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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GEORGE BARNEY, Individually and
on behalf of all others similarly
situated,

Plaintiff,

v.

NOVA LIFESTYLE, INC., THANH
H. LAM, YA MING WONG,
JEFFERY CHUANG, and YUEN
CHING HO,

Defendants.

No. 2:18-cv-10725-TJH(AFMx)

CLASS ACTION

RENEWED STIPULATION OF SETTLEMENT

This Stipulation of Settlement (together with all Exhibits thereto) (the “Stipulation”), dated as of March 24, 2023 entered into by and through the undersigned attorneys for: (i) Lead Plaintiffs Richard Deutner and ITENT EDV Dienstleistungs GmbH (“Lead Plaintiffs”), on behalf of themselves and the Settlement Class (as defined herein), and (ii) Nova LifeStyle, Inc., Thanh H. Lam,

1 and Jeffrey Chuang (“Settling Defendants” and together with Lead Plaintiffs, the
2 “Parties”), states all the terms of the settlement and resolution of this matter and is
3 intended to fully and finally release, resolve, remise, and discharge the Released
4 Claims (as defined herein) against the Released Parties (as defined herein), subject
5 to the approval of the Court.

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

9 **WHEREAS:**

10 **A. The Action**

11 George Barney commenced this action in the Court on December 28, 2018,
12 alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of
13 1934 (“Exchange Act”) against Nova Lifestyle, Inc. (“Nova” or the “Company”),
14 Thanh H. Lam, Ya Ming Wong, Jeffery Chuang, and Yuen Ching Ho (Dkt. No.
15 1).

16 On March 27, 2019, the Court appointed Richard Deutner and ITENT EDV
17 Dienstleistungs GmbH as Lead Plaintiffs and The Rosen Law Firm, P.A. as Lead
18 Counsel pursuant to the Private Securities Litigation Reform Act of 1995
19 (“PSLRA”) (Dkt. No. 16).

20 On June 18, 2019, Lead Plaintiffs filed the operative Amended Class Action
21 Complaint (“Amended Complaint”) (Dkt. No. 32). Violations of Sections 10(b)
22 and 20(a) of the Exchange Act were alleged in the Amended Complaint.

23 On August 2, 2019, Settling Defendants filed their motion to dismiss the
24 Amended Complaint (Dkt. No. 33). Ya Ming Wong and Yuen Ching Ho were not
25 served and never filed a responsive pleading. On September 16, 2019, Lead
26 Plaintiffs filed their opposition to Settling Defendants’ motion to dismiss (Dkt.
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1 No. 37). On October 4, 2019, Settling Defendants filed their reply in support of
2 their motion to dismiss (Dkt. No. 43).

3 On December 2, 2019, the Court denied the motion to dismiss (Dkt. No.
4 45). Settling Defendants filed their Answer to the Amended Complaint with
5 Affirmative Defenses on December 16, 2019 (Dkt. No. 46).

6 Lead Plaintiffs served requests for production of documents on Settling
7 Defendants, to which Settling Defendants served responses and objections,
8 including a production of documents in October 2020. In February 2021, Settling
9 Defendants served requests for production of documents and interrogatories on
10 Lead Plaintiffs, to which Lead Plaintiffs responded on March 15, 2021. On March
11 5, 2021, Lead Plaintiffs requested issuance of letters rogatory for judicial
12 assistance from the Chief Secretary for Administration in Hong Kong and the
13 Ministry of Justice of China in Beijing to obtain testimonial and documentary
14 evidence from three non-party witnesses.

15 On April 9, 2021, Lead Plaintiffs filed a motion for class certification (Dkt.
16 No. 59). On April 14, 2021, the Parties filed a stipulation to continue the pretrial
17 conference and the hearing on Lead Plaintiffs' motion for class certification
18 because, *inter alia*, the Parties scheduled a mediation for May 12, 2021 (Dkt. No.
19 60). That same day, the Court entered an Order continuing the final pretrial
20 conference 120 days and continuing the hearing on Lead Plaintiffs' motion for
21 class certification until July 12, 2021 (Dkt. No. 61).

22 **B. The Settlement**

23 In early 2021, the Parties began to discuss mediation and engaged Jed
24 Melnick, Esq. of JAMS, a well-respected mediator. The Parties exchanged
25 detailed mediation statements on or around May 5, 2021. The Parties then
26 attended a virtual mediation with Mr. Melnick on May 12, 2021. At the end of the
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1 mediation, Mr. Melnick made a mediator’s proposal to resolve the matter, which
2 was accepted by both Parties.

3 This Stipulation memorializes the agreement between the Parties to fully
4 and finally settle the Action and to fully release all Released Claims against
5 Settling Defendants and the Released Parties with prejudice in return for the
6 consideration specified herein.

7 **C. Settling Defendants’ Denial of Wrongdoing and Liability**

8 Throughout the course of the Action, and in this Stipulation, Settling
9 Defendants have denied and continue to deny each, any, and all allegations of
10 wrongdoing, fault, liability, or damage whatsoever that have or could have been
11 asserted in the Action. Settling Defendants have also denied and continue to
12 deny, *inter alia*, the allegations and claims that have been or could have been
13 asserted by Lead Plaintiffs, as well as the allegations that Lead Plaintiffs and the
14 Settlement Class have suffered damages and that Lead Plaintiffs and the
15 Settlement Class were harmed by the conduct alleged in the Action. Settling
16 Defendants continue to believe the claims asserted against them in the Action are
17 without merit and that the Action itself should not be certified as a class action for
18 purposes of trial and adjudication of liability and damages. Settling Defendants
19 have not conceded or admitted any wrongdoing or liability, are not doing so by
20 entering into this Stipulation, and disclaim any and all wrongdoing and liability
21 whatsoever.

22 Settling Defendants have agreed to enter into this Stipulation solely to avoid
23 the uncertainties, burden, and expense of further litigation and to put the Released
24 Claims to rest finally and forever. Nothing in this Stipulation shall be construed
25 as, or deemed evidence supporting an admission by, any of the Settling
26 Defendants or any of the Released Parties with respect to any of Lead Plaintiffs’
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1 allegations or claims, or of any wrongdoing, fault, liability or damages
2 whatsoever.

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

4 Lead Plaintiffs believe that the claims asserted in the Action have merit.
5 Lead Plaintiffs, however, recognize and acknowledge the expense and length of
6 continued proceedings necessary to prosecute the Action against Settling
7 Defendants through trial and appeals. Lead Plaintiffs have also taken into account
8 the uncertain outcome and the risk of any litigation. In particular, Lead Plaintiffs
9 have considered the inherent problems of proof and possible defenses to the
10 federal securities law violations asserted in the Action, including the defenses that
11 have been or could be asserted by Settling Defendants during the litigation,
12 motion for summary judgment, motion for class certification, and trial. Lead
13 Plaintiffs have therefore determined that the Settlement set forth in this Stipulation
14 is fair, adequate, reasonable, and in the best interests of the Settlement Class.

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

25 **1. Definitions**

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

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1 **1.1** “Action” or “Litigation” means the putative securities class action
2 captioned *George Barney v. Nova Lifestyle, Inc., et al.*, Case No. 2:18-cv-10725-
3 TJH(AFMx), pending in the United States District Court for the Central District of
4 California.

5 **1.2** “Administrative Costs” means all costs and expenses associated with
6 providing notice of the Settlement to the Settlement Class and otherwise
7 administering or carrying out the terms of the Settlement. Such costs may
8 include, without limitation: escrow agent costs, the costs of publishing the
9 summary notice, the costs of printing and mailing, and/or emailing of the Notice
10 and Proof of Claim, as directed by the Court, and the costs of allocating and
11 distributing the Net Settlement Fund (as defined in ¶ 1.21) to the Authorized
12 Claimants. Such costs do not include legal fees.

13 **1.3** “Authorized Claimant” means any Settlement Class Member who is
14 a Claimant and whose claim for recovery has otherwise been allowed pursuant to
15 the terms of this Stipulation, the exhibits hereto, and any order of the Court.

16 **1.4** “Award to Lead Plaintiffs” means the requested reimbursement to
17 Lead Plaintiffs for their reasonable costs and expenses (including lost wages)
18 directly related to Lead Plaintiffs’ representation of the Settlement Class in the
19 Action.

20 **1.5** “Business Day” means any day except Saturday or Sunday or any
21 other day on which national banks are authorized by law or executive order to
22 close in the State of California.

23 **1.6** “Claimant” means any Settlement Class Member who files a Proof of
24 Claim in such form and manner, and within such time, as the Court shall
25 prescribe.

26 **1.7** “Claims” means any and all manner of claims, debts, demands,
27 controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights,
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1 duties, judgments, sums of money, suits, contracts, agreements, promises,
2 damages, actions, causes of action and liabilities, of every nature and description
3 in law or equity (including, but not limited to, any claims for damages, whether
4 compensatory, special, incidental, consequential, punitive, exemplary or
5 otherwise, injunctive relief, declaratory relief, rescission, or rescissionary
6 damages, interest, attorneys’ fees, expert or consulting fees, costs, or expenses),
7 accrued or unaccrued, known or unknown, arising under federal or state statutes
8 (including without limitation the Exchange Act), regulations (including without
9 limitation Securities Exchange Commission Rule 10b-5), or common law, foreign
10 law, or any other law, rule, or regulation.

11 **1.8** “Claims Administrator” means Strategic Claims Services (“SCS”),
12 which shall administer the Settlement.

13 **1.9** “Court” means the United States District Court for the Central
14 District of California.

15 **1.10** “Defendants” means Nova Lifestyle, Inc., Thanh H. Lam, Jeffery
16 Chuang, Ya Ming Wong, and Yuen Ching Ho.

17 **1.11** “Defense Counsel” means Cozen O’Connor and its attorneys,
18 paralegals, and staff.

19 **1.12** “Effective Date” shall have the meaning set forth in ¶ 10.2 of this
20 Stipulation.

21 **1.13** “Escrow Account” means an interest-bearing escrow account
22 established by the Escrow Agent. The Escrow Account shall be managed by the
23 Escrow Agent, subject to the Court’s supervisory authority, for the benefit of Lead
24 Plaintiffs and the Settlement Class in accordance with the terms of the Stipulation
25 and any order of the Court.

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1 **1.14** “Escrow Agent” means SCS or its appointed agents. The Escrow
2 Agent shall perform the duties as set forth in this Stipulation and any order of the
3 Court.

4 **1.15** “Fee and Expense Application” means an application(s) to the Court
5 for distributions from the Settlement Fund to Lead Counsel for: (i) an award of
6 attorneys’ fees with interest from the Settlement Fund; (ii) reimbursement of
7 actual costs and expenses incurred in connection with prosecuting the Action with
8 interest; and (iii) the Award to Lead Plaintiffs.

9 **1.16** “Final,” when referring to the Final Judgment, means exhaustion of
10 all possible appeals, meaning: (i) if no appeal or request for review is filed, the
11 day after the date of expiration of any time for appeal or review of the Final
12 Judgment, and (ii) if an appeal or request for review is filed, the day after the date
13 the last-taken appeal or request for review is dismissed, or the Final Judgment is
14 upheld on appeal or review in all material respects, and is not subject to further
15 review on appeal or by certiorari or otherwise; provided, however, that no order or
16 judgment, whether by the Court or on appeal, relating solely to the amount,
17 payment, or allocation of attorneys’ fees and expenses or to the Plan of Allocation
18 shall constitute grounds for cancellation or termination of this Settlement or affect
19 its terms, including the release in ¶¶ 6.1-6.3 hereof, or shall affect or delay the
20 date on which the Final Judgment becomes Final.

21 **1.17** “Final Judgment” means the order and final judgment to be entered
22 by the Court finally approving the Settlement and dismissing the Action,
23 materially in the form attached hereto as Exhibit B.

