their

written objections copies of any exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. If an objector hires an attorney to represent him, her or it for the purposes of making an objection, the attorney must both effect service of a notice of appearance on counsel listed above and file it with the Court by no later than thirty (30) calendar days before the Settlement Fairness Hearing. Any Class Member or other Person who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising (in this proceeding or on any appeal), any objection to the Settlement, and any untimely objection shall be barred. Class Members do not need to appear at the hearing or take any other action to indicate their approval of the Settlement.

13. Defendants' Counsel and Class Counsel shall promptly furnish each other with copies of any and all objections that come into their possession.

14. All motions and papers in support of the Settlement, the Plan of Allocation, and any application by Class Counsel for a Fee and Expense Award (or by Lead Plaintiff for reimbursement of his costs and expenses (including lost wages)) shall be filed and served no later than no later than thirty (30) calendar days before the Settlement Fairness Hearing. To the extent applicable, Defendants shall also file with the Court and serve papers supporting the fulfillment of any obligations they have in connection with the Settlement no later than thirty (30) calendar days before the Settlement Fairness Hearing. Any reply papers shall be filed no later than seven (7) calendar days prior to the Settlement Fairness Hearing. All proceedings in the Action against the Defendants are stayed until further order of the Court, except as may be necessary to implement the Settlement or comply with the terms of the Stipulation. Pending final determination of whether the Settlement should be approved, Lead Plaintiff, all Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not

institute, commence, assist, maintain or prosecute, and are hereby barred and enjoined from instituting, commencing, assisting (unless required by subpoena or other operation of law), maintaining or prosecuting, any action in any court or tribunal that asserts Settled Claims against Released Parties.

15. As provided in the Stipulation, Class Counsel may pay the Claims Administrator a portion of the reasonable and customary costs associated with giving notice to the Class and the review of claims and administration of the Settlement, up to \$15,000, out of the Settlement Fund without further order of the Court.

16. If any specified condition to the Settlement set forth in the Stipulation is not satisfied and Class Counsel or the Defendants elect to terminate the Settlement, or if the Settlement is not finally approved or otherwise fails to become effective for any reason, then, in any such event, the Stipulation, including any amendment(s) thereof, and this Order conditionally certifying the Class and the Class Representative for purposes of the Settlement shall be null and void, of no further force or effect, and without prejudice to any party, and may not be introduced as evidence or referred to in any Action or proceedings by any person or entity for any purpose, and each party shall be restored to his, her or its respective litigation position as it existed on November 4, 2019, and the provisions of ¶30 of the Stipulation shall apply.

17. The Court may adjourn or continue the Settlement Fairness Hearing without further written notice.

18. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of or connected with the Settlement.

Dated: _____, 2022

HON. MARK R. HORNAK
CHIEF UNITED STATES DISTRICT COURT JUDGE

EXHIBIT A-1

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

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

[EXHIBIT A-1]

A Federal Court Authorized This Notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT (THE “ACTION”) IF, DURING THE PERIOD BETWEEN JULY 25, 2017 AND JUNE 19, 2018, INCLUSIVE (THE “CLASS PERIOD”), YOU PURCHASED OR OTHERWISE ACQUIRED ASSETS DIRECTLY FROM CLOUD WITH ME, LTD. (“CLOUD” OR THE “COMPANY”) WHILE LOCATED IN THE UNITED STATES. ASSETS BOUGHT FROM CLOUD WITH ME, LTD. ARE REFERRED TO IN THIS NOTICE AS CLD TOKENS.¹

PLEASE ALSO BE ADVISED THAT THE COURT-APPOINTED LEAD PLAINTIFF, RAYMOND BALESTRA, ON BEHALF OF THE CLASS (DEFINED BELOW), HAS REACHED A PROPOSED SETTLEMENT OF THE ACTION FOR A TOTAL OF: (I) US \$165,000 IN CASH; AND (II) ANY EARNINGS ON ANY SUCH MONIES THAT WILL RESOLVE ALL CLAIMS IN THE LITIGATION (THE “SETTLEMENT”).

¹ This Notice of Pendency and Proposed Class Action Settlement (“Notice”) incorporates by reference the definitions in the Stipulation and Agreement of Settlement dated January ____, 2022 (the “Stipulation”). All capitalized terms used, but not defined herein, shall have the same meanings the terms defined as in the Stipulation. The Stipulation is posted on the Claims Administrator’s settlement website, www.strategicclaims.net/CLD.

IF YOU DO NOT WISH TO BE INCLUDED IN THE CLASS AND YOU DO NOT WISH TO PARTICIPATE IN THE PROPOSED SETTLEMENT DESCRIBED IN THIS NOTICE, YOU MAY REQUEST TO BE EXCLUDED. TO DO SO, YOU MUST SUBMIT A WRITTEN REQUEST FOR EXCLUSION THAT MUST BE POSTMARKED ON OR BEFORE ____.

SUMMARY OF THIS NOTICE

I. Description of the Litigation and the Class

This Notice relates to the proposed Settlement of a class action lawsuit pending against Cloud With Me Ltd., Gilad Somjen, and Asaf Zamir (the “Defendants”). The proposed Settlement, if approved by the Court, will settle all claims against the Defendants of all persons and entities who purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 and June 19, 2018, inclusive (the “Class Period”), while located within the United States at the time of their transaction and were allegedly damaged thereby (the “Settlement Class” or “Class”).

II. Statement of Class’ Recovery

Subject to Court approval, and as described more fully in Section III below, Lead Plaintiff,² on behalf of the Class, has agreed to settle all claims related to the purchase or sale of CLD Tokens during the Class Period that were or could have been asserted against the Defendants and the other Released Parties in this Action in exchange for a settlement payment of US \$165,000 in cash (the “Settlement Amount”) and any earnings on any such monies, which has been deposited into an interest-bearing escrow account held by the Escrow Agent³ (the “Settlement Fund”). Based on Class Counsel’s estimate of the number of CLD Tokens purchased by Class Members, and assuming that all of those owners participate in the Settlement, Class Counsel estimates that the average recovery would be approximately \$6.60 per CLD Token, before the deduction of Court-approved fees, expenses and costs as described herein. Class Members should note, however, that this is only an estimate based on the overall number of CLD Tokens purchased by Class Members directly from Cloud With Me, Ltd. during the Class Period (which was approximately 25,000). Some Class Members may recover more or less than this estimated amount depending on, among other factors, how many CLD Tokens were sold to purchasers in the United States, how many Class Members file claims, and the timing and prices at which their CLD Tokens were acquired or sold. Historically, actual claim rates in class actions are less than 100%, which would generally result in a higher distribution per CLD Token. The Net Settlement Fund (the Settlement Fund less taxes, notice and administration costs, and attorneys’ fees and litigation expenses awarded to Class Counsel) will be distributed in accordance with a plan of allocation (the “Plan of Allocation”) that will be approved by the Court and will determine how the Net Settlement Fund shall be allocated to the members of the Class who submit valid Proof of Claim and Release forms (“Proof of Claim”). Lead Plaintiff’s proposed Plan of Allocation is included in this Notice.

² The Court-appointed Lead Plaintiff is Raymond Balestra.

³ The “Escrow Agent” is Lead Counsel or an assigned agent.

III. Reasons for Settlement

The Court has not reached any final decisions in connection with Lead Plaintiff's claims against the Defendants. Instead, Lead Plaintiff and the Defendants (collectively, the "Settling Parties") have agreed to this Settlement, which was reached with after extensive arm's-length negotiations.

For Lead Plaintiff, the principal reason for the Settlement is the immediate benefit of a cash recovery for the Settlement Class from Defendants from whom it would otherwise likely be extremely difficult to recover funds. This benefit must be compared to the risk that no recovery or a smaller recovery might be achieved following further litigation. Even if the case advanced to trial, Lead Plaintiff would face the risk of losing at trial and the risk that a Class might not be certified, as well as the risk of appeals which could last one or more additional years even if Lead Plaintiff prevailed at trial. These risks would be compounded by the difficulty, and possible impossibility, of enforcing any judgment against the Defendants, who are located outside of the United States. For the Defendants (who deny all allegations of liability and deny that any Class Members were damaged) the principal reason for the Settlement is to eliminate the burden, expense, uncertainty and risk of further litigation.