24 **1.18** “Insurer(s)” means the entities providing coverage (primary or
25 excess), whether under a reservation of rights, under director and officer liability
26 or other policies which Settling Defendants were or claimed to be covered for the
27 claims asserted in this Action.

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1 **1.19** “Lead Counsel” means The Rosen Law Firm, P.A.

2 **1.20** “Lead Plaintiffs” means Richard Deutner and ITENT EDV
3 Dienstleistungs GmbH, as identified as Lead Plaintiffs in the Order dated March
4 27, 2019 (Dkt. No. 16).

5 **1.21** “Net Settlement Fund” means the Settlement Fund, less: (i) the Fee
6 and Expense Awards (as defined below); (ii) Administrative Costs; (iii) Taxes and
7 Tax Expenses; (iv) any Award to Lead Plaintiffs; and (v) other fees and expenses
8 authorized by the Court.

9 **1.22** “Notice” means collectively, the Notice of Pendency and Proposed
10 Settlement of Securities Class Action (“Long Notice”), the Summary Notice of
11 Pendency and Proposed Class Action Settlement (“Summary Notice”), and the
12 Postcard Notice, which are to be made available to Settlement Class Members
13 substantially in the forms attached hereto as Exhibits A-1, A-3, and A-4,
14 respectively, on the Claims Administrator’s website as well as mailed and/or
15 emailed to Settlement Class Members.

16 **1.23** “Parties” shall have the meaning defined in the preamble to this
17 Stipulation, and “Party” shall mean any one of the Parties

18 **1.24** “Person” means an individual, corporation, fund, limited liability
19 corporation, professional corporation, limited liability partnership, partnership,
20 limited partnership, association, joint stock company, estate, legal representative,
21 trust, unincorporated association, government or any political subdivision or
22 agency thereof, and any business or legal entity and their spouses, heirs,
23 predecessors, successors, representatives, or assign.

24 **1.25** “Plan of Allocation” means a plan or formula for allocating the
25 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
26 Taxes and Tax Expenses, and such attorneys’ fees, costs, and expenses as may be
27 awarded by the Court. Any Plan of Allocation is not a condition to the
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1 effectiveness of this Stipulation, and the Released Parties shall have no
2 responsibility or liability with respect thereto.

3 **1.26** “Preliminary Approval Order” means the proposed order
4 preliminarily approving the Settlement and directing notice thereof to the
5 Settlement Class Members substantially in the form attached hereto as Exhibit A.

6 **1.27** “Proof of Claim” means the Proof of Claim and Release Form to be
7 submitted by Claimants, substantially in the form attached hereto as Exhibit A-2.

8 **1.28** “Related Parties” means, with respect to each Released Party, the
9 immediate family members, heirs, executors, trustees, estates, administrators,
10 successors, assigns, and present and former employees, officers, directors,
11 shareholders, agents, representatives, attorneys, legal representatives, contractors,
12 accountants, Insurers and other insurers, reinsurers, managers, and agents of each
13 of them, and any person or entity which is or was related to or affiliated with any
14 Released Party or in which any Released Party has a controlling interest, and the
15 present, former and future direct and indirect parents, subsidiaries, divisions,
16 affiliates, predecessors, successors, and the employees, officers, directors,
17 attorneys, assigns, legal representatives, insurers, reinsurers, managers, and agents
18 of each of them, and any of the immediate family members, heirs, executors,
19 trustees, estates, administrators, successors, assigns, and present and former
20 employees, officers, directors, attorneys, legal representatives, contractors,
21 accountants, Insurers, reinsurers, managers, and agents of each of them.

22 **1.29** “Released Claims” means and includes any and all Released
23 Plaintiffs’ Claims and Released Defendants’ Claims, as defined herein.

24 **1.30** “Released Defendants’ Claims” means and includes any and all
25 Claims and Unknown Claims that the Settling Defendants could have been
26 asserted against any of the Released Plaintiff Parties, including Lead Plaintiffs,
27 Settlement Class Members, and Lead Counsel, arising out of, based upon, or
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1 relating in any way to the institution, prosecution, or settlement of the Action.
2 Notwithstanding the foregoing, “Released Defendants Claims” does not include
3 claims to enforce the terms of this Stipulation or orders or judgments issued by the
4 Court in connection with this Settlement.

5 **1.31** “Released Defendant Parties” means Defendants and each and all of
6 their Related Parties.

7 **1.32** “Released Parties” means any and all Released Defendant Parties and
8 Released Plaintiff Parties.

9 **1.33** “Released Plaintiffs’ Claims” means and includes any and all Claims
10 and Unknown Claims that have been or could have been asserted by or on behalf
11 of any of the Releasing Plaintiff Parties, in any capacity, which arise out of, are
12 based upon, or relate in any way to the purchase or acquisition of Nova common
13 stock during the Settlement Class Period, including, but not limited to, any Claims
14 alleged in the Action, and any Claims related to the allegations, transactions, facts,
15 events, matters, occurrences, acts, disclosures, representations, statements,
16 omissions, failures to act, or any other matter whatsoever involved, set forth,
17 referred to, or otherwise related, directly or indirectly, to the allegations in the
18 Action or the disclosures or failures to disclose made in connection therewith
19 (including the adequacy and completeness or such disclosures). Notwithstanding
20 the foregoing, “Released Plaintiffs’ Claims” does not include: (i) any claims of
21 any person or entity that submits a request for exclusion from the Settlement Class
22 that is accepted by the Court; or (ii) claims to enforce the terms of this Stipulation
23 or orders or judgments issued by the Court in connection with this Settlement.

24 **1.34** “Released Plaintiff Parties” means Lead Plaintiffs, Settlement Class
25 Members, Lead Counsel, and each and all of their Related Parties.

26 **1.35** “Releasing Plaintiff Parties” means jointly and severally, individually
27 and collectively, Lead Plaintiffs, each and every Settlement Class Member, and
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1 each of their Related Parties, including, but not limited to, their respective present,
2 former, and future direct and indirect parent entities, associates, affiliates,
3 subsidiaries, predecessors, successors, and the officers, directors, attorneys,
4 assigns, legal representatives, and agents of each of them, each of their respective
5 officers, directors, attorneys, legal representatives including Lead Counsel, and
6 agents, and any person or entity which is or was related to or affiliated with any
7 Releasing Plaintiff Party or in which any Releasing Plaintiff Party has a
8 controlling interest, and each of their respective immediate family members, heirs,
9 representatives, administrators, executors, trustees, successors, assigns, devisees,
10 legatees, and estates.

11 **1.36** “Settlement” means the settlement contemplated by this Stipulation.

12 **1.37** “Settlement Amount” means the sum of \$750,000 (Seven Hundred
13 Fifty Hundred Thousand U.S. Dollars) in cash. The Settlement Amount
14 encompasses all Administrative Costs, Lead Counsel’s attorneys’ fees and
15 expenses (as allowed by the Court), Award to Lead Plaintiffs (as allowed by the
16 Court), Settlement Class Member benefits, as well as any other costs, expenses, or
17 fees of any kind whatsoever associated with the Settlement.

18 **1.38** “Settlement Class” means all persons and entities that purchased
19 publicly traded Nova common stock during the period from December 3, 2015
20 through December 20, 2018, both dates inclusive, and were damaged thereby.
21 Excluded from the Settlement Class are: Defendants; the officers, directors, and
22 affiliates of Nova, at all relevant times; Nova’s employee retirement or benefit
23 plan(s) and their participants or beneficiaries to the extent they purchased or
24 acquired Nova stock through any such plan(s); any entity in which Defendants
25 have or had controlling interest; immediate family members of any excluded
26 person; and the legal representatives, heirs, successors, or assigns of any excluded
27 person or entity. Also excluded from the Settlement Class are those persons who
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1 file valid and timely requests for exclusion in accordance with the Court’s
2 Preliminary Approval Order.

3 **1.39** “Settlement Class Member” means any one of, and “Settlement Class
4 Members” means all of, the members of the Settlement Class.

5 **1.40** “Settlement Class Period” means the period between December 3,
6 2015 and December 20, 2018, both dates inclusive.

7 **1.41** “Settlement Fund” means all funds transferred to the Escrow Account
8 pursuant to this Stipulation and any interest or other income earned thereon.

9 **1.42** “Settlement Hearing” means the hearing at or after which the Court
10 will make a final decision pursuant to Rule 23 of the Federal Rules of Civil
11 Procedure as to whether the Settlement set forth in the Stipulation is fair,
12 reasonable, and adequate, and therefore, should receive final approval from the
13 Court.

14 **1.43** “Settling Defendants” shall have the meaning defined in the preamble
15 to this Stipulation.

16 **1.44** “Unknown Claims” means and includes any Released Claims which
17 any of the Releasing Parties does not know or suspect to exist in his, her, or its
18 favor at the time of the release of such claims which, if known by him, her, or it
19 might have affected his, her, or its decision(s) with respect to the Settlement,
20 including, but not limited to, whether or not to object to this Settlement or the
21 release of the Released Claims. With respect to any and all Released Claims, the
22 Parties stipulate and agree that, upon the Effective Date of the Settlement, the
23 Parties shall expressly waive, and each of the Releasing Plaintiff Parties and
24 Released Defendant Parties shall be deemed to have waived, and by operation of
25 the Final Approval and Judgment shall have, and shall be deemed to have
26 expressly waived and relinquished any and all provisions, rights, and benefits
27 conferred by California Civil Code ¶1542, and/or any law of any state or territory
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1 of the United States or any other jurisdiction, or principle of common law that is,
2 or is similar, comparable, or equivalent thereto, which provides:

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

7 Released Parties may hereafter discover facts, legal theories, or authorities in
8 addition to or different from those which he, she, or it now knows or believes to
9 be true with respect to the subject matter of the Released Claims, but the Released
10 Parties shall expressly, fully, finally, and forever settle and release, and the
11 Releasing Plaintiff Parties shall be deemed to have settled and released, and upon
12 the Effective Date and by operation of the Judgment shall have settled and
13 released, fully, finally, and forever, any and all Released Claims, without regard to
14 the subsequent discovery or existence of such different or additional facts, legal
15 theories, or authorities. The Parties expressly acknowledge, and the Releasing
16 Plaintiff Parties and Released Defendant Parties by operation of law shall be
17 deemed to have acknowledged, that the inclusion of “Unknown Claims” in the
18 definition of Released Claims was separately bargained for and a material element
19 of the Settlement.

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22 **2. The Settlement Consideration**

23 **2.1** In consideration of the full and final release, settlement, and
24 discharge of all Released Claims against the Released Parties, within five (5) days
25 after the Court’s entry of the Preliminary Approval Order, Lead Counsel will
26 provide complete and accurate payment instructions and W-9 for the Settlement
27 Fund. Within thirty (30) days of the entry of the Preliminary Approval Order and
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1 receipt of payment instructions and the W-9, Settling Defendants shall fund the
2 Escrow Account, or cause the Escrow Account to be funded, with the full
3 settlement amount; provided, however, that it is an express condition of Settling
4 Defendants' obligations hereunder that the Insurers comply with their
5 commitment to fund the settlement.

6 **2.2** Under no circumstances will Defendants, their Related Parties, or
7 Insurer(s) be required to pay, or make payment of, more than the Settlement
8 Amount pursuant to this Stipulation and the Settlement for any reason whatsoever,
9 including, without limitation, as compensation to any Settlement Class Member,
10 as payment of Administrative Costs, as payment of attorneys' fees and expenses
11 awarded by the Court, in payment of any fees or expenses incurred by any
12 Settlement Class member or Lead Counsel, or as interest on the Settlement
13 Amount of any kind relating to any time period (including, but not limited to,
14 prior to the payment of the Settlement Amount into the Escrow Account).

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

16 **3.1** No monies will be disbursed from the Settlement Fund until after the
17 Effective Date except:

- 18 (a) As provided in ¶ 3.4 below;
19 (b) As provided in ¶ 8.2 below;
20 (c) As provided in ¶ 10.8 below, if applicable; and
21 (d) To pay Taxes and Tax Expenses (as defined in ¶ 4.1 below) on
22 the income earned by the Settlement Fund. Taxes and Tax Expenses shall be paid
23 out of the Settlement Fund and shall be considered to be a cost of administration
24 of the Settlement and shall be timely paid by the Escrow Agent without prior
25 Order of the Court.

26 **3.2** The Escrow Agent may invest the Settlement Funds in short term
27 instruments backed by the full faith and credit of the United States Government or
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1 fully insured by the United States Government or an agency thereof, and shall
2 reinvest the proceeds of these instruments as they mature in similar instruments at
3 their then-current market rates. The Escrow Agent shall bear all responsibility
4 and liability for managing the Escrow Account and cannot assign or delegate its
5 responsibilities without approval of the Parties. Settling Defendants, their
6 counsel, and the other Released Parties shall have no responsibility for, interest in,
7 or any liability whatsoever with respect to any investment or management
8 decisions executed by the Escrow Agent. The Settlement Fund shall bear all risks
9 related to the investments of the Settlement Amount in accordance with the
10 guidelines set forth in this ¶ 3.2.

11 **3.3** The Escrow Agent shall not disburse the Settlement Fund except as
12 provided in this Stipulation, by an order of the Court, or with the written
13 agreement of Defense Counsel.

14 **3.4** At any time after the Court grants preliminary approval of the
15 Settlement, the Escrow Agent may, without further approval from Defendants or
16 the Court, disburse at the direction of Lead Counsel up to \$95,000 (Ninety-Five
17 Thousand U.S. Dollars) from the Settlement Fund prior to the Effective Date to
18 pay Administrative Costs.

19 **4. Taxes**

20 **4.1** The Parties agree to treat the Settlement Fund as being at all times a
21 “qualified settlement fund” within the meaning of Treasury Regulation § 1.468B-
22 1. In addition, Lead Counsel or their designee shall timely make such elections as
23 necessary or advisable to carry out the provisions of this ¶ 4.1, including the
24 “relation-back election” (as defined in Treasury Regulation § 1.468B-1) back to
25 the earliest permitted date. Such elections shall be made in compliance with the
26 procedures and requirements contained in such regulations. It shall be the
27 responsibility of Lead Counsel or their designee to timely and properly prepare
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1 and deliver the necessary documentation for signature by all necessary parties, and
2 thereafter to cause the appropriate filing to occur.

3 **(a)** For purposes of § 1.468B of the Internal Revenue Code of
4 1986, as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated
5 thereunder, the “administrator” shall be Lead Counsel or their designee. Lead
6 Counsel or their designee shall timely and properly file all informational and other
7 tax returns necessary or advisable with respect to the Settlement Fund (including
8 without limitation the returns described in Treasury Regulation § 1.468B-2(k)).
9 Such returns (as well as the election described in this ¶ 4.1) shall be consistent
10 with this ¶ 4.1 and in all events shall reflect that all Taxes (including any
11 estimated Taxes, interest or penalties) on the income earned by the Settlement
12 Fund shall be paid out of the Settlement Fund.

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

10 **5. Preliminary Approval Order, Notice Order, and Settlement**
11 **Hearing**

12 **5.1** As soon as practicable after execution of this Stipulation, Lead
13 Counsel shall submit this Stipulation and its exhibits to the Court and shall apply
14 for preliminary approval of the Settlement set forth in this Stipulation, entry of a
15 preliminary approval order, and approval for the dissemination of notice. The
16 Preliminary Approval Order to be submitted to the Court shall contain the exhibits
17 substantially in the form set forth in: (i) the Long Notice (Exhibit A-1); (ii) the
18 Proof of Claim (Exhibit A-2); (iii) Summary Notice (Exhibit A-3); and (iv) the
19 Postcard Notice (Exhibit A-4). The Notice shall include the general terms of the
20 Settlement and the provisions of the Plan of Allocation, and shall set forth the
21 procedure by which recipients of the Notice may object to the Settlement or the
22 Plan of Allocation or request to be excluded from the Settlement Class. The date
23 and time of the Settlement Hearing shall be added to the Notice before they are
24 disseminated or otherwise provided to Settlement Class Members. Settling
25 Defendants shall not object to, or have any responsibility for, Lead Counsel's
26 proposed Plan of Allocation and that Plan of Allocation shall have no bearing on
27 the definition of the Settlement Class.

1 **5.2** At the time of the submission described in ¶ 5.1 hereof, Lead
2 Plaintiffs, through their counsel, shall request that, after the Notice be provided
3 and the Settlement Class Members are notified of the Settlement, the Court hold
4 the Settlement Hearing and (i) approve the Settlement as set forth herein and (ii)
5 enter a final order and judgment substantially in the form of Exhibit B hereto, as
6 promptly after the Settlement Hearing as possible. Defendants shall not oppose
7 these requests. In accordance with the Class Action Fairness Act, 28 U.S.C. 1715
8 et seq. (“CAFA”), Nova shall serve on behalf of all Settling Defendants the notice
9 set forth in CAFA. At least seven (7) calendar days before the Settlement Hearing,
10 Nova shall cause to be served on Lead Counsel and filed with the Court an
11 affidavit or declaration regarding compliance with the CAFA notice requirements.

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

13 **6.1** The obligations incurred pursuant to this Settlement shall be in full
14 and final disposition of the Action as against Defendants, and shall fully and
15 finally release any and all Released Claims as against all Released Parties. The
16 Final Judgment shall, among other things, provide for the dismissal with prejudice
17 of the Action against Defendants, without costs to any party, except for the
18 payments expressly provided for herein.

19 **6.2** Upon the Effective Date, the Releasing Plaintiff Parties, on behalf of
20 themselves and any other Person claiming (now or in the future) through or on
21 behalf of them, regardless of whether any such Releasing Plaintiff Party ever
22 seeks or obtains by any means, including without limitation by submitting a Proof
23 of Claim, any disbursement from the Settlement Fund, shall be deemed to have,
24 and by operation of the Final Judgment shall have, fully, finally, and forever
25 released, relinquished, and discharged all Released Plaintiffs’ Claims against the
26 Released Defendant Parties and shall have covenanted not to sue the Released
27 Defendant Parties with respect to all such Released Plaintiffs’ Claims, and shall be

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1 permanently barred and enjoined from asserting, commencing, prosecuting,
2 instituting, assisting, instigating, or in any way participating in the commencement
3 or prosecution of any action or other proceeding, in any forum, asserting any
4 Released Plaintiffs' Claim, in any capacity, against any of the Released Defendant
5 Parties, including Defense Counsel and the Insurers. Nothing contained herein
6 shall, however, bar the Releasing Plaintiff Parties from bringing any action or
7 claim to enforce the terms of this Stipulation or the Final Judgment.

8 **6.3** Upon the Effective Date, Settling Defendants, on behalf of
9 themselves and their Related Parties, shall be deemed to have, and by operation of
10 the Final Judgment shall have, fully, finally, and forever released, relinquished,
11 and discharged the Released Plaintiff Parties from all Released Defendants'
12 Claims and shall be permanently enjoined from prosecuting the Released
13 Defendants' Claims against the Released Plaintiff Parties. Nothing contained
14 herein shall, however, bar the Settling Defendants or their Related Parties from
15 bringing any action or claim to enforce the terms of this Stipulation or the Final
16 Judgment.

17 **7. Administration and Calculation of Claims, Final Awards, and**
18 **Supervision and Distribution of the Settlement Fund**

19 **7.1** Under the supervision of Lead Counsel, acting on behalf of the
20 Settlement Class, and subject to such supervision and direction of the Court as
21 may be necessary or as circumstances may require, the Claims Administrator shall
22 administer and calculate the claims submitted by Settlement Class Members and
23 shall oversee distribution of the Net Settlement Fund to Authorized Claimants.

24 **7.2** The Settlement Fund shall be applied as follows:

- 25 **(a)** To pay the Taxes and Tax Expenses described in ¶ 4.1 above;
26 **(b)** To pay Administrative Costs;

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1 (c) To pay Lead Counsel’s attorneys’ fees with interest and
2 expenses and payment to the Lead Plaintiffs for reimbursement of their time and
3 expenses (the “Fee and Expense Award”), to the extent allowed by the Court; and

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

8 **7.3** Upon and after the Effective Date, the Net Settlement Fund shall be
9 distributed to Authorized Claimants in accordance with the terms of the Plan of
10 Allocation set forth in the Long Notice and any orders of the Court.

11 **7.4** This is not a claims-made settlement, and if all conditions of the
12 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
13 Settlement Fund will be returned to any of the Settling Defendants or their
14 Insurers. Defendants, their counsel, and the other Released Parties shall have no
15 responsibility for, involvement in, interest in, or liability whatsoever with respect
16 to the Net Settlement Fund, the investment or distribution of the Net Settlement
17 Fund, the Plan of Allocation, the determination, administration, or calculation of
18 claims, the payment or withholding of Taxes or Tax Expenses, or any losses
19 incurred in connection therewith. No Person shall have any claims against Lead
20 Counsel, the Claims Administrator or any other agent designated by Lead Counsel
21 based on distribution determinations or claim rejections made substantially in
22 accordance with this Stipulation and the Settlement contained herein, the Plan of
23 Allocation, or Court orders. Lead Counsel shall have the right, but not the
24 obligation, to waive what they deem to be formal or technical defects in any
25 Proofs of Claim filed, where doing so is in the interest of achieving substantial
26 justice.

1 **7.5** It is understood and agreed by the Parties that any proposed Plan of
2 Allocation of the Net Settlement Fund including, but not limited to, any
3 adjustments to an Authorized Claimant’s claim set forth therein, is not a condition
4 of this Stipulation and is to be considered by the Court separately from the Court’s
5 consideration of the fairness, reasonableness, and adequacy of the Settlement set
6 forth in this Stipulation. Any order or proceedings relating to the Plan of
7 Allocation, or any appeal from any order relating thereto or reversal or
8 modification thereof, shall not operate to modify, terminate, or cancel this
9 Stipulation, or affect or delay the finality of the Final Judgment and the releases
10 contained therein, or any other orders entered pursuant to this Stipulation.

11 **7.6** No later than seven (7) calendar days after the date of entry of the
12 Preliminary Approval Order, Settling Defendants, at no cost to Lead Plaintiffs or
13 Lead Counsel, shall provide and/or cause Nova’s transfer agent to provide to Lead
14 Counsel a list of the names and last known mailing addresses of the record owners
15 of Nova’s common stock during the Settlement Class Period in a usable electronic
16 format (to the extent reasonably available), such as an Excel spreadsheet
17 (“Settlement Class Information”), from December 3, 2015 through December 20,
18 2018, both dates inclusive. If in the transfer agent’s possession, the Settlement
19 Class Information should include email addresses of record owners of Nova’s
20 common stock in the Settlement Class. The Parties acknowledge that any
21 information provided to Lead Counsel by the Company pursuant to this paragraph
22 shall be treated as confidential and will be used by Lead Counsel and the Claims
23 Administrator solely to disseminate notice, apprise Settlement Class Members of
24 the Settlement, and/or implement the Settlement.

25 **7.7** If any funds remain in the Net Settlement Fund by reason of
26 uncashed checks or otherwise, then, after the Claims Administrator has made
27 reasonable and diligent efforts to have Authorized Claimants who are entitled to
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1 participate in the distribution of the Net Settlement Fund cash their distribution
2 checks, any balance remaining in the Net Settlement Fund six (6) months after the
3 initial distribution of such funds shall be used: (i) first, to pay any amounts
4 mistakenly omitted from the initial distribution to Authorized Claimants and who
5 receive at least a \$10.00 payment; (ii) second, to pay any additional
6 Administration Costs incurred in administering the Settlement; and (iii) finally, to
7 make a second distribution to Authorized Claimants who cashed their checks from
8 the initial distribution and who would receive at least \$10.00 from such second
9 distribution, after payment of the estimated costs or fees to be incurred in
10 administering the Net Settlement Fund and in making this second distribution, if
11 such second distribution is economically feasible. If any funds shall remain in the
12 Net Settlement Fund six months after such re-distribution, then such balance shall
13 be contributed to a non-sectarian charity or any not-for-profit successor of it
14 chosen by the Court.