IV. Statement of Average Amount of Damages Per CLD Token

The parties do not agree on the average amount of damages per CLD Token, if any, that would be recoverable if Lead Plaintiff was to prevail. The issues on which the Settling Parties disagree include, but are not limited to: (1) whether CLD Tokens operated as a security; (2) the extent of control Defendants maintained over the value of CLD Tokens; (3) whether Cloud With Me, Ltd. issued securities without proper SEC approval; and (4) the extent to which Class Members were damaged (if at all).

The Defendants deny that they did anything wrong, deny any liability to Lead Plaintiff, and deny that Lead Plaintiff and the Class Members have suffered any damages attributable to the Defendants' actions. Contrary to the Defendants' assertion, Lead Plaintiff believes that he and the Class suffered damages as a result of Defendants' actions in the amount of 100% of the amount that they paid to purchase CLD Tokens, less any amount that they received upon selling such CLD Tokens.

V. Statement of Attorneys' Fees and Expenses Sought

Court-appointed Class Counsel (as defined in Section VI) below) will apply to the Court for an award of attorneys' fees in an amount not to exceed 33% of the Settlement Fund. In addition, Class Counsel will also apply for the reimbursement of litigation expenses paid or incurred in connection with the prosecution and resolution of this action (exclusive of claims administration expenses), in an amount not to exceed \$10,000. Class Counsel's overall request for reimbursement of litigation expenses may include a request for an award to Lead Plaintiff of up to \$2,000 for time

and expenses (including lost wages) he incurred in representing the Class and expenses directly related to his representation of the Settlement Class. If the Court approves the fee and expense application in full, the average amount of fees and expenses per allegedly damaged CLD Token is estimated to be no more than \$2.66. Class Counsel have not received any payment for their work investigating the facts, prosecuting this Action, and negotiating this Settlement on behalf of the Lead Plaintiff and the Class. The Court will decide what constitutes a reasonable fee award and may award less than the amounts requested by Class Counsel and Lead Plaintiff. Class Members are not personally liable for any such fees or expenses. Rather, they will be paid from the Settlement Fund.

VI. Identification of Attorney’s Representatives

Lead Plaintiff and the Settlement Class are being represented by Donald J. Enright of Levi & Korsinsky, LLP (“L&K”), the Court-appointed Class Counsel. Any questions regarding the Settlement may be addressed to Mr. Enright at Levi & Korsinsky, LLP, 1101 30th St. N.W., Suite 115, Washington, D.C. 20007, (202) 524-4290. Class Members may also obtain additional information on the Settlement Website (www.strategicclaims.net/CLD), or by contacting the Claims Administrator at:

Balestra v. Cloud With Me Ltd.
 c/o Strategic Claims Services
 600 N. Jackson St., Suite 205
 P.O. Box 230
 Media, PA 19063
 Toll-Free: (866) 274-4004
 info@strategicclaims.net

IX. Your Legal Rights and Options in this Settlement, and Important Deadlines	
REMAIN A MEMBER OF THE SETTLEMENT CLASS AND SUBMIT A CLAIM FORM	This is the only way to get a payment. If you wish to be eligible to obtain a payment as a Class Member, you will need to file a Claim Form (which is included with this Notice) postmarked no later than _____, 2022)
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS <i>POSTMARKED</i> NO LATER THAN _____, 2022	Get no payment. This is the only option that allows you to ever participate in another lawsuit against any of the Defendants or other Released Parties relating to the legal claims that were, or could have been, asserted in this case. This is the only option for Class Members to remove themselves from the Settlement Class.

OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN _____, 2022	You may write to the Court and object if you do not like the Settlement, the Plan of Allocation or the request for attorneys’ fees and reimbursement of expenses. You cannot object unless you are a Class Member and do not exclude yourself.
GO TO THE HEARING ON _____, 2022 at : .M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN _____, 2022	You may ask to speak in Court about the fairness of the settlement, the proposed Plan of Allocation, or the request for attorneys’ fees and reimbursement of expenses.
DO NOTHING	Get no payment. Remain a Class Member. Give up your right to any recovery but will still be bound by the Settlement, including the release of all claims.

These rights and options, and the deadlines to exercise them, are further explained in this Notice.

BASIC INFORMATION

1. Why is this Notice being disseminated?

You or someone in your family may have purchased or otherwise acquired CLD Tokens between July 25, 2017 and June 19, 2018, inclusive, and may be a Class Member in this Action. This package explains the lawsuit, the Settlement, Class Members’ legal rights, what benefits are available, who is eligible for them and how to get them.

If approved, the Settlement will end all of the Settlement Class’ claims against the Released Parties, as defined in the Stipulation. This Settlement has no effect on the Class’ right to seek further remuneration from other potential defendants aside from the Released Parties. The Court will consider whether to approve the Settlement at a Settlement Hearing on _____, 2022 at ____:____ __.m. If the Court approves the Settlement, and after any appeals are resolved and the Settlement administration is completed, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

The Court in charge of the case is the United States District Court for the Western District of Pennsylvania, and the case is captioned *Balestra v. Cloud With Me Ltd.*, Case No. 2:18-cv-00804-MRH-LPL. This case was assigned to Chief United States District Judge Mark R. Hornak. The person who is suing is called “Plaintiff” and the company and the persons being sued are called “Defendants.”

2. What is this lawsuit about and what has happened so far?

Defendants Gilad Somjen and Asaf Zamir founded Cloud With Me Ltd. in 2015. In July of 2017, Defendants announced an Initial Coin Offering (“ICO”) with the goal of raising capital to fund the creation of a decentralized “cloud” network.

From July 25, 2017 through at least June 19, 2018, Defendants ran the CLD Token ICO during which time they received digital currency investments and/or fiat currency in exchange for CLD Tokens.

On June 19, 2018, Raymond Balestra filed a Class Action Complaint for Violation of the Federal Securities Laws, captioned *Balestra v. Cloud With Me Ltd.*, Case 2:18-cv-00804-MRH-LPL (the “Action”) in the United States District Court for the Western District of Pennsylvania (the “Court”) asserting claims under section 12(a)(1) and 15(a) of the Securities Act of 1933 (the “Securities Act”) against Cloud With Me Ltd., Gilad Somjen, and Asaf Zamir.

On June 20, 2018, pursuant to the Private Securities Litigation Reform Act of 1995 (“PSLRA”), counsel for Plaintiff published notice on *GlobeNewswire* informing other potential class members of their right to move for appointment as lead plaintiff for the putative Class.

On August 20, 2018, Lead Plaintiff moved to be appointed lead plaintiff and moved for his attorneys, Levi & Korsinsky, LLP (“Levi & Korsinsky”), to be appointed Lead Counsel.

On October 18, 2018, the Court appointed Lead Plaintiff as such, and appointed Levi & Korsinsky as Lead Counsel.

From December 21, 2017 through October 24, 2019, Lead Plaintiff, through counsel, diligently investigated the claims against the Defendants, including analyzing publicly-released documents, news reports, and statements concerning Cloud With Me Ltd.

On May 1, 2019, Lead Plaintiff requested entry of default against Cloud, Gilad and Asaf. On May 3, 2019, the Clerk of the Court granted the Requests for Default and entered default against each of Cloud, Gilad and Asaf. On October 17, 2020, Asaf filed a motion to set aside default judgment and dismiss. Lead Plaintiff filed his opposition to this motion on November 9, 2020. Defendants filed their reply on this motion on November 23, 2020.

On March 29, 2021, the Court issued a Memorandum Order denying this motion.

The Settling Parties subsequently negotiated and entered into the Stipulation on _____, 2022. On _____, 2022, the Court preliminarily approved the Settlement, authorized the dissemination of this Notice to potential Class Members, and scheduled the upcoming Settlement Fairness Hearing to consider whether to grant final approval to the Settlement.

3. Why is this a class action?

In a class action, one or more people called class representatives (in this case, the Court-appointed Lead Plaintiff) sue on behalf of people or entities, known as “class members,” who have similar claims. A class action allows one court to resolve in a single case many similar claims that, if brought separately by individuals, might be economically so small that they would never be brought. One court resolves the issues for all class members, except for those who exclude themselves, or “opt out,” from the Class (discussed below). Chief United States District Judge Mark R. Hornak is in charge of this case.

4. Why is there a settlement?

The Court did not decide in favor of the Lead Plaintiff or Defendants. Instead, the lawyers for the Settling Parties in the lawsuit negotiated this settlement, which they believe is in the best interests of their respective clients. The Settlement allows the Settling Parties to avoid the risks and cost of lengthy and uncertain litigation, the uncertainty of a trial and appeals, and permits Class Members to be compensated without further delay, while maintaining their rights to seek further remuneration from other potential defendants other than the Released Parties. Lead Plaintiff and his attorneys think the Settlement is best for all Class Members.