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

16 **8.1** Lead Counsel may submit a Fee and Expense Application(s).
17 Settling Defendants shall take no position with respect to the Fee and Expense
18 Application(s).

19 **8.2** Except as otherwise provided in this paragraph, the attorneys’ fees
20 and expenses awarded by the Court shall be paid to Lead Counsel from the
21 Settlement Fund within five (5) Business Days after the Court enters an order
22 awarding such fees and expenses, notwithstanding any objections to or appeals of
23 such order or of the Final Judgment. In the event that the Effective Date does not
24 occur, or the certification of a settlement class or approval of the settlement is
25 reversed or otherwise modified in any way that affects the award of attorneys’
26 fees and expenses, or the Stipulation is terminated for any other reason, then Lead
27 Counsel shall be jointly and severally obligated to refund to the Escrow Account,
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1 within ten (10) Business Days from receiving notice from Defendants' Counsel or
2 from the Court or other court of appropriate jurisdiction, either the full amount of
3 the fees and expenses or an amount consistent with any modification of the Fee
4 and Expense Award, including accrued interest at the same rate as is earned by the
5 Settlement Fund. Lead Counsel agrees that the law firms and its partners and/or
6 shareholders are subject to jurisdiction of the Court for the purpose of enforcing
7 the provisions of this paragraph, and they shall be jointly and severally liable for
8 repayment of all attorneys' fees and expenses awarded by the Court. Furthermore,
9 without limitation, Lead Counsel agree that the Court may, upon application of
10 Settling Defendants, summarily issue orders, including, without limitation,
11 judgments and attachment orders and may make appropriate findings of or
12 sanctions for contempt against the firms should they fail timely to repay fees and
13 expenses pursuant to this paragraph. Any Award to Lead Plaintiffs shall not be
14 paid from the Settlement Fund until after the Effective Date.

15 **8.3** The procedure for, and allowance or disallowance by the Court of,
16 the Fee and Expense Application are not a condition of the Settlement set forth in
17 this Stipulation and are to be considered by the Court separately from the Court's
18 consideration of the fairness, reasonableness, and adequacy of the Settlement set
19 forth in this Stipulation. Any order or proceeding relating to the Fee and Expense
20 Application, or any objection to, motion regarding, or appeal from any order or
21 proceeding relating thereto or reversal or modification thereof, shall not operate to
22 modify, terminate, or cancel this Stipulation, or affect or delay the finality of the
23 Final Judgment or the releases contained therein or any other orders entered
24 pursuant to this Stipulation.

25 **8.4** Any award of attorneys' fees and interest and/or expenses to Lead
26 Counsel or Award to Lead Plaintiffs shall be paid solely from the Settlement Fund
27 and shall reduce the settlement consideration paid to the Settlement Class
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1 accordingly. No Released Party shall have any responsibility for payment of Lead
2 Counsel’s attorneys’ fees and interest, expenses, or other Award to Lead Plaintiffs
3 beyond the obligation of Settling Defendants to cause the funding of the
4 Settlement Amount as set forth in ¶ 2.1 above. The Released Parties shall have no
5 responsibility for, and no liability whatsoever with respect to, any payments to
6 Lead Counsel, Lead Plaintiffs, the Settlement Class, and/or any other Person who
7 receives payment from the Settlement Fund.

8 **9. Class Certification**

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

18 **10. Conditions of Settlement, Effect of Disapproval, Cancellation, or**
19 **Termination**

20 **10.1** Lead Plaintiffs, on behalf of the Settlement Class, and Settling
21 Defendants shall each have the right to terminate the Settlement and Stipulation
22 by providing written notice of his, her, or its election to do so (“Termination
23 Notice”) to all other Settling Parties within seven (7) Business Days of any of the
24 following:

25 (a) Entry of a Court order declining to enter the Preliminary
26 Approval Order in any material respect;

1 **(b)** Entry of a Court order refusing to approve this Stipulation in
2 any material respect;

3 **(c)** Entry of a Court order declining to enter the Final Judgment in
4 any material respect;

5 **(d)** Entry of a Court order refusing to dismiss the Action with
6 prejudice;

7 **(e)** Entry of an order by which the Final Judgment is modified or
8 reversed in any material respect by any appeal or review; and

9 **(f)** Failure on the part of any Party to abide, in material respect,
10 with the terms of this Stipulation.

11 In the absence of any of the events enumerated in above in this ¶¶ 10.1 and below
12 in ¶10.4, no Party shall have the right to terminate the Stipulation for any reason.

13 **10.2** The Effective Date of this Stipulation (“Effective Date”) shall not
14 occur unless and until each of the following events occurs, and it shall be the date
15 upon which the last in time of the following events occur:

16 **(a)** Settling Defendants have not exercised their option to
17 terminate the Settlement pursuant to ¶ 10.4;

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

20 **(c)** The sum of \$750,000 (Seven Hundred Fifty Hundred
21 Thousand U.S. Dollars) has been paid into the Escrow Account, as set forth in ¶
22 2.1;

23 **(d)** The Court has finally approved the Settlement, following
24 notice to the Settlement Class Members and the Settlement Hearing, and has
25 entered the Final Judgment;

26 **(e)** The Final Judgment has become Final as defined in ¶ 1.16; and

27 **(f)** The Action has been dismissed with prejudice.
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1 **10.3** Upon the occurrence of the Effective Date, any and all interest or
2 right of Settling Defendants in or to the Settlement Fund, if any, shall be
3 absolutely and forever extinguished, except as set forth in this Stipulation.

4 **10.4** If prior to the Settlement Hearing Persons who otherwise would be
5 Settlement Class Members have filed with the Court valid and timely requests for
6 exclusion from the Settlement Class in accordance with the provisions of the
7 Preliminary Approval Order and the notice given pursuant thereto, and such
8 Persons in the aggregate purchased common stock during the Settlement Class
9 Period in an amount greater than the amount specified in a separate Confidential
10 Supplemental Agreement between the Parties (the “Supplemental Agreement”),
11 then Settling Defendants shall have, each in his or its sole and absolute discretion,
12 the option to terminate this Stipulation and Settlement in strict accordance with
13 the requirements and procedures set forth in the Supplemental Agreement
14 (hereinafter the “Supplemental Termination Option”). The Supplemental
15 Agreement shall not be filed with the Court unless and until a dispute among the
16 Parties concerning its interpretation or application arises.

17 **10.5** Settling Defendants shall not have the right to terminate the
18 Stipulation if the Settlement Amount is not paid as required by ¶ 2.1 (other than in
19 accordance with ¶ 10.4 or if the Insurers fail to honor their obligation to fund the
20 settlement). None of the Parties, or any of them, shall have any obligation
21 whatsoever to proceed under any terms other than those provided for and agreed
22 herein. If any Party engages in a material breach of the terms hereof, any other
23 Party, provided that he, she, or it is in substantial compliance with the terms of
24 this Stipulation, may terminate this Stipulation on notice to all the Parties.

25 **10.6** In the event the Stipulation shall be terminated, or be canceled, or
26 shall not become effective for any reason, the Parties shall be restored to their
27 respective pre-settlement positions in the Action, and they shall proceed in all
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1 respects as if the Stipulation had not been executed and the related orders had not
2 been entered, and in that event all of their respective claims and defenses as to any
3 issue in the Action and shall be preserved without prejudice.

4 **10.7** In the event that the Stipulation is not approved by the Court or the
5 Settlement set forth in this Stipulation is terminated or fails to become effective in
6 accordance with its terms, the terms and provisions of this Stipulation, except as
7 otherwise provided herein, shall have no further force and effect with respect to
8 the Parties and shall not be used in the Action or in any other proceeding for any
9 purpose, and any judgment or order entered by the Court in accordance with the
10 terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

11 **10.8** In the event that the Stipulation is not approved by the Court, shall be
12 terminated, or be canceled, or shall not become effective for any reason, within
13 seven (7) Business Days (except as otherwise provided in the Supplemental
14 Agreement) after the occurrence of such event, the Settlement Fund (less taxes
15 already paid and any Administrative Costs which have either been disbursed or
16 are determined to be chargeable) shall be refunded by the Escrow Agent to the
17 entity or entities which paid the Settlement Fund, in proportion to their
18 contribution to the Settlement Fund, plus accrued interest attributable to that
19 amount by check or wire transfer pursuant to written instructions from said entity
20 or entities. At the request of said entity or entities the Escrow Agent or their
21 designee shall apply for any tax refund owed on the Settlement Fund and pay the
22 proceeds, after deduction of any fees or expenses incurred in connection with such
23 application(s) for refund, to said entity or entities pursuant to written direction
24 received from said entity or entities.

25 **10.9** No order of the Court or modification or reversal on appeal of any
26 order of the Court concerning the Plan of Allocation or the Fee and Expense
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1 Application shall constitute grounds for cancellation or termination of the
2 Stipulation.

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

4 **11.1** The Parties covenant and agree that neither this Stipulation, nor the
5 Settlement, nor any communication relating thereto, nor the Supplemental
6 Agreement, is evidence, or an admission, presumption, or concession by any
7 Party, or their counsel, any Settlement Class Member, or any of the Released
8 Defendant Parties, of any fault, liability or wrongdoing whatsoever, as to any facts
9 or claims alleged or that have been or could have been asserted in the Action, or in
10 any other actions or proceedings, or as to the validity or merit of any of the claims
11 or defenses alleged or that have been or could have been asserted in any such
12 action or proceeding. This Stipulation is not a finding or evidence of the validity
13 or invalidity of any claims or defenses in the Action, any wrongdoing by any
14 Party, Settlement Class Member, or any of the Released Parties, or any damages
15 or injury to any Settling Party, Settlement Class Member, or any Released Parties.
16 Neither this Stipulation, nor the Supplemental Agreement, nor any of the terms
17 and provisions of this Stipulation or the Supplemental Agreement, nor any of the
18 negotiations or proceedings in connection therewith, nor any of the documents or
19 statements referred to herein or therein, nor the Settlement, nor the fact of the
20 Settlement, nor the Settlement proceedings, nor any statement in connection
21 therewith, (a) shall (i) be argued to be, used or construed as, offered or received in
22 evidence as, or otherwise constitute an admission, concession, presumption, proof,
23 evidence, or a finding of any liability, fault, wrongdoing, injury or damages, or of
24 any wrongful conduct, acts or omissions on the part of any Released Party, or of
25 any infirmity of any defense, or of any damages to Lead Plaintiffs or any other
26 Settlement Class Member, or (ii) otherwise be used to create or give rise to any
27 inference or presumption against any of the Released Parties concerning any fact
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1 or any purported liability, fault, or wrongdoing of the Released Parties or any
2 injury or damages to any person or entity, or (b) shall otherwise be admissible,
3 referred to or used in any proceeding of any nature, for any purpose whatsoever;
4 provided, however, that the Stipulation, the Supplemental Agreement, and the
5 Final Judgment may be introduced in any proceeding, whether in the Court or
6 otherwise, as may be necessary to enforce the Settlement or Supplemental
7 Agreement or Final Judgment, or as otherwise required by law.

8 **12. Miscellaneous Provisions**

9 **12.1** Except in the event of the filing of a Termination Notice pursuant to
10 ¶¶ 10.1 through 10.8 inclusive of this Stipulation or termination notice in
11 accordance with the Supplemental Agreement, the Parties shall take all actions
12 necessary to consummate this agreement; and agree to cooperate with each other
13 to the extent reasonably necessary to effectuate and implement all terms and
14 conditions of the Stipulation.