WHO GETS MONEY FROM THE SETTLEMENT?

To see if you will get money from the Settlement, you first have to determine if you are a Class Member.

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

The Court determined, for the purposes of the proposed Settlement only, that everyone who fits the following description and is not excluded by definition from the class (*see* question 6 below) is a member of the Class, or a “Class Member,” unless they take steps to exclude themselves:

All persons or entities that purchased or otherwise acquired CLD Tokens between July 25, 2017 and June 19, 2018, inclusive (the “Class Period”), while located within the United States at the time of their transaction, and were allegedly damaged thereby.

Merely because you are reading this Notice does not necessarily mean that you are a Class Member. Please check your records to see if you purchased or otherwise acquired CLD Tokens while located in the United States during the Class Period.

6. Are there exceptions to being included in the Class?

There are some people and entities that are excluded from the Class by definition. The excluded Persons are: the Defendants; all current or former officers or directors of Cloud With Me Ltd., its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Settling Defendant has or had a controlling interest; the members of the immediate families of the Defendants; the parents, subsidiaries, and affiliates of Cloud With Me Ltd.; and the legal representatives, heirs, successors, or assigns of any excluded Person. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of the Notice.

If you do not want to be a Class Member – for example if you want to bring your own lawsuit against the Defendants at your own expense for the claims that are being released as part of the Settlement – you must exclude yourself by filing a request for exclusion in accordance

with the requirements explained below.

You are a Class Member only if you purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. while located in the United States during the Class Period. If you are still not sure whether you are included, you can ask for free help by writing to or calling the Claims Administrator at *Balestra v. Cloud With Me Ltd.*, c/o Strategic Claims Services, 600 N. Jackson St., Suite 205, P.O. Box 230, Media, PA 19063, Toll-Free (866) 274-4004, info@strategicclaims.net. Or you can fill out and return the Proof of Claim and Release form described in Question 9 below to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU MAY RECEIVE

7. What does the settlement provide?

In the Settlement, Defendants have agreed to pay: i) US \$165,000 in cash; and (ii) any earnings on any such monies, which will be deposited in an interest-bearing escrow account for the benefit of the Class (the “Settlement Fund”). The Settlement Fund will be allocated on a *pro rata* basis, after deduction of court-awarded attorneys’ fees and expenses, settlement administration costs and any applicable taxes, among all Class Members who timely submit valid proofs of claim that are accepted for payment by the Court (“Authorized Claimants”).

8. How much will my payment be?

The Plan of Allocation discussed below explains how claimants’ “Recognized Claims” will be calculated. Your share of the Net Settlement Fund will depend on several things, including: (a) how many CLD Tokens you bought directly from Cloud With Me, Ltd.; (b) how much you paid for the CLD Tokens; (c) when you bought them; (d) whether or when you sold them (and, if so, for how much you sold them for); and (e) the amount of Recognized Claims of other Authorized Claimants.

It is unlikely that you will get a payment for your entire Recognized Claim, given the number of potential Class Members. After all Class Members have sent in their Proofs of Claim, the payment any Authorized Claimant will get will be their *pro rata* share of the Net Settlement Fund. An Authorized Claimant’s share will be his, her or its Recognized Claim divided by the total of all Authorized Claimants’ Recognized Claims and then multiplied by the total amount in the Net Settlement Fund. See the Plan of Allocation beginning on page 14 for more information.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

9. How can I get a payment?

To qualify for a payment, you must timely send in a valid Proof of Claim with supporting documents (**DO NOT SEND ORIGINALS** of your supporting documents). A Proof of Claim is enclosed with this Notice. You may also get copies of the Proof of Claim on the Internet at the Claims Administrator’s website: www.strategicclaims.net/CLD. Please read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and either email it to the Claims Administrator at info@strategicclaims.net by no later than 11:59

P.M. on _____, 2022, or mail it to the Claims Administrator at: *Balestra v. Cloud With Me Ltd.*, c/o Strategic Claims Services, 600 N. Jackson St., Suite 205, P.O. Box 230, Media, PA 19063, by First-Class Mail, postmarked on or before _____, 2022. The Claims Administrator needs all of the information requested in the Proof of Claim in order to determine if you are eligible to receive a distribution from the Net Settlement Fund.

If the Court approves the Settlement, there may still be appeals which would delay payment, perhaps for more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

10. What am I giving up by staying in the Class?

Unless you exclude yourself, you will stay in the Class, which means that as of the date that the Settlement becomes effective under the terms of the Stipulation (the “Effective Date”), you will forever give up and release all “Settled Claims” (as defined below) against the Released Parties. You will not in the future be able to bring a case asserting any Released Claim against any Released Party.

“Settled Claims” means any and all claims, debts, demands, rights, liabilities, and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert or consulting fees, and any other costs, expenses or liability whatsoever), whether known or “Unknown” (as defined below), whether based on federal, state, local, statutory, common or foreign law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or unliquidated, at law or in equity, and whether matured or un-matured, by the Releasing Parties against any of the Released Parties, which arise out of, or are based upon or related in any way to, the allegations, transactions, facts, reports, communications, occurrences, representations or omissions alleged in the Complaint. Excluded from Settled Claims are claims based upon, relating to, or arising out of the interpretation or enforcement of this Stipulation.

“Released Parties” means the Defendants, Defendants’ attorneys and their firms and affiliates, any entity in which any Defendant has a controlling interest, and the Defendants’ immediate family members, spouses and marital communities.

The above description of the proposed Settlement is only a summary. The complete terms may be obtained at www.strategicclaims.net/CLD. The Court may not approve the Settlement, or it may be terminated as outlined in the Stipulation. If the Settlement is not approved, or is terminated, the certification of the Class for settlement purposes will be vacated, and the Action will proceed as if the Stipulation had not been entered into.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to keep any right you may have to sue or continue to sue the Released Parties on your own about the Settled Claims, then you must take steps to exclude yourself from the Class. Excluding yourself is also known as “opting out” of the Class. The Defendants may withdraw from and terminate the Settlement if potential Class Members who purchased in excess

of a certain amount of CLD Tokens during the Class Period opt out of the Class.

11. How do I “opt out” (exclude myself) from the proposed Settlement?

To “opt out” (exclude yourself) from the Class, you must send a signed letter by First-Class Mail stating that you “request exclusion from the Class in *Balestra v. Cloud With Me Ltd.*, Case No. 2:18-cv-00804-MRH-LPL.” Your letter must state the date(s), price(s) and number of CLD Tokens you purchased, acquired and sold during the Class Period. You must also include documents evidencing such purchases, acquisitions and sales; such documents may include, but are not limited to, confirmation emails received from Cloud and blockchain transaction hashes for your purchase(s) and/or sales of CLD Tokens. This information is needed to determine whether you are a Class Member. In addition, you must include your name, address, telephone number, and your signature. You must mail your exclusion request by First-Class Mail to the Claims Administrator at the following address: *Balestra v. Cloud With Me Ltd.* – EXCLUSIONS, c/o Strategic Claims Services, 600 N. Jackson St., Suite 205, P.O. Box 230, Media, PA 19063. The exclusion request must be postmarked no later than _____, 2022. ***You cannot exclude yourself or opt out by telephone or by e-mail.*** Your exclusion request must comply with these requirements in order to be valid. If you are excluded, you will not be eligible to get any payment from the Settlement proceeds and you cannot object to the Settlement, the proposed Plan of Allocation or the application for attorneys’ fees and reimbursement of expenses.

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

No. If you are a Class Member, unless you exclude yourself, you give up any rights to sue the Defendants and the other Released Parties for all Settled Claims. If you have a pending lawsuit, speak to your lawyer in that case ***immediately***. You must exclude yourself from the Class in this case to continue your own lawsuit. Remember, the exclusion deadline is _____, 2022.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court appointed the law firms of Levi & Korsinsky, LLP and the Law Office of Alfred G. Yates PC to represent the Class Members. These lawyers are called Class Counsel. You will not be separately charged for these lawyers. The Court will determine the amount of Class Counsel’s fees and expenses. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

14. How will the lawyers be paid?

Class Counsel have not received any payment for their services in pursuing the claims against the Defendants on behalf of the Class, nor have they been reimbursed for their litigation expenses. At the Settlement Hearing described below, or at such other time as the Court may order, Class Counsel will ask the Court for an award of attorneys’ fees of no more than 33% of

the Settlement Fund, and to reimburse them for their litigation expenses that they have incurred in pursuing the Action. The request for reimbursement of expenses will be for an amount not to exceed \$10,000, exclusive of claims administration expenses. In addition, Lead Plaintiff may seek reimbursement from the Settlement Fund of up to \$2,000 for time and expenses (including lost wages) incurred in representing the Class.