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

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

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

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

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

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

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

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

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

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

8 **12.12** Any claim or dispute among the Parties arising out of, relating to, or
9 in connection with the interpretation or implementation of the terms of the
10 Stipulation shall first be mediated by Jed Melnick, Esq. of JAMS by way of
11 expedited telephonic mediation and, if unsuccessful, by way of final, binding
12 resolution by the Court. The Parties will be responsible for paying their own costs
13 and attorney's fees for such disputes.

14 **12.13** The Court shall retain jurisdiction with respect to the implementation
15 and enforcement of the terms of this Stipulation, and all parties hereto submit to
16 the jurisdiction of the Court for purposes of implementing and enforcing the
17 Settlement embodied in this Stipulation.

18 **12.14** The Stipulation shall not be construed more strictly against one party
19 hereto than another merely by virtue of the fact that it, or any part of it, may have
20 been prepared by counsel for one of the Parties, it being recognized that it is the
21 result of arm's-length negotiations between the Parties, and all Parties have
22 contributed substantially and materially to the preparation of this Stipulation.

23 **12.15** Lead Plaintiffs, Lead Counsel, and the attorneys, staff, experts, and
24 consultants assisting them in the Action agree that (a) they will not intentionally
25 assist or cooperate with any person or entity in the pursuit of legal action related
26 to the subject matter of the Action against the Released Parties, (b) they will not
27 intentionally assist or cooperate with any person or entity seeking to publicly
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1 disparage or economically harm the Released Parties with respect to any matter
2 relating to the subject matter of the Action, and (c) they will not discuss any
3 confidential matters related to the Action or the Settlement with anyone. Settling
4 Defendants and Defense Counsel agree that (a) they will not intentionally assist or
5 cooperate with any person or entity in the pursuit of legal action related to the
6 subject matter of the Action against Lead Plaintiffs, Settlement Class Members,
7 Lead Counsel, and their Related Parties, (b) they will not intentionally assist or
8 cooperate with any person or entity seeking to publicly disparage or economically
9 harm Lead Plaintiffs, Settlement Class Members, Lead Counsel, and their Related
10 Parties with respect to any matter relating to the subject matter of the Action, and
11 (c) they will not discuss any confidential matters related to the Action, or the
12 Settlement with anyone.

13 **12.16** All agreements by, between or among the Parties, their respective
14 counsel and their other advisors as to the confidentiality of information exchanged
15 between or among them shall remain in full force and effect, and shall survive the
16 execution and any termination of this Stipulation and the final consummation of
17 the Settlement, if finally consummated, without regard to any of the conditions of
18 the Settlement.

19 **12.17** The Parties shall not assert or pursue any action, claim, or rights that
20 any party violated any provision of Rule 11 of the Federal Rules of Civil
21 Procedure, any corollary state law rule or statute, and/or the PSLRA in connection
22 with the Action, the Settlement, the Stipulation, or the Supplemental Agreement.
23 The Parties agree that the Action was resolved in good faith following arm's-
24 length bargaining, in full compliance with applicable requirements of good faith
25 litigation under the Securities Exchange Act of 1934, Rule 11 of the Federal Rules
26 of Civil Procedure, any corollary state law rule or statute, and/or the PSLRA.

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12.18 Any failure by any of the Parties to insist upon the strict performance by any other Party of any of the provisions of the Stipulation shall not be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Stipulation to be performed by the other Parties.

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

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

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

Dated: March 24, 2023

THE ROSEN LAW FIRM, P.A.



Laurence M. Rosen
355 S. Grand Avenue, Suite 2450
Los Angeles, CA 90071
Telephone: (213) 785-2610
Facsimile: (213) 226-4684
Email: lrosen@rosenlegal.com

and

Phillip Kim (*pro hac vice*)
275 Madison Avenue, 40th Floor
New York, NY 10016
Telephone: (212) 686-1060
Facsimile: (212) 202-3827

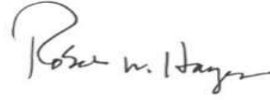
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Email: pkim@rosenlegal.com

*Lead Counsel for Lead Plaintiffs and
the Class*

Dated: March 24, 2023

COZEN O’CONNOR



Robert W. Hayes (*pro hac vice*)
1650 Market Street, Suite 2800
Philadelphia, PA 19103
Telephone: 215-662-2094
Facsimile: 215-701-2094
Email: rhayes@cosen.com

Erik Jackson
601 South Figueroa Street, Suite 3700
Los Angeles, California 90017
Telephone: 213-892-7900
Facsimile: 213-892-7999
Email: Ejackson@cozen.com

*Counsel for Defendants Nova Lifestyle,
Inc., Thanh H. Lam, and Jeffery
Chuang*

EXHIBIT A

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GEORGE BARNEY, Individually and
on behalf of all others similarly
situated,

Plaintiff,

v.

NOVA LIFESTYLE, INC., THANH
H. LAM, YA MING WONG,
JEFFERY CHUANG, and YUEN
CHING HO,

Defendants.

No. 2:18-cv-10725-TJH(AFMx)

CLASS ACTION

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

Hon. Terry J. Hatter, Jr.

EXHIBIT A

1 WHEREAS, Lead Plaintiffs Richard Deutner and ITENT EDV
2 Dienstleistungs GmbH (“Plaintiffs”), on behalf of themselves and the Settlement
3 Class, and Defendants Nova LifeStyle, Inc. (“Nova” or the “Company”), Thanh
4 H. Lam, and Jeffrey Chuang (“Settling Defendants” and with Plaintiffs, the
5 “Parties”) have entered into the Renewed Stipulation of Settlement, dated March
6 24, 2023 (the “Stipulation”), which is subject to review under Rule 23 of the
7 Federal Rules of Civil Procedure, and which, together with the exhibits annexed
8 thereto, sets forth the terms and conditions for the proposed settlement and
9 dismissal with prejudice of the securities class action pending before the Court
10 titled *George Barney v. Nova Lifestyle, Inc., et al.*, Case No. 2:18-cv-10725-
11 TJH(AFMx) (the “Action”); and the Court having read and considered the
12 Stipulation and the exhibits thereto and submissions made relating thereto, and
13 finding that substantial and sufficient grounds exist for entering this Order; and
14 the Parties having consented to the entry of this Order;

15 NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of
16 _____, 2023, that:

17 1. Capitalized terms used herein have the meanings defined in the
18 Stipulation.

19 2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil
20 Procedure and for the purposes of the Settlement only, the Action is hereby
21 preliminarily certified as a class action on behalf of all persons or entities that
22 purchased publicly traded Nova common stock during the period from December
23 3, 2015 through December 20, 2018, both dates inclusive, and were damaged
24 thereby. Excluded from the Settlement Class are: Defendants; the officers,
25 directors, and affiliates of Nova, at all relevant times; Nova’s employee retirement
26 or benefit plan(s) and their participants or beneficiaries to the extent they
27 purchased or acquired Nova stock through any such plan(s); any entity in which

EXHIBIT A

1 Defendants have or had controlling interest; immediate family members of any
2 excluded person; and the legal representatives, heirs, successors, or assigns of any
3 excluded person or entity. Also excluded from the Settlement Class are those
4 persons who file valid and timely requests for exclusion in accordance with this
5 Order.

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

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

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

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1 6. The Court hereby preliminarily approves the Settlement, subject to
2 further consideration at a hearing (the “Settlement Hearing”) pursuant to Federal
3 Rules of Civil Procedure 23(e), which is hereby scheduled to be held before the
4 Court on _____ 2023 at __:__ .m. for the following purposes

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

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

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

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

20 (e) to consider the applications of Class Counsel for awards of
21 attorneys’ fees with interest and expenses to Class Counsel and award to the Class
22 Representatives;

23 (f) to consider Settlement Class Members’ objections to the
24 Settlement, if any, whether submitted previously in writing or presented orally at
25 the Settlement Hearing by Settlement Class Members (or by counsel on their
26 behalf), provided that they give proper notice that they intend to appear at the
27 Settlement Hearing; and

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EXHIBIT A

1 (g) to rule upon such other matters as the Court may deem
2 appropriate.

3 7. The Court reserves the right to adjourn the Settlement Hearing to a
4 later date and to approve the Settlement without modification, or with such
5 modifications as may be agreed to by the Parties, and with or without further
6 notice of any kind. The Court may decide to hold the Settlement Hearing
7 telephonically or by other virtual means without further notice. The Court further
8 reserves the right to enter its Judgment approving the Settlement and dismissing
9 the Action, on the merits and with prejudice, regardless of whether it has approved
10 the Plan of Allocation or awarded attorneys' fees and expenses.

11 8. The Court approves the form, substance and requirements of (a) the
12 Notice of Pendency and Proposed Settlement of Securities Class Action ("Long
13 Notice"), (b) the Summary Notice of Pendency and Proposed Securities Class
14 Action Settlement ("Summary Notice"), (c) the Postcard Notice, and (d) the Proof
15 of Claim and Release Form ("Proof of Claim"), all of which are exhibits to the
16 Stipulation.

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

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

25 11. The Escrow Agent may, at any time after entry of this Order and
26 without further approval from Settling Defendants or the Court, disburse at the
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EXHIBIT A

1 direction of Class Counsel up to \$95,000 (Ninety-Five Thousand Dollars) from
2 the Settlement Fund prior to the Effective Date to pay Administrative Costs.

3 12. No later than seven (7) calendar days after the date of entry of this
4 Order, Nova, at no cost to Plaintiffs or Lead Counsel, shall provide and/or cause
5 Nova's transfer agent to provide to Lead Counsel a list of the names and last
6 known mailing addresses of the record owners of Nova's common stock during
7 the Settlement Class Period in a usable electronic format (to the extent available),
8 such as an Excel spreadsheet ("Settlement Class Information"). If in the transfer
9 agent's possession, the Settlement Class Information should include email
10 addresses of record owners of Nova's common stock in the Settlement Class. Any
11 information provided to Lead Counsel by the Company pursuant to this paragraph
12 shall be treated as confidential and shall be used by Lead Counsel and the Claims
13 Administrator solely to disseminate notice, apprise Settlement Class Members of
14 the Settlement, and/or implement the Settlement and no other purpose.

15 13. Within sixteen (16) calendar days of the entry of this Order, Class
16 Counsel, through the Claims Administrator, shall either: (a) email links to the
17 webpage hosting the Long Notice and Proof of Claim to Settlement Class
18 Members for whom the Claims Administrator is able to obtain email addresses,
19 substantially in the form annexed to the Stipulation as Exhibit A-1 and Exhibit A-
20 2; or (b) cause the Postcard Notice, substantially in the form annexed to the
21 Stipulation as Exhibit A-4, if no electronic mail address can be obtained, mailed,
22 by first class mail, postage prepaid, to Settlement Class Members who can be
23 identified with reasonable effort by Class Counsel, through the Claims
24 Administrator.