Court approved attorneys' fees, costs and expenses will be paid from the Settlement Fund. Class Members are not personally liable for any such fees, costs or expenses. The requested attorneys' fees will compensate Class Counsel for their work in achieving the Settlement Fund and is within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court may award less than the requested amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

15. How do I tell the Court that I do not like the proposed Settlement, the proposed Plan of Allocation, and/or the application by Class Counsel for attorneys' fees and reimbursement of expenses?

If you are a Class Member (and you have not excluded yourself), you can object to the Settlement; the request for attorneys' fees, costs and expenses; or the Plan of Allocation if you do not like any part of them. You can give reasons why you think the Court should not approve the settlement; the request for attorneys' fees, costs and expenses; or the Plan of Allocation. The Court will consider your views.

To object, you must send to Class Counsel and Defendants' Counsel, and file with the Court, a signed notice of objection saying that you object to the proposed settlement *Balestra v. Cloud With Me Ltd.*, Case No. 2:18-cv-00804-MRH-LPL. Be sure to include your name; your address; your telephone number; your signature; the date(s), price(s) and number of all CLD Tokens purchased, acquired and sold by you during the Class Period; documents evidencing your purchase(s), acquisition(s) and sale(s) of CLD Tokens, such as confirmation emails received from Cloud or blockchain transaction hashes for your purchase(s) and/or sales of CLD Tokens; and the reasons you object to the Settlement, the requested attorneys' fees, costs and expenses, or the Plan of Allocation. This information is needed to demonstrate your membership in the Class. Your objection, and all supporting papers and briefs, must be mailed or delivered such that it is *received* by each of the following no later than _____, 2022:

<p><i>Class Counsel:</i> Donald J. Enright LEVI & KORSINSKY, LLP 1101 30th Street, N.W., Suite 115 Washington, DC 20007</p> <p>Alfred G. Yates, Jr. Law Office of Alfred G. Yates, Jr. P.C. 1574 McFarland Road, Suite 305 Pittsburgh, PA 15216</p>	<p><i>Defendants' Counsel:</i> Eric S. Rosen Kyle W. Roche Roche Freedman LLP 99 Park Avenue, Suite 1910 New York, New York 10016</p>
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Your objection, and all supporting papers and briefs, must also be filed with the Court at the address below no later than _____, 2022:

Clerk of the Court
U.S. District Court for the Western District of Pennsylvania
Joseph F. Weis, Jr. United States Courthouse
700 Grant Street
Pittsburgh, PA 15219

Attendance at the Settlement Fairness Hearing discussed below is not necessary; however, persons wishing to be heard orally at the hearing are required to indicate in their objection their intention to appear at the hearing, the identity of any witnesses they may call to testify, and the exhibits, if any, they intend to introduce into evidence. Unless otherwise ordered by the Court, any Class Member who does not object in the manner described in this Notice will be deemed to have waived any objection and will not be able to make any objection to the Settlement, the proposed Plan of Allocation, and/or the application for attorneys' fees and reimbursement of expenses in the future.

THE COURT'S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed settlement. You may attend, but you do not have to.

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

The Court will hold a Settlement Fairness Hearing on _____, 2022, at __:__, __.m. in Courtroom 6A of the United States District Court for the Western District of Pennsylvania, Joseph F. Weis, Jr. United States Courthouse, 700 Grant Street, Pittsburgh, PA 15219. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may listen to people who have asked to speak at the hearing. The Court will also decide whether to: (a) award Class Counsel attorneys' fees and expenses; (b) reimburse Lead Plaintiff the costs and expenses (including lost wages) he incurred in prosecuting this Action on behalf of the Class; and (c) approve the Plan of

Allocation as fair, reasonable and adequate. We do not know how long the hearing will take or whether the Court will make its decision on the day of the hearing or sometime later. The Court may adjourn or continue the hearing without further notice to Class Members. If you want to come to the hearing, you should check with Class Counsel before coming to be sure that the date and/or time has not changed.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to come at your own expense. If you validly submit an objection, it will be considered by the Court and you do not have to come to Court to talk about it. You may also pay your own lawyer to attend, but you are not required to do so.

18. May I speak at the hearing and submit additional evidence?

You may ask the Court for permission to speak at the hearing. To do so, you must include with your objection (*see* Question 15 above) a statement that it is your “intention to appear in the *Balestra v. Cloud With Me Ltd.*, Case No. 2:18-cv-00804-MRH-LPL.” Be sure to include your name; your address; your telephone number; your signature; the date(s), price(s) and number of all CLD Tokens purchased, acquired and sold by you during the Class Period; and documents evidencing your purchase(s), acquisition(s) and sale(s) of CLD Tokens, such as confirmation emails received from Cloud or blockchain transaction hashes for your purchase(s) and/or sales of CLD Tokens. Your notice of intention to appear must be *received* by Class Counsel and Defendants’ Counsel, and filed with the Clerk of Court, at the addresses listed in Question 15 no later than _____, 2022.

Persons who object and want to present evidence at the Settlement Hearing must also include in their written objection the identity of any witness they may call to testify and exhibits they intend to introduce at the Settlement Fairness Hearing. You cannot speak at the hearing if you excluded yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Fairness Hearing according to the procedures described above and in the answer to Question 15.

IF YOU DO NOTHING

If you are a Class Member and do nothing, you will still be a Class Member. However, you will get no money from this Settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants and the other Released Parties about the Settled Claims in this case. To be eligible to share in the Net Settlement Fund you must submit a Proof of Claim (*see* Question 9). To start, continue or be a part of any other lawsuit against the Defendants and the other Released Defendant Parties about the Settled Claims in this case you must exclude yourself from the Settlement Class (*see* Question 11).

GETTING MORE INFORMATION

This Notice summarizes the proposed Settlement. More details are in the Stipulation, which can be obtained from the Claims Administrator (*see* Question 6) or from the Settlement Website, www.strategicclaims.net/CLD, where you can also download copies of this Notice, the Proof of Claim form, and the Stipulation, and also locate other information to help you determine whether you are a Class Member and whether you may be eligible for a payment. ***Please do not call the Court or the Clerk of the Court for additional information about the Settlement.***

INJUNCTION

The Court has issued an order enjoining Lead Plaintiff and all Class Members, either directly, representatively, or in any other capacity, from instituting, commencing, assisting, maintaining or prosecuting any action in any court that asserts Settled Claims, pending final determination by the Court of whether the Settlement should be approved.

PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONGST CLASS MEMBERS

The Plan of Allocation (the “Plan of Allocation”) is the plan by which the Net Settlement Fund is distributed to Authorized Claimants. The Plan of Allocation set forth herein is being proposed by Lead Plaintiff and Class Counsel to the Court for approval. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. All Orders regarding a modification of the Plan of Allocation will be posted on the settlement website, www.strategicclaims.net/CLD.

I. General Provisions

The \$165,000 Settlement Amount plus any earnings on any such monies is referred to as the “Settlement Fund.” The “Net Settlement Fund” means the Settlement Fund less (i) all taxes on the income of the Settlement Fund and expenses and costs incurred in connection with the taxation of the Settlement Fund (including, without limitation, interest, penalties and the expenses of tax attorneys and accountants); (ii) all fees, costs and expenses paid or incurred in connection with the notice and administration of the Settlement; (iii) any attorneys’ fees and expenses awarded by the Court to Class Counsel; and (iv) any award by the Court to Lead Plaintiff for reimbursement of his reasonable costs and expenses directly related to his representation of the Class.

The Net Settlement Fund shall be distributed to each Class Member who timely submits a valid Proof of Claim to the Claims Administrator that is accepted for payment by the Court (“Authorized Claimant”). The Net Settlement Fund will not be distributed to Authorized Claimants until the Court has approved a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, of the order approving the plan of allocation has expired.

The Defendants are not entitled to get back any portion of the Settlement Fund once the Effective Date of the Settlement has occurred. The Defendants shall not have any liability,

obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.

Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved.

Only those persons and entities that purchased or otherwise acquired CLD Tokens while located in the United States during the Class Period **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES OR ACQUISITIONS** will be eligible to share in the distribution of the Net Settlement Fund. Each person or entity wishing to participate in the distribution must timely submit a valid Proof of Claim form establishing membership in the Class, including all required documentation, postmarked no later than _____, 2022, to the address set forth in the Proof of Claim form that accompanies this Notice. Unless the Court otherwise orders, any Class Member who fails to submit a Proof of Claim form postmarked no later than _____, 2022, shall be forever barred from receiving payments pursuant to the Settlement set forth in the Stipulation but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any judgment entered and releases given. This means that each Class Member releases the Settled Claims (as defined above) against the Released Parties (as defined above) and is barred and enjoined from commencing, instituting, assisting, prosecuting or maintaining any of the Settled Claims, regardless of whether or not such Class Member submits a Proof of Claim form. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Class Member.

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Class Counsel, or the Claims Administrator or other agent designated by Class Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. Lead Plaintiff, Defendants, their respective counsel, and all other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation, or the determination, administration, calculation, or payment of any Proof of Claim or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

A “Recognized Loss Amount” will be calculated for each purchase or other acquisition of CLD Tokens that is listed in the Proof of Claim form, and for which adequate documentation is provided. The calculation of the Recognized Loss Amount will depend upon several factors, including: (i) the number of CLD Tokens that were purchased or otherwise acquired from Cloud With Me, Ltd.; and (ii) whether the CLD Tokens are still being held by the Class Member or were sold. Once a Recognized Loss Amount has been calculated for each CLD Token purchased or otherwise acquired by a claimant during the Class Period, all Recognized Loss Amounts for that claimant will be summed to arrive at the claimant’s “Recognized Claim”.

The Recognized Loss Amount formula set forth below is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial, nor is it an

estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss Amount formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

II. Information Required on the Proof of Claim Form:

Each Proof of Claim form must state and provide sufficient documentation for each Claimant's total purchases of CLD Tokens from Cloud With Me, Ltd during the Class Period, as well as all sales of CLD Tokens at any time, and the Claimant's current holdings of CLD Tokens. Each Claim Form also must list and provide sufficient documentation for all purchases or other acquisitions of CLD Tokens from Cloud With Me, Ltd., as well as any sales of CLD Tokens at any time, such as confirmation emails received from Cloud, and blockchain transaction hashes for sales of CLD Tokens.

The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Class Members who suffered economic losses as a result of the alleged unlawful issuance of unregistered securities. The Plan of Allocation reflects Lead Plaintiff's determination of potentially recoverable losses based on an analysis undertaken by Class Counsel. Class Counsel's analysis included a review of publicly available information regarding Cloud With Me Ltd.

Recognized Loss Amounts are based on the amount claimant paid for their initial purchase of CLD tokens, less any amounts received if and when the CLD token was sold. In this case, Lead Plaintiff alleges that Defendants issued unregistered securities, in the form of CLD Tokens, in violation of the federal securities laws from July 25, 2017 through and including June 19, 2018.

III. Specific Loss Amounts

The Recognized Loss Amount per CLD token, which is based on the amount claimant paid for their initial purchase of CLD token, less any amounts received if and when the CLD token was sold as set forth below, shall be calculated as follows, and cannot be less than zero:

- 1) For each CLD Token purchased directly from Cloud With Me, Ltd. and subsequently sold, the Recognized Loss per CLD Token shall be the purchase price minus the sale price.
- 2) For each CLD Token purchased directly from Cloud With Me, Ltd. during the Class Period that is still held at the time of the submission of a claim, the Recognized Loss per CLD Token shall be the purchase price.

IV. Additional Provisions

The Net Settlement Fund will be distributed to Authorized Claimants who have a Recognized Claim greater than \$10.00. Each Authorized Claimant shall recover his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of all Recognized Claims to be paid from the Net Settlement Fund, multiplied by the total amount in the Net Settlement Fund.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. All checks shall become stale one hundred and twenty (120) calendar days from the date of issuance, at which time all funds remaining for such stale checks shall be irrevocably forfeited and such funds shall be made available to be redistributed if economically feasible. Subsequent to the passage of six (6) months from the distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator will conduct a redistribution of any funds remaining in the Net Settlement Fund by reason of tax refunds, uncashed checks or otherwise to Authorized Claimants who have cashed their initial distribution checks, after payment from the Net Settlement Fund of any unpaid costs or fees incurred in administering the funds, including for such re-distribution. After any redistribution, or if a redistribution is not undertaken, any balance that still remains in the Settlement Fund shall be donated to a non-sectarian, §501(c)(3) non-profit organization.

All purchases/acquisitions and sales shall be matched on a First In, First Out (“FIFO”) basis. Class Period sales will be matched first against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period. Purchases or acquisitions and sales of CLD Tokens shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of CLD Tokens during the Class Period shall not be deemed a purchase or acquisition of these CLD Tokens for the calculation of an Authorized Claimant’s Recognized Loss Amount for these shares, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such CLD Tokens unless: (i) the donor or decedent purchased or otherwise acquired such CLD Tokens during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such CLD Tokens; and (iii) the assignment is specifically provided for in the instrument of gift or assignment.

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THE COURT IN CHARGE OF THIS CASE MUST DECIDE WHETHER TO APPROVE THE SETTLEMENT. PAYMENTS WILL BE MADE IF THE COURT APPROVES THE SETTLEMENT AND, IF THERE ARE ANY APPEALS, AFTER APPEALS ARE RESOLVED. PLEASE BE PATIENT.

Each Authorized Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Western District of Pennsylvania with respect to his, her or its Claim Form.

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

Dated: _____, 202w
COURT

BY ORDER OF THE

HON. MARK R. HORNAK, CHIEF U.S.D.J.
UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF PENNSYLVANIA

EXHIBIT A-2

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

SUMMARY NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

[EXHIBIT A-2]

TO: ALL PERSONS OR ENTITIES THAT PURCHASED OR OTHERWISE ACQUIRED CLD TOKENS DIRECTLY FROM CLOUD WITH ME, LTD. BETWEEN JULY 25, 2017 AND JUNE 19, 2018, INCLUSIVE (THE "CLASS PERIOD"), WHILE LOCATED WITHIN THE UNITED STATES, AND WERE DAMAGED THEREBY (THE "CLASS").

THIS NOTICE WAS AUTHORIZED BY THE COURT. PLEASE READ IT CAREFULLY.

YOU ARE HEREBY NOTIFIED that a hearing will be held on ____, 2022 at ____ .m. before the Hon. Mark R. Hornak of the United States District Court for the Western District of Pennsylvania at the Joseph F. Weis, Jr. United States Courthouse, 700 Grant Street, Pittsburgh, PA 15219, to determine whether, among other things: (1) the proposed settlement (the "Settlement") with Cloud With Me Ltd., Gilad Somjen, and Asaf Zamir (the "Defendants") for \$165,000 in cash plus any earnings on any such monies should be approved by the Court as fair, reasonable, and adequate; (2) the proposed Final Judgment, dismissing and releasing various claims against the Settling Defendants, as provided for by the settling parties' Stipulation and Agreement of Settlement ("Stipulation"), should be entered; (3) the Proposed Plan

of Allocation should be approved; and (4) an award of attorneys' fees and expenses from the Settlement proceeds should be made.

This litigation is a securities class action brought on behalf of those who purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. during the Class Period while located within the United States and were allegedly damaged thereby (the "Class Members") against the Defendants for allegedly issuing unregistered securities in violation of the federal securities laws. Lead Plaintiff alleges that these caused damages to Class Members. The Settling Defendants deny all of Lead Plaintiff's allegations.

IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS MAY BE AFFECTED BY THE PROPOSED SETTLEMENT, AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND.

To be eligible to share in the distribution of the proposed Settlement Fund, you must establish your rights to do so by submitting a Proof of Claim form to the Claims Administrator so that it is postmarked no later than _____, 2022. Your failure to do so will preclude you from receiving any portion of the Settlement. Any objections to the proposed Settlement, Plan of Allocation, or application for an award of attorneys' fees and expenses must be filed and delivered to Class Counsel and Defendants' Counsel at the addresses below as well as the Court: Clerk of the Court, U.S. District Court for the Western District of N.Y., Joseph F. Weis, Jr. United States Courthouse, 700 Grant Street, Pittsburgh, PA 15219 no later than _____, 2022, in the manner and form explained in the full printed "Notice of Pendency and Proposed Settlement of Class Action" (the "Notice").

IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A WRITTEN REQUEST FOR EXCLUSION POSTMARKED NO LATER THAN _____, 2022, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE. IF YOU ARE A CLASS MEMBER AND DO NOT REQUEST EXCLUSION THEREFROM, YOU WILL BE BOUND BY THE SETTLEMENT

AND BY ANY FINAL JUDGMENT ENTERED IN THIS MATTER WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

You may obtain the Notice as well as a copy of the Stipulation (which, among other things, contains definitions for the defined terms used in this Summary Notice) and the proposed Final Judgment, online at www.strategicclaims.net/CLD or by writing to the Claims Administrator:

Balestra v. Cloud With Me, Ltd.
c/o Strategic Claims Services
600 N. Jackson Street, Suite 205
P.O. Box 230
Media, PA 19063
info@strategicclaims.net

PLEASE *DO NOT* CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE. Inquiries, other than requests for the Notice or for a Proof of Claim form, may be made to Lead Counsel or Settling Defendants' Counsel:

Lead Counsel for Lead Plaintiff

Alfred G. Yates, Jr.
Law Office of Alfred G.
Yates, Jr. P.C.
1575 McFarland Road, Suite 305
Pittsburgh, PA 15216

Donald J. Enright
LEVI & KORSINSKY LLP
1101 30th Street, N.W., Suite 115
Washington, DC 20007

Defendants' Counsel:

Eric S. Rosen
Kyle W. Roche
Roche Freedman LLP
99 Park Avenue, Suite 1910
New York, New York 10016

Dated: _____, 2022

HON. MARK R. HORNAK
CHIEF U.S. DISTRICT COURT JUDGE

EXHIBIT A-3

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

PROOF OF CLAIM FORM

[EXHIBIT A-3]

THIS FORM MUST BE POSTMARKED BY _____, 2021

IF YOU PURCHASED OR OTHERWISE ACQUIRED CLD TOKENS DIRECTLY FROM CLOUD WITH ME, LTD. BETWEEN JULY 25, 2017 AND JUNE 19, 2018, INCLUSIVE, WHILE LOCATED WITHIN THE UNITED STATES, YOU MAY BE A MEMBER OF THE CLASS ENTITLED TO RECOVERY. YOU MUST COMPLETE THIS FORM TO RECEIVE PAYMENT AS PART OF THE CLASS ACTION SETTLEMENT.

I. GENERAL INSTRUCTIONS

A. To recover as a member of the Class based on your claims in the action entitled *Balestra v. Cloud With Me, Ltd.*, Case No. 2:18-cv-00804-MRH-LPL (W.D. Pa) (the “Litigation”), you must complete and, on page 7 hereof, sign this Proof of Claim form. If you fail to file a properly addressed Proof of Claim form (as set forth in paragraph C below), your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed Settlement of the Litigation.

B. Submission of this Proof of Claim form, however, does not assure that you will share in the proceeds of Settlement in the Litigation.

C. YOU MUST EMAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE TO THE CLAIMS ADMINISTRATOR AT INFO@STRATEGICCLAIMS.NET NO LATER THAN 11:59 P.M. EST ON _____, 2022, OR YOU MUST MAIL IT SO THAT IT IS POSTMARKED ON OR BEFORE _____, 2022, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS: BALESTRA V. CLOUD WITH ME, LTD., C/O STRATEGIC CLAIMS SERVICES, 600 N. JACKSON STREET, SUITE 205, MEDIA, PA 19063.

You will bear all risks of delay or non-delivery of your claim. If you are NOT a member of the Class, as defined in the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”), DO NOT submit a Proof of Claim form.

D. If you are a member of the Class, you are bound by the terms of any judgment entered in the litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM FORM.

II. PROOF OF CLAIM INSTRUCTIONS

1. The “Class” is defined as all persons or entities that purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 and June 19, 2018, inclusive, while located within the United States, and that were allegedly damaged thereby. Excluded from the Class are: the Defendants; all current or former officers or directors of Cloud With Me, Ltd., its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Settling Defendant has or had a controlling interest; the members of the immediate families of the Defendants; the parents, subsidiaries and affiliates of Cloud With Me, Ltd.; and the legal representatives, heirs, successors, or assigns of any excluded Person. The Class shall be certified for purposes of this Settlement only. Also excluded from the Class will be any Person who timely and validly seeks exclusion from the Class in accordance with the requirements of the Notice.
2. If you are a member of the Class, to be eligible to receive funds to which you may be entitled, you must provide the information required by this form (the “Proof of Claim”) and submit a release. If you fail to timely submit a Proof of Claim or provide necessary supporting documentation, your claim may be rejected and you may be precluded from any recovery from the Settlement (as defined in the Notice of Claims Bar Date).
3. Submission of this Proof of Claim, however, does not guarantee that you will receive a share of the Settlement or that you will be fully compensated for your loss.
4. Please fill out this Proof of Claim form completely. Please submit only one Proof of Claim form, even if you purchased CLD Tokens to the ICO multiple times. Additional information will be requested if this form is incomplete or insufficient to process your claim. In the event that additional information is required, you must provide the requested information to the Claims Administrator or else your claim may not be processed.
5. Please submit documents to support your claim. Types of documents that you may submit include, but are not limited to, email correspondence with the defendants, screen shots, customer support chat transcripts, or account records. You should submit sufficient evidence to establish the validity and amount of your contribution or other claim.
6. This form requires you to specifically identify all amounts contributed to the ICO or that you are otherwise seeking to recover from the Settlement, as well as any amounts you may have received back from the defendants. Please do not include claims for transactions that were not completed.
7. This Proof of Claim should be filed by the beneficial owner of the CLD Tokens. If you are acting in a representative capacity for the beneficial owner of the CLD Tokens (e.g. as an agent, executor, administrator, guardian, or trustee), proof of your authority to file must be included with the Proof of Claim. Such proof may include, but is not limited to, letters testamentary, copies of trust documents, and articles of incorporation.
8. Please email your completed and signed Proof of Claim to the Claims Administrator at info@strategicclaims.net no later than 11:59 P.M. EST on _____, 2022. If you prefer to mail your completed and signed Proof of Claim, it must be postmarked on or before _____, 2021, and addressed to the Claims Administrator as follows: *Balestra v. Cloud With Me, Ltd.*, c/o Strategic Claims Services, 600 N. Jackson St., Suite 205, Media, PA 19063.
9. Please be aware that it will take time to fully process all of the claims and that we will work as quickly as circumstances permit.
10. Once completed, the Claim Determination will be sent via email. Any Claim Determination may be objected to by emailing the Claims Administrator at info@strategicclaims.net on or

before 11:59 pm EST on the date that is 10 days after the date the Claims Administrator sent the Claim Determination to you.

11. We will continue to update you through the Claims Administrator's website: www.strategicclaims.net/CLD.
12. If your contact information changes, please notify us at info@strategicclaims.net.

FORM

Contact Information

Name:	
Name:	
Address Street 1:	
Address Street 2:	
City:	
State:	
Country:	
Zip Code/Postal Code:	
Daytime Phone:	
Evening Phone:	
Email:	
Social Security Number or Taxpayer ID	

Schedule of Transactions in CLD Tokens During the Class Period

- A. Please list the total number of CLD Tokens you held as of close of July 24, 2017 (*if none, write "0"; if more than 0, must be documented*): _____
- B. Please list the following information for each of your purchases or acquisitions of CLD Tokens between July 25, 2017 and at the time of the claim submission, both dates inclusive (*must be documented*)¹:

<u>Date of Purchase/ Acquisition</u>	<u>Number of CLD Tokens</u>	<u>Price per CLD Token</u>	<u>Total Purchase/ Acquisition Price</u>	<u>Currency</u>	<u>Transaction Confirmation #</u>

¹ Please note that purchases or acquisitions of CLD Tokens between June 19, 2018 are not eligible; however, the transactions are required for balancing purposes.