25 14. Class Counsel, through the Claims Administrator, shall make all
26 reasonable efforts to give notice to nominees or custodians who held Nova
27 common stock during the Settlement Class Period as record owners but not as
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1 beneficial owners. Such nominees or custodians shall, within ten (10) calendar
2 days of receipt of the notice, either: (i) request copies of the Postcard Notice
3 sufficient to send the Postcard Notice to all beneficial owners for whom they are
4 nominee or custodian, and within ten (10) calendar days after receipt thereof send
5 copies to such beneficial owners; (ii) request and email links to the webpage
6 hosting the Long Notice and Proof of Claim to each beneficial owner for whom
7 they are nominee or custodian within ten (10) calendar days after receipt thereof;
8 or (iii) provide the Claims Administrator with lists of the names, last known
9 addresses and email addresses (to the extent known) of such beneficial owners, in
10 which event the Claims Administrator shall promptly deliver the Postcard Notice
11 to such beneficial owners. If the Claims Administrator receives an email address,
12 it will send an email with a link to the webpage hosting the Long Notice and Proof
13 of Claim. Nominees or custodians who elect to email or send the Postcard Notice
14 to their beneficial owners shall send a written certification to the Claims
15 Administrator confirming that the mailing or emailing has been made as directed.
16 Copies of the Postcard Notice shall be made available to any nominee or
17 custodian requesting same for the purpose of distribution to beneficial owners.
18 The Claims Administrator shall, if requested, reimburse nominees or custodians
19 out of the Settlement Fund solely for their reasonable out-of-pocket expenses,
20 incurred in providing notice to beneficial owners, which expenses would not have
21 been incurred except for the providing names and addresses, of up to \$0.05 per
22 name, address, and email address provided to the Claims Administrator; up to
23 \$0.05 per unit for each Postcard Notice actually mailed, plus postage at the pre-
24 sort rate used by the Claims Administrator; or up to \$0.05 per email notice sent,
25 and subject to further order of this Court with respect to any dispute concerning
26 such reimbursement.

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EXHIBIT A

1 15. Class Counsel shall, at least seven (7) calendar days before the
2 Settlement Hearing, serve upon counsel for Settling Defendants and file with the
3 Court proof of the mailing of the Postcard Notice as required by this Order.

4 16. Class Counsel, through the Claims Administrator, shall cause the
5 Stipulation and its exhibits, this Order, the Long Notice, and the Proof of Claim to
6 be posted on the Claims Administrator’s website within sixteen (16) calendar days
7 after entry of this Order.

8 17. Class Counsel, through the Claims Administrator, shall cause the
9 Summary Notice to be published electronically once on the *GlobeNewswire* and in
10 print once in the *Investor’s Business Daily* within sixteen (16) calendar days after
11 the Postcard Notice mailing or Summary Notice emailing. Class Counsel shall, at
12 least seven (7) calendar days before the Settlement Hearing, serve upon counsel
13 for Settling Defendants and file with the Court proof of publication of the
14 Summary Notice.

15 18. The forms and methods set forth herein of notifying the Settlement
16 Class Members of the Settlement and its terms and conditions meet the
17 requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and
18 Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. 78u-4(a)(7),
19 as amended by the Private Securities Litigation Reform Act of 1995; constitute the
20 best notice practicable under the circumstances; and constitute due and sufficient
21 notice to all persons and entities entitled thereto. No Settlement Class Member
22 will be relieved from the terms and conditions of the Settlement, including the
23 releases provided for therein, based upon the contention or proof that such
24 Settlement Class Member failed to receive actual or adequate notice.

25 19. To be entitled to payment from the Net Settlement Fund after the
26 Effective Date, each Settlement Class Member shall take the following action and
27 be subject to the following conditions:

EXHIBIT A

1 (a) A properly completed and executed Proof of Claim must be
2 submitted to the Claims Administrator either: (a) electronically through the
3 Claims Administrator’s website, www.strategicclaims.net/Nova by 11:59 p.m.
4 EST on _____, 2023; or (b) at the Post Office Box indicated in the
5 Notice, postmarked no later than _____, 2023 (thirty (30) calendar
6 days prior to the Settlement Hearing). Such deadline may be further extended by
7 Order of the Court. Each Proof of Claim shall be deemed to have been submitted
8 when: (a) the claim receives a confirmation notice from Strategic Claims Services
9 for electronic submissions; or (b) legibly postmarked (if properly addressed and
10 mailed by first class mail) provided such Proof of Claim is actually received
11 before the filing of a motion for an Order of the Court approving distribution of
12 the Net Settlement Fund. Any Proof of Claim submitted in any other manner shall
13 be deemed to have been submitted when it was actually received by the Claims
14 Administrator at the address designated in the Notice.

15 (b) The Proof of Claim submitted by each Settlement Class
16 Member must satisfy the following conditions: (i) it must be properly completed,
17 signed, and submitted in a timely manner in accordance with the provisions of the
18 preceding subparagraph; (ii) it must be accompanied by adequate supporting
19 documentation for the transactions reported therein, in the form of broker
20 confirmation slips, broker account statements, an authorized statement from the
21 broker containing the transactional information found in a broker confirmation
22 slip, or such other documentation as is deemed adequate by the Claims
23 Administrator or Class Counsel; (iii) if the person executing the Proof of Claim is
24 acting in a representative capacity, a certification of their current authority to act
25 on behalf of the Settlement Class Member must be provided with the Proof of
26 Claim; and (iv) the Proof of Claim must be complete and contain no material
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EXHIBIT A

1 deletions or modifications of any of the printed matter contained therein and must
2 be signed under penalty of perjury.

3 (c) Once the Claims Administrator has considered a timely
4 submitted Proof of Claim, it shall determine whether such claim is valid, deficient
5 or rejected. For each claim determined to be either deficient or rejected, the
6 Claims Administrator shall send a deficiency letter or rejection letter as
7 appropriate, describing the basis on which the claim was so determined. Persons
8 who timely submit a Proof of Claim that is deficient or otherwise rejected shall be
9 afforded a reasonable time (at least ten (10) calendar days) to cure such
10 deficiency, if it shall appear that such deficiency may be cured. If any Claimant
11 whose claim has been rejected in whole or in part wishes to contest such rejection,
12 the Claimant must, within ten (10) calendar days after the date of mailing of the
13 notice, serve upon the Claims Administrator a notice and statement of reasons
14 indicating the Claimant's ground for contesting the rejection along with any
15 supporting documentation, and requesting a review thereof by the Court. If an
16 issue concerning a claim cannot be otherwise resolved, Class Counsel shall
17 thereafter present the request for review to the Court.

18 (d) As part of the Proof of Claim, each Settlement Class Member
19 shall submit to the jurisdiction of the Court with respect to the claim submitted,
20 and shall, upon the Effective Date, release all claims as provided in the
21 Stipulation. No discovery shall be allowed on the merits of the Action or the
22 Settlement in connection with processing of the Proofs of Claim, nor shall any
23 discovery from or of Settling Defendants be allowed on any topic.

24 20. All Settlement Class Members who do not submit valid and timely
25 Proofs of Claim will be forever barred from receiving any payments from the Net
26 Settlement Fund but will in all other respects be subject to and bound by the
27 provisions of the Stipulation and the Judgment, if entered.

EXHIBIT A

1 21. Settlement Class Members shall be bound by all determinations and
2 judgments in the Action whether favorable or unfavorable, unless such Persons
3 request exclusion from the Settlement Class in a timely and proper manner, as
4 hereinafter provided. A Settlement Class Member wishing to make such request
5 for exclusion from the Settlement shall mail it, in written form, by first class mail,
6 postage prepaid, or otherwise deliver it, so that it is received no later than
7 _____, 2023 (twenty-one (21) calendar days prior to the Settlement
8 Hearing) (the “Exclusion Deadline”), to the address listed in the Long Notice. In
9 order to be valid, such request for exclusion must (A) indicate the name, address,
10 phone number, and e-mail contact information (if any) of the Person seeking
11 exclusion, and state that the sender specifically “requests to be excluded from the
12 Settlement of *George Barney v. Nova Lifestyle, Inc., et al.*, Case No. 2:18-cv-
13 10725-TJH(AFMx)” and (B) state the date, number of shares and dollar amount of
14 each Nova common stock purchase or acquisition and, if applicable, each sale
15 during the Settlement Class Period, as well as the number of shares of Nova
16 common stock held by the Person as of the opening and closing of the Settlement
17 Class Period. In order to be valid, such request for exclusion must be submitted
18 with documentary proof: (i) of each purchase or acquisition and, if applicable, sale
19 transaction of Nova common stock during the Settlement Class Period; and (ii)
20 demonstrating the Person’s status as a beneficial owner of the Nova common
21 stock. Any such request for exclusion must be signed and submitted by the
22 beneficial owner under penalty of perjury. The request for exclusion shall not be
23 effective unless it provides the required information, is legible, and is made within
24 the time stated above, or the exclusion is otherwise accepted by the Court. Class
25 Counsel may contact any Person filing a request for exclusion, or their attorney if
26 one is designated, to discuss the request for exclusion.

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EXHIBIT A

1 22. The Claims Administrator shall provide all requests for exclusion and
2 supporting documentation submitted therewith (including untimely requests and
3 revocations of requests) to counsel for the Parties as soon as possible and no later
4 than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion
5 Deadline). The Settlement Class will not include any Person who delivers a valid
6 and timely request for exclusion that has not been thereafter revoked.

7 23. Any Person that submits a request for exclusion may thereafter
8 submit to the Claims Administrator a written revocation of that request for
9 exclusion, provided that it is received no later than two (2) Business Days before
10 the Settlement Hearing, in which event that Person will be included in the
11 Settlement Class.

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

15 25. The Court will consider comments and/or objections to the
16 Settlement, the Plan of Allocation, or the Fee and Expense Application, provided,
17 however, that no Settlement Class Member or other Person shall be heard or
18 entitled to contest the approval of the terms and conditions of the proposed
19 Settlement, the Plan of Allocation, or the Fee and Expense Application, or any
20 other order relating thereto, unless, at least twenty-one (21) calendar days prior to
21 the Settlement Hearing Date or _____ 2023, that Person has: (a) filed said
22 objections, papers, and briefs, and proof of service upon counsel identified above,
23 with the Clerk of the Court, U.S. District Court, Central District of California,
24 First Street Courthouse, 350 West First Street, Los Angeles, California 90012; and
25 (b) served copies of any objections, papers and briefs on each of the following
26 counsel:

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1 LEAD COUNSEL

2 Phillip Kim
3 THE ROSEN LAW FIRM, P.A.
4 275 Madison Avenue, 40th Floor
5 New York, NY 10016

6 COUNSEL FOR SETTling DEFENDANTS

7 COZEN O'CONNOR
8 Robert W. Hayes
9 1650 Market Street, Suite 2800
10 Philadelphia, PA 19103

11 26. To be valid, any such objection must contain the Settlement Class
12 Member's: (1) name, address, and telephone number; (2) a list of all purchases
13 and sales of Nova common stock during the Settlement Class Period in order to
14 show membership in the Settlement Class; (3) all grounds for the objection,
15 including any legal support known to the Settlement Class Member and/or his,
16 her, or its counsel; (4) the name, address, and telephone number of all counsel
17 who represent the Settlement Class Member, including former or current counsel
18 who may be entitled to compensation in connection with the objection; and (5) the
19 number of times the Settlement Class Member and/or his, her, or its counsel has
20 filed an objection to a class action settlement in the last five years, the nature of
21 each such objection in each case, the jurisdiction in each case, and the name of the
22 issuer of the security or seller of the product or service at issue in each case.
23 Attendance at the Settlement Hearing is not necessary, but Persons wishing to be
24 heard orally in opposition to the approval of the Stipulation, the Plan of
25 Allocation, and/or the Fee and Expense Application are required to indicate in
26 their written objection (or in a separate writing that is submitted in accordance
27 with the deadline and instructions pertinent to the submission of a written

EXHIBIT A

1 objection) that they intend to appear at the Settlement Hearing and identify any
2 witnesses they may call to testify or exhibits they intend to introduce into
3 evidence at the Settlement Hearing. Settlement Class Members do not need to
4 appear at the Settlement Hearing or take any other action to indicate their
5 approval.

6 27. Any Settlement Class Member who does not object in the manner
7 prescribed above shall be deemed to have waived all such objections and shall
8 forever be foreclosed from making any objection to the fairness, adequacy or
9 reasonableness of the Settlement, the Judgment to be entered approving the
10 Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless
11 otherwise ordered by the Court; shall be bound by all the terms and provisions of
12 the Stipulation and by all proceedings, orders and judgments in the Action; and
13 shall also be foreclosed from appealing from any judgment or order entered in this
14 Action.