C. Please list the following information for each of your sales of CLD Tokens between July 25, 2017 and at the time of the claim submission (*must be documented*):

<u>Date of Sale</u>	<u>Number of CLD Tokens</u>	<u>Price per CLD Token</u>	<u>Total Sale Price</u>	<u>Currency</u>	<u>Transaction Confirmation #</u>

D. Please list the total number of CLD Tokens you held as of close of today (*if none, write "0"; if more than 0, must be documented*): _____

Additional Claim Information

Did you contribute to the Cloud With Me, Ltd. ICO?	Yes/No
What email address did you provide to Cloud With Me, Ltd., if any?	
What was the Cloud With Me, Ltd. wallet address, account name, or account number that your contribution was sent to?	
What was the contributor wallet address, account name, or account number that the contribution was sent from?	
If you contributed to the ICO in cryptocurrency, what was the type of currency and the transaction identification number, if any? What was the Cloud With Me, Ltd. wallet address, account name, or account number that your contribution was sent to?	
If you contributed in USD, what was the confirmation number, if any? What was the contributor wallet address, account name, or account number that the contribution	

was sent from?	
How much currency, if any, was returned to you by Cloud With Me, Ltd.?	
How many of the CLD Tokens that you purchased from Cloud With Me, Ltd. did you sell, and how much currency or cryptocurrency did you recover through that sale or sales?	

Claim Documentation

Check here to confirm that you have attached supporting documentation for each of the purchases, acquisitions, sales, and holdings of CLD Tokens listed in the Schedule of Transactions above.	
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Acknowledgement of Claimant

By submitting this form, the claimant acknowledges and agrees that she or he submits to the exclusive jurisdiction of the United States District Court for the Western District of Pennsylvania (the “Court”) for all purposes associated with the administration of this Proof of Claim. The claimant agrees to waive a trial by jury, to the extent such a right exists, and agrees to the Court’s summary disposition of the determination of the validity or the amount of the claim by this Proof of Claim form. The claimant further consents to the Claims Administrator and its agents’ use of any information provided in this Proof of Claim, including but not limited to, Social Security Number or Taxpayer ID, mailing address, email, wallet address and phone number to verify and process the claim, and understands that the information provided will be processed in the United States, protected by appropriate safeguards, stored for as long as is required to complete the claim verification process and during the pendency of any related judicial proceedings, and shared with agents of the Claims Administrator for purposes of verifying and responding to the claim.

Release:

A. I/We hereby warrant and represent that I/we have read the Notice, Proof of Claim, and the Stipulation and Agreement of Settlement, dated _____, 2022 (the “Stipulation”) and understand that, pursuant to ¶ 2.a of the Stipulation and through operation of the final judgment to be entered by the Court, I/we shall have fully and finally relinquished all Settled Claims against the Released Parties as set forth in ¶ 2.a of the Stipulation and the defined terms set forth therein. I/We further acknowledge and agree that I am/we are bound by and subject to the terms of any judgment that may be entered in the Litigation, including without limitation, the release of claims against the Released Parties as set forth in ¶ 2.a of the Stipulation and the defined terms set forth therein.

- B. “Effective Date” has the meaning set forth in the Stipulation.
- C. “Released Parties” has the meaning set forth in the Stipulation.

- D. "Settled Claims" has the meaning set forth in the Stipulation.
- E. "Unknown Claims" has the meaning set forth in the Stipulation.
- F. This release shall be of no force or effect unless and until the Court approves the Stipulation of Settlement and the Stipulation becomes effective on the Effective Date (as defined in the Stipulation).
- G. I/We hereby warrant and represent that I/we have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.
- H. I/We hereby warrant and represent that I/we have included information about all of my/our transactions in CLD Tokens which occurred during the Class Period.

Certification

UNDER THE PENALTY OF PERJURY, I/WE CERTIFY THAT:

A. The number shown on this form is my/our correct Social Security or Taxpayer Identification number.

B. I/We certify that I am/we are NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(C) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, you must cross out the word "NOT" in the sentence above.

C. I/We declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned and any supporting documents attached hereto are true, correct and complete to the best of my/our knowledge, information and belief, and that this Proof of Claim form was executed this _____ day of _____ ,

in _____, _____ (Month/Year)
 (City) (State/Country)

 Signature of Claimant

 Signature of person signing
 on behalf of Claimant

 (Print your name here)

 (Print your name here)

 Signature of Joint Claimant, if any

 Capacity of person signing on behalf of
 Claimant, if other than an individual, (e.g.,
 Executor, President, Custodian, etc.)

 (Print your name here)

EXHIBIT B

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA**

RAYMOND BALESTRA, individually and
on behalf of all others similarly situated,

Plaintiff,

v.

CLOUD WITH ME LTD., GILAD
SOMJEN, and ASAF ZAMIR,

Defendants.

Case No. 2:18-cv-00804-MRH-LPL

CLASS ACTION

[PROPOSED] FINAL JUDGMENT

[EXHIBIT B]

WHEREAS, on _____, 2022 Lead Plaintiff, on behalf of himself and the Class, entered into a Stipulation and Agreement of Settlement (the “Stipulation”) with the Settling Defendants (collectively, with Lead Plaintiff, the “Settling Parties”), which has been filed with the Court;

WHEREAS, on _____, 2022, the Court entered its Order for Notice and Hearing, which conditionally certified the Class for settlement purposes only, and approved the issuance of postcard notice to the Class (which included, *inter alia*, notice of the proposed Settlement, notice of the time, date and location of the Settlement Fairness Hearing to be held before this Court on _____, 2022 notice of each putative class member’s rights to object to the Settlement or to seek exclusion from the Class, as well as the website for the Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and Proof of Claim);

WHEREAS, said Notice was duly issued, Lead Plaintiff has moved for final approval of the Settlement, and the Court has conducted the Settlement Fairness Hearing, all in accordance with the Court’s prior Order for Notice and Hearing;

WHEREAS, all interested Persons have been afforded the opportunity to be heard at the Settlement Fairness Hearing and/or in writing, as provided for in the Notice; and

WHEREAS, this Court has duly considered Lead Plaintiff's motion for final approval of the Settlement, the affidavits, declarations and memoranda of law submitted in support thereof, and all of the submissions and arguments presented with respect to the proposed Settlement (including those presented at the Settlement Fairness Hearing) to determine if the Settlement and the terms and provisions of the Stipulation are fair, reasonable and adequate, and whether a Final Judgment should be entered in this Action based upon the Stipulation;

NOW THEREFORE, after due deliberation, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all capitalized terms used in this Judgment that are not otherwise defined herein shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction of the subject matter of this Action and over all of the Settling Parties and all Class Members.

3. All the requirements of settlement class certification under Rule 23 of the Federal Rules of Civil Procedure are met, and therefore this Action is properly maintained as a class action for purposes of settlement only and the Class is properly certified. The Class is defined as:

[A]ll all persons or entities that purchased or otherwise acquired CLD Tokens directly from Cloud With Me, Ltd. between July 25, 2017 through June 19, 2018, inclusive, while located within the United States at the time of their transaction(s), and that were allegedly damaged thereby. Excluded from the Class are: the Defendants; all current or former officers or directors of Cloud With Me, Ltd., its affiliates, parents or subsidiaries; any corporation, trust or other entity in which any Settling Defendant has or had a

controlling interest; the members of the immediate families of the Defendants; the parents, subsidiaries and affiliates of Cloud With Me, Ltd.; and the legal representatives, heirs, successors, or assigns of any excluded Person. Also excluded from the Class will be any Person who has timely and validly sought exclusion from the Class in accordance with the requirements of the Notice.

4. With respect to the Class, for purposes of the Settlement only, the Court affirms its earlier preliminary findings in the Order for Notice and Hearing, and hereby finally finds and determines that: (a) the Class Members are so numerous that their joinder in the Action is impracticable; (b) there are questions of law and fact common to the Class; (c) Lead Plaintiff's claims are typical of the claims of the Class Members; (d) Lead Plaintiff and Class Counsel have fairly and adequately represented and protected the interests of the Class Members; (e) the questions of law or fact, common to the members of the Class, predominate over any questions affecting only individual members; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

5. The form, content, and method of dissemination of Notice given to the Class was adequate and reasonable and constituted the best notice practicable under the circumstances.

6. Notice, as given, (a) complied with the requirements of Rule 23 of the Federal Rules of Civil Procedure, the Securities Act of 1933, as amended by the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §77z-1(a)(7), and the provisions of this Court's Order for Notice and Hearing, and (b) satisfied the requirements of due process, and (c) otherwise constituted due and sufficient notice to the Class of the matters set forth herein.

7. The proposed Settlement of the Action as to the Settling Parties on the terms and conditions set forth in the Stipulation is fair, reasonable and adequate, and in the best interests of the Class, and they shall be consummated in accordance with the terms and

provisions of the Stipulation. In making this determination, the Court has considered both the process by which the Settlement was negotiated and the substantive fairness of the agreed-upon terms in light of the circumstances of the litigation. More specifically:

(a) The Court finds that the Settlement was negotiated vigorously and at arm's-length by the Settling Parties and their experienced counsel and that the Stipulation has been entered into in good faith and is not collusive.

(b) The Court has evaluated the Settlement under the factors set forth by the Third Circuit in *Girsh v. Jepson*, 521 F.2d 153, 157 (3d Cir. 1975) and expanded upon in *In re Prudential Ins. Co. Am. Sales Practice Litig. Agent Actions*, 148 F.3d 283, 323 (3d Cir. 1998): (1) the complexity, expense and likely duration of the litigation; (2) the reaction of the class to the settlement; (3) the stage of the proceedings and the amount of discovery completed; (4) the risks of establishing liability; (5) the risks of establishing damages; (6) the risks of maintaining the class action through the trial; (7) the ability of the Defendants to withstand a greater judgment; (8) the range of reasonableness of the settlement fund in light of the best possible recovery; (9) the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation; (10) the maturity of the underlying substantive issues, as measured by experience in adjudicating individual actions, the development of scientific knowledge, the extent of discovery on the merits, and other factors that bear on the ability to assess the probable outcome of a trial on the merits of liability and individual damages; (11) the existence and probable outcome of claims by other classes and subclasses; (12) the comparison between the results achieved by the settlement for individual class or subclass members and the results achieved—or likely to be achieved—for other claimants; (13) whether class or subclass members are accorded the right to opt out of

the settlement; (14) whether any provisions for attorneys' fees are reasonable; and (15) whether the procedure for processing individual claims under the settlement is fair and reasonable. Based on its analysis of these factors, both individually and in the aggregate, the Court finds that the Settlement is substantively fair, reasonable, and adequate and in the best interests of the Class. The Court takes no position on the merits of either Lead Plaintiff's claims or Settling Defendants' asserted defenses to liability, but notes that their respective arguments on such matters provide further evidence in support of the fairness, reasonableness and adequacy of the Settlement.

8. The Court finds that (i) adequate notice has been given to all persons of the Settlement Fund; and (ii) the Court is expressly authorized by law to grant such approval.

9. The Class Action Complaint, filed on June 19, 2018, ECF No. 1, is hereby dismissed with prejudice as to all Settling Defendants, and without costs to any Settling Party, except as otherwise provided in the Stipulation.

10. The Court further finds that during the course of the Action, the Settling Parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

11. Upon the Effective Date of the Settlement, Lead Plaintiff and all Class Members, on behalf of themselves and each of the Releasing Parties: (a) shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged all Settled Claims, regardless of whether such Class Member executes and delivers a Proof of Claim; (b) shall forever be enjoined from instituting, commencing, assisting (unless required by subpoena or other operation of law), maintaining or prosecuting any Settled Claim; and (c) agree and covenant not to sue any of the Released

Parties on the basis of any Settled Claims or to assist any third-party in commencing or maintaining any suit related to any Settled Claims.

12. Upon the Effective Date of the Settlement, each of the Settling Defendants and the Released Parties: (a) shall be deemed to have, and by operation of this Final Judgment shall have, fully, finally, and forever released and discharged each and all of the Released Plaintiff Parties from each and every one of the Settled Defendants' Claims; (b) shall forever be enjoined from instituting, commencing, assisting, maintaining or prosecuting the Settled Defendants' Claims; and (c) agree and covenant not to sue any of the Released Plaintiff Parties on the basis of any Settled Defendants' Claims or to assist any third-party in commencing or maintaining any suit against the Released Plaintiff Parties related to any Settled Defendants' Claims.

13. All Class Members who have not made their objections to the Settlement in the manner provided in the Notice are deemed to have waived any objections by appeal, collateral attack, or otherwise.

14. All Class Members who have failed to properly file a Request for Exclusion (a/k/a a request to opt-out) from the Class are bound by the terms and conditions of the Stipulation and this Final Judgment and release and forever discharge the Released Parties from all Settled Claims as provided in the Stipulation and herein. A list of all Persons, if any, who have validly and timely filed a Request for Exclusion is attached hereto as Exhibit 1.

15. Upon the Effective Date of the Settlement, all Releasing Parties shall be forever barred and permanently enjoined from instituting, commencing, assisting (unless required by subpoena or other operation of law), maintaining, or prosecuting in any court or tribunal any of the Settled Claims against any Released Party.

16. Upon the Effective Date of the Settlement, all Released Parties are hereby barred

and permanently enjoined from instituting, commencing, assisting, maintaining, or prosecuting in any court or tribunal any of the Settled Defendants' Claims against any of the Released Plaintiff Parties.

17. Each Class Member, whether or not such Class Member executed and delivered a Proof of Claim, is bound by this Judgment, including, without limitation, the release of claims as set forth in the Stipulation.

18. Each of the Released Parties, by virtue of this Final Judgment, is hereby discharged from all claims for contribution, by any person or entity, arising out of the Action or the Settled Claims. Accordingly, the Court hereby bars all claims for contribution arising out of the Action: (a) against any Settling Defendant by any Person or entity; and (b) by any Settling Defendant against any Person or entity. However, nothing herein shall release, discharge or waive in any respect any rights or claims of any Settling Defendant or the Released Parties against their insurers (or their insurers' subsidiaries, predecessors, successors, assigns, affiliates, or representatives), and nothing herein constitutes or reflects a waiver or release of any rights or claims relating to indemnification, advancement, or any undertakings by an indemnified party to repay amounts advanced or paid by way of indemnification or otherwise.

19. The Plan of Allocation set forth in the Notice is approved as fair and reasonable, and Lead Counsel is directed to arrange for the administration of the Settlement in accordance with its terms and provisions. Any modification or change in the Plan of Allocation that may hereafter be approved shall in no way disturb or affect this Final Judgment or the releases provided hereunder and shall be considered separate from this Final Judgment.

20. The administration of the Settlement, and the decision of all disputed questions of law and fact with respect to the validity of any claim or right of any Person to participate in

the distribution of the Net Settlement Fund, shall remain under the authority and jurisdiction of this Court.

21. Without any further order of the Court, the Settling Parties may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

22. The Court shall enter a separate order regarding the Fee and Expense Application. Such order shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

23. The Court hereby decrees that neither the Stipulation nor this Final Judgment nor the fact of the Settlement is an admission or concession by the Released Parties, or any of them, of any liability or wrongdoing. This Final Judgment is not a finding of the validity or invalidity of any of the claims asserted, or defenses raised in the Action. Neither the Stipulation nor this Final Judgment nor the fact of Settlement, nor the settlement proceedings, nor the settlement negotiations, nor any related documents shall be offered or received in evidence as an admission, concession, presumption, or inference against any of the Released Parties in any proceeding, other than such proceedings as may be necessary to consummate or enforce the Stipulation, or in an action or proceeding to determine the availability, scope, or extent of insurance coverage (or reinsurance related to such coverage) for the sums expended for the Settlement and defense of this Action.

24. In the event the Settlement is terminated in accordance with its terms, is vacated, is not approved, or the Effective Date fails to occur for any reason: (a) this Final Judgment shall be rendered null and void and shall be vacated *nunc pro tunc* to the extent provided by and in accordance with the Stipulation; (b) all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation;

and (c) this Action shall proceed as provided in the Stipulation.

25. Without affecting the finality of this Judgment in any way, the Court hereby retains continuing jurisdiction over: (a) implementation of the Stipulation and this Final Judgment; (b) the allowance, disallowance or adjustment of any Class Member's claim on equitable grounds, and any award or distribution of the Settlement Fund; (c) disposition of the Settlement Fund; (d) hearing and determination of applications for attorneys' fees, costs, interest and reimbursement of expenses in the Action; (e) all Settling Parties for the purpose of construing, enforcing and administering the Settlement and this Judgment; and (f) other matters related or ancillary to the foregoing.

26. There is no just reason for delay in the entry of the Judgment, and immediate entry thereof by the Clerk of Court is expressly directed.

Dated: _____, 2022

HON. MARK R. HORNAK
CHIEF U.S. DISTRICT COURT JUDGE