15 28. The Court reserves the right to adjourn the Settlement Hearing
16 without any further notice other than entry of an Order on the Court's docket and
17 to approve the Settlement without further notice to the Settlement Class Members.

18 29. All papers in support of the Settlement, the Plan of Allocation, and/or
19 the Fee and Expense Application shall be filed and served no later than thirty (30)
20 calendar days before the Settlement Hearing.

21 30. Any submissions filed in response to any objections or in further
22 support of the Settlement, the Plan of Allocation and/or the Fee and Expense
23 Application shall be filed no later than seven (7) calendar days prior to the
24 Settlement Hearing.

25 31. Settling Defendants, their counsel, and other Released Parties shall
26 have no responsibility for, or liability with respect to, the Plan of Allocation or
27 any application for attorneys' fees and interest, or expenses or payments to the

EXHIBIT A

1 Class Representatives submitted by Class Counsel, and such matters will be
2 considered separately from the fairness, reasonableness, and adequacy of the
3 Settlement.

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

11 33. All funds held by the Escrow Agent shall be deemed and considered
12 to be in the custody of the Court and shall remain subject to the jurisdiction of the
13 Court, until such time as such funds shall be distributed or returned pursuant to the
14 Stipulation and Plan of Allocation and/or further order(s) of the Court.

15 34. Neither the Stipulation, nor any of its terms or provisions, nor any of
16 the negotiations or proceedings connected with it, shall be construed as an
17 admission or concession by Settling Defendants, their counsel, or any of the other
18 Released Parties of the truth of any of the allegations in the Action, or of any
19 liability, fault, or wrongdoing or any kind and shall not be construed as, or
20 deemed to be evidence of or an admission or concession that Class
21 Representatives or any Settlement Class Members directly have suffered any
22 damages, harm, or loss. Further, neither the Stipulation, nor any of its terms or
23 provisions, nor any of the negotiations or proceedings connected with it, nor this
24 Order shall be construed as an admission or concession by Class Representatives
25 of the validity of any factual or legal defense or of the infirmity of any of the
26 claims or facts alleged in the Action.

EXHIBIT A

1 35. In the event the Settlement is not approved or otherwise
2 consummated in accordance with the terms of the Stipulation, then the Stipulation
3 and this Order (including any amendment(s) thereof, and except as expressly
4 provided in the Stipulation or by order of the Court) shall be null and void, of no
5 further force or effect, and without prejudice to any Party, and may not be
6 introduced as evidence or used in any action or proceeding by any Person against
7 the Parties or the Released Parties, and each Party shall be restored to his, her, or
8 its respective pre-settlement litigation positions, pursuant to the terms of the
9 Stipulation.

10 36. The Court reserves the right to alter the time or the date of the
11 Settlement Hearing without further notice to the Settlement Class Members,
12 provided that the time or the date of the Settlement Hearing will not be set earlier
13 than the time and date set forth in ¶ 6 above. The Court retains exclusive
14 jurisdiction over the Action to consider all further matters arising out of, or
15 relating to, the Stipulation, including by way of illustration and not limitation, any
16 dispute concerning any Proof of Claim submitted and any future requests by one
17 or more of the Parties that the Judgment, the releases, and/or the permanent
18 injunction set forth in the Stipulation be enforced.

19
20 Dated: _____, 2023

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22 _____
23 HON. TERRY J. HATTER, JR.
24 UNITED STATES DISTRICT JUDGE
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EXHIBIT A-1

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GEORGE BARNEY, Individually and
on behalf of all others similarly
situated,

Plaintiff,

v.

NOVA LIFESTYLE, INC., THANH
H. LAM, YA MING WONG,
JEFFERY CHUANG, and YUEN
CHING HO,

Defendants.

No. 2:18-cv-10725-TJH(AFMx)
CLASS ACTION

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

1 If you purchased publicly traded common stock of Nova LifeStyle Inc.
2 (“Nova” or the “Company”) during the period from December 3, 2015 through
3 December 20, 2018, both dates inclusive (the “Settlement Class Period”), you
4 could get a payment from a class action settlement (the “Settlement”), and your
5 rights may otherwise be affected by the Settlement.

6 *A federal court has authorized this Notice. This is not attorney advertising.*
7

- 8 • If approved by the Court, the Settlement will provide \$750,000 in cash, plus
9 interest as it accrued from the funding of an escrow account, minus
10 attorneys’ fees, costs, administrative expenses, and Award to Plaintiffs, net
11 of any taxes on interest, to pay claims of investors who purchased Nova
12 common stock during the Settlement Class Period.
- 13 • Plaintiffs calculate that the Settlement represents an estimated average
14 recovery of \$0.24 per damaged share of Nova common stock, per Plaintiffs’
15 estimate of damaged shares. This is not an estimate of the actual recovery
16 per share you should expect. Your actual recovery will depend on the
17 Recognized Losses of all Settlement Class Members, the date(s) you
18 purchased and sold Nova common stock, the purchase and sales prices, and
19 the total number of claims filed.
- 20 • Attorneys for Plaintiffs (“Lead Counsel”) will ask the Court to award them
21 fees of up to 25% of the Settlement Amount (\$187,500) plus interest,
22 reimbursement of litigation expenses of no more than \$70,000, Award to
23 Lead Plaintiffs not to exceed \$3,500 each, or \$7,000 in total, and
24 Administration Costs of no more than \$95,000. Collectively, the attorneys’
25 fees, litigation expenses, and Award to Lead Plaintiffs are estimated to
26 average \$0.085 per estimated damaged share of Nova common stock.
27 Collectively, attorneys’ fees, litigation expenses, Award to Lead Plaintiffs,
28 and Administration Costs are estimated to average \$0.116 per estimated
damaged share of Nova common stock. If approved by the Court, these
amounts will be paid from the Settlement Fund.
- The average approximate recovery, after deduction of attorneys’ fees,
expenses, Award to Lead Plaintiffs, and interest approved by the Court, is
\$0.155 per damaged share of Nova common stock. The average
approximate recovery, after deduction of attorneys’ fees, expenses,

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Administrative Costs, and interest approved by the Court, is \$0.126 per damaged share of Nova common stock. This estimate is based on the assumptions set forth in the preceding paragraphs. This is not an estimate of the actual recovery per share you should expect. Your actual recovery if you are a Settlement Class Member, if any, will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold Nova common stock, the purchase and sale prices, and the total number of claims filed.

- The Settlement resolves the Action concerning whether Nova, Thanh H. Lam, Jeffery Chuang, Ya Ming Wong, and Yuen Ching Ho violated federal securities laws by allegedly making misrepresentations and/or omissions of material fact in various filings with the U.S. Securities and Exchange Commission or in other public statements to the investing public. Defendants deny each and every claim and contention alleged in the Action and deny any and all allegations of wrongdoing, fault, liability, or damage whatsoever Plaintiffs asserted.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

Submit a Claim Form if you a Settlement Class Member	Fill out the attached Proof of Claim and Release Form and submit it no later than _____ 2023. This is the only way to get a payment.
Exclude yourself from the Class	Submit a request for exclusion no later than _____ 2023. This is the only way you can ever be part of any other lawsuit against the Settling Defendants or the other Released Defendant Parties about the legal claims in this case. If you exclude yourself, you will receive no payment and cannot object or speak at the hearing.

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Object	Write to the Court no later than _____ 2023 about why you do not like the Settlement. You can still submit a Claim Form. If the Court approves the Settlement, you will be bound by it.
Go to the Hearing	Ask to speak in Court about the fairness of the Settlement at the hearing on _____ 2023. You can still submit a Claim Form. If the Court approves the Settlement, you will be bound by it.
Do Nothing	Get no payment AND give up your right to bring your own individual action.

INQUIRIES

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

Nova LifeStyle Inc. Securities Litigation c/o Strategic Claims Services P.O. Box 230 600 N. Jackson St., Ste. 205 Media, Pennsylvania 19063 Tel.: (866)-274-4004 Fax: (610)-565-7985 info@strategicclaims.net	OR	Phillip Kim. THE ROSEN LAW FIRM, P.A. 275 Madison Avenue, 40th Floor New York, NY 10016 Tel.: (212) 686-1060 Fax: (212) 202-3827 Email: pkim@rosenlegal.com
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DEFINITIONS

All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Renewed Stipulation of Settlement, dated March 24, 2023 (the "Stipulation").

1 **COMMON QUESTIONS AND ANSWERS CONCERNING THE**
2 **SETTLEMENT**

3 **1. Why did I get this Notice?**

4 You or someone in your family may have purchased publicly traded
5 Nova common stock between December 3, 2015 and December 20,
6 2018, both dates inclusive.

7 **2. What is this lawsuit about?**

8 This case is known as *George Barney v. Nova Lifestyle, Inc., et al.*,
9 Case No. 2:18-cv-10725- TJH(AFMx). The Court in charge of the
10 case is the United States District Court for the Central District of
11 California.

12 The Action involves allegations that Defendants violated certain
13 federal securities laws by making misrepresentations or omissions of
14 material fact by failing to disclose that its supposed largest
15 customers, Shanxi and Merlino Lewis LLP, were either nonexistent
16 or insolvent. The Action alleges that the misstatements or omissions
17 artificially inflated the price of Nova’s common stock, and that the
18 common stock dropped in response to certain subsequent disclosures.
19 Settling Defendants have denied and continue to deny each, any, and
20 all allegations of wrongdoing, fault, liability, or damage whatsoever
21 asserted in the Action and affirmatively assert that Shanxi and
22 Merlino Lewis LLP were legitimate customers. The Settlement shall
23 in no event be construed as, or deemed to be evidence of, liability,
24 fault, wrongdoing, injury, or damages, or of any wrongful conduct,
25 acts, or omissions on the part of any of the Released Parties, or of any
26 infirmity of any defense, or of any damages to the Plaintiffs or any
27 other Settlement Class Member.

28 **3. Why is this case a class action?**

 In a class action, one or more persons and/or entities, called
 plaintiffs, sue on behalf of all persons and/or entities who have
 similar claims. All these persons and/or entities are referred to

1 collectively as a class, and these individual persons and/or entities are
2 known as class members. One court resolves all the issues for all
3 class members, except for those class members who exclude
4 themselves from the class.

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

5 The Parties do not agree regarding the merits of Plaintiffs' allegations
6 and Defendants' defenses with respect to liability or the damages per
7 share of common stock, if any, that would be recoverable if Plaintiffs
8 were to prevail at trial on each claim. The issues on which the
9 Parties disagree include, without limitation: (1) whether the
10 challenged statements were materially false or misleading or
11 otherwise actionable under federal securities law; (2) whether
12 Settling Defendants acted with scienter, which means intent to
13 deceive, manipulate, or defraud, including an extreme departure from
14 the standards of ordinary care, presenting a danger of misleading
15 buyers that is either known to the defendant or is so obvious that the
16 actor must have been aware of it; (3) whether the alleged disclosures
17 were corrective disclosures; (4) the causes of the loss in the value of
18 Nova common stock; and (5) the amount of alleged damages, if any,
19 that could be recovered at trial.

20 This matter has not gone to trial, and the Court has not decided in
21 favor of either Plaintiffs or Defendants. Instead, the Parties have
22 agreed to settle the case. Plaintiffs and Lead Counsel believe the
23 Settlement is fair, reasonable, and adequate, and in the best interests
24 of the Settlement Class Members because of the risks associated with
25 continued litigation and the nature of the defenses raised by Settling
26 Defendants. Among the reasons that Plaintiffs and Lead Counsel
27 believe the Settlement is fair is the fact that there is uncertainty about
28 whether they will be able to prove that any challenged statement was
false or misleading, that the alleged misstatements and omissions
actually caused the Settlement Class any damages, and the amount of
damages, if any.

Even if Plaintiffs were to win at trial, and also prevail on any on
appeal, Plaintiffs might not be able to collect some, or all, of any

1 judgment they were awarded. Moreover, while litigation of this type
2 is usually expensive, it appears that, even if Plaintiffs' allegations
3 were found to be true, the total amount of damages to which
4 Settlement Class Members would be entitled could be substantially
5 less than the Settlement.

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

6 The Settlement Class consists of all persons and entities that
7 purchased publicly traded Nova common stock from December 3,
8 2015 through December 20, 2018, both dates inclusive.

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

10 Yes. Excluded from the Settlement Class are: Defendants; the
11 officers, directors, and affiliates of Nova, at all relevant times;
12 Nova's employee retirement or benefit plan(s) and their participants
13 or beneficiaries to the extent they purchased or acquired Nova stock
14 through any such plan(s); any entity in which Defendants have or had
15 controlling interest; immediate family members of any excluded
16 person; and the legal representatives, heirs, successors, or assigns of
17 any excluded person or entity.

18 You are also excluded from the Settlement Class if you have a net
19 profit in purchases and sales of Nova common stock or otherwise
20 suffered no damages during the Settlement Class Period.

21 You may choose to be excluded from the Settlement Class by filing a
22 valid and timely request for exclusion as described in response to
23 question 11.

24 **7. I am still not sure whether I am included in the Settlement Class.**

25 If you are still not sure whether you are included in the Settlement
26 Class, you can ask for free help. For more information, you can
27 contact the Claims Administrator, Strategic Claims Services, by toll-
28 free phone at (866) 274-4004 or by facsimile at (610) 565-7985, visit
the website www.strategicclaims.net, or fill out and return the Proof

1 of Claim and Release Form described in Question 9, to see if you
2 qualify.

3 **8. What does the Settlement Provide?**

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

5 The proposed Settlement provides that Settling Defendants have
6 caused seven hundred fifty thousand dollars (\$750,000) (the
7 “Settlement Fund”) to be paid into the Escrow Account for the
8 benefit of the Settlement Class. The Settlement is subject to Court
9 approval. Also, subject to the Court’s approval, a portion of the
10 Settlement Fund will be used to pay attorneys’ fees with interest and
11 reasonable litigation expenses to Lead Counsel, and any Award to
12 Plaintiffs. A portion of the Settlement Fund also will be used to pay
13 taxes due on interest earned by the Settlement Fund, if necessary, and
14 the costs of the claims administration, including the costs of printing
15 and mailing notice and the costs of publishing notice. After the
16 foregoing deductions from the Settlement Fund have been made, the
17 amount remaining (the “Net Settlement Fund”) will be distributed to
18 Settlement Class Members who submit timely, valid claims,
19 according to the Plan of Allocation to be approved by the Court.

20 **b. What can you expect to receive under the proposed
21 Settlement if you are a Settlement Class Member?**

22 If you are a Settlement Class Member, your share of the Net
23 Settlement Fund will or may depend on: (i) the number of claims
24 filed by all Settlement Class Members; (ii) the dates you purchased
25 and sold Nova common stock; (iii) the prices of your purchases and
26 sales; (iv) the amount of administrative costs, including the costs of
27 notice; and (v) the amount awarded by the Court to Lead Counsel for
28 attorneys’ fees, costs, and expenses and the amount awarded to the
29 Plaintiffs.

The Claims Administrator will determine each Settlement Class
Member’s *pro rata* share of the Net Settlement Fund based upon
each Settlement Class Member’s valid “Recognized Loss.” The

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Recognized Loss formula is not intended to be an estimate of the amount that a Settlement Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Settlement Class Members with valid claims.

The Net Settlement Fund will be distributed to Settlement Class Members who submit a Proof of Claim and Release Form and whose claims for recovery are allowed by the Claims Administrator pursuant to the terms of the Stipulation or by order of the Court under the below Plan of Allocation (“Authorized Claimants”), which reflects Plaintiffs’ contention that because of the alleged misrepresentations made by Settling Defendants, the price of Nova common stock was artificially inflated during the Settlement Class Period and that certain subsequent disclosures caused changes in the inflated price of Nova common stock. Settling Defendants have denied and continue to deny these allegations and any and all allegations of wrongdoing, fault, liability, or damage whatsoever asserted in the Action.

PROPOSED PLAN OF ALLOCATION

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

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s Recognized Loss and subject to the provisions in the preceding paragraph. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant’s Recognized Loss bears to the total Recognized

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

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

25 **THE BASIS FOR CALCULATING YOUR RECOGNIZED LOSS:**

26 Each Authorized Claimant shall be allocated a *pro rata* share of the Net
27 Settlement Fund based on his, her or its Recognized Loss as compared to the total
28 Recognized Losses of all Authorized Claimants. Recognized Losses will be
calculated as follows:

For common shares purchased between December 3, 2015 and December
20, 2018, inclusive, the Recognized Loss shall be calculated as follows:

- A. For shares retained at the end of trading on March 20, 2019, the
Recognized Loss shall be the lesser of:

- (i) \$0.31 per share; or
- (ii) the difference between the purchase price per share and \$0.72 per share.¹

B. For shares sold on or before December 20, 2018, the Recognized Loss per share shall be \$0.

C. For shares sold between December 21, 2018 and March 20, 2019, inclusive, the Recognized Loss shall be the lesser of:

- i) \$0.31 per share; or
- ii) the difference between the purchase price per share and the average closing price per share as of date of sale provided in Table A below.

Table
A

<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>	<u>Date</u>	<u>Closing Price</u>	<u>Average Closing Price</u>
12/21/2018	\$0.46	\$0.46	2/6/2019	\$0.68	\$0.64
12/24/2018	\$0.50	\$0.48	2/7/2019	\$0.65	\$0.64
12/26/2018	\$0.53	\$0.50	2/8/2019	\$0.65	\$0.64
12/27/2018	\$0.45	\$0.49	2/11/2019	\$0.65	\$0.64
12/28/2018	\$0.47	\$0.48	2/12/2019	\$0.72	\$0.65
12/31/2018	\$0.46	\$0.48	2/13/2019	\$0.73	\$0.65
1/2/2019	\$0.53	\$0.49	2/14/2019	\$0.77	\$0.65
1/3/2019	\$0.60	\$0.50	2/15/2019	\$0.81	\$0.66
1/4/2019	\$0.63	\$0.51	2/19/2019	\$0.87	\$0.66
1/7/2019	\$0.65	\$0.53	2/20/2019	\$0.82	\$0.67

¹Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." \$0.72 per share was the mean (average) daily closing trading price of the Company's common shares during the 90-day period beginning on December 21, 2018 and ending on March 20, 2019.

EXHIBIT A-1

1	1/8/2019	\$0.68	\$0.54	2/21/2019	\$0.85	\$0.67
	1/9/2019	\$0.70	\$0.56	2/22/2019	\$0.84	\$0.67
2	1/10/2019	\$0.71	\$0.57	2/25/2019	\$0.83	\$0.68
3	1/11/2019	\$0.74	\$0.58	2/26/2019	\$0.81	\$0.68
	1/14/2019	\$0.69	\$0.59	2/27/2019	\$0.83	\$0.68
4	1/15/2019	\$0.70	\$0.59	2/28/2019	\$0.80	\$0.69
5	1/16/2019	\$0.74	\$0.60	3/1/2019	\$0.83	\$0.69
	1/17/2019	\$0.71	\$0.61	3/4/2019	\$0.79	\$0.69
6	1/18/2019	\$0.72	\$0.61	3/5/2019	\$0.82	\$0.69
7	1/22/2019	\$0.70	\$0.62	3/6/2019	\$0.81	\$0.70
8	1/23/2019	\$0.70	\$0.62	3/7/2019	\$0.81	\$0.70
	1/24/2019	\$0.70	\$0.63	3/8/2019	\$0.80	\$0.70
9	1/25/2019	\$0.71	\$0.63	3/11/2019	\$0.76	\$0.70
10	1/28/2019	\$0.71	\$0.63	3/12/2019	\$0.76	\$0.70
	1/29/2019	\$0.68	\$0.63	3/13/2019	\$0.78	\$0.70
11	1/30/2019	\$0.70	\$0.64	3/14/2019	\$0.87	\$0.71
12	1/31/2019	\$0.69	\$0.64	3/15/2019	\$0.91	\$0.71
	2/1/2019	\$0.68	\$0.64	3/18/2019	\$0.89	\$0.71
13	2/4/2019	\$0.68	\$0.64	3/19/2019	\$0.86	\$0.72
14	2/5/2019	\$0.67	\$0.64	3/20/2019	\$0.84	\$0.72

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16 To the extent a Claimant had a trading gain or “broke even” from his, her or
 17 its overall transactions in Nova shares during the Settlement Class Period, the
 18 value of the Recognized Loss will be zero and the Claimant will not be entitled to
 19 a share of the Net Settlement Fund. To the extent that a Claimant suffered a
 20 trading loss on his, her or its overall transactions in Nova shares during the
 21 Settlement Class Period, but that trading loss was less than the Recognized Loss
 22 calculated above, then the Recognized Loss shall be limited to the amount of the
 23 Claimant’s actual trading loss.²

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² In order to determine a Claimant’s overall trading loss on Nova shares purchased during the Settlement Class Period, the Claims Administrator will calculate the difference between the total purchase cost of the Claimant’s Nova common stock shares purchased during the Settlement Class Period, less the following items: (i) the total sales proceeds received for Nova common stock shares sold between December 3, 2015 through and including March 20, 2019 and (ii) the total value of the Claimant’s Nova common stock shares held at the close of trading on March 20, 2019 (i.e. \$0.72 per Nova share held at the close of trading on March 20, 2019).

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For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the “contract” or “trade” date and not the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of Nova shares shall not be deemed a purchase or acquisition of Nova shares for the calculation of an Authorized Claimant’s Recognized Loss. The covering purchase of a short sale is not an eligible purchase. Only publicly traded common shares are eligible purchases (Cusip Number: 66979P102).

For purposes of calculating your Recognized Loss, all purchases, acquisitions and sales shall be matched on a First In First Out (“FIFO”) basis in chronological order. Therefore, on the Proof of Claim and Release Form enclosed with this Notice, you must provide all of your purchases and acquisitions of Nova common shares during the time period from December 3, 2015 through and including March 20, 2019.

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 Defendants, Defendants’ Counsel, Plaintiffs, Lead Counsel, or the Claims Administrator or other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant’s Claim Form. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

Any shares held at the beginning of the Settlement Class Period and sold during the Settlement Class Period are not included in the calculation of a Claimant’s overall trading loss.

9. How can I get a payment if I am a Settlement Class Member?

To qualify for a payment if you are a Settlement Class Member, you must complete and submit a form titled "Proof of Claim and Release Form." This Proof of Claim and Release Form is attached to this Notice. You may also obtain a Proof of Claim and Release Form at www.strategicclaims.net/Nova. Read the instructions carefully, fill out the form, and sign it in the location indicated. The Proof of Claim and Release Form may be completed in two ways: (1) by completing and submitting it electronically at www.strategicclaims.net/Nova/ by 11:59 p.m. EST on _____, 2023; or (2) by mailing the claim form together with all documentation requested in the form, postmarked no later than _____, 2023, to:

Nova LifeStyle Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063
Fax: (610) 565-7985
info@strategicclaims.net

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

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

Unless you exclude yourself from the Settlement Class by the _____ 2023 deadline, you will remain a member of the Settlement Class and will be bound by the release of claims against Settling Defendants and other Released Parties if the Settlement is approved. That means you and all other Settlement Class Members and each of their respective parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates will release (agreeing never to sue, continue to

1 sue, or be part of any other lawsuit) as against Defendants and other
2 Released Parties any and all claims which arise out of, are based
3 upon or relate in any way to the purchase or acquisition of Nova
4 common stock during the Settlement Class Period. It also means that
5 all the Court's orders will apply to you and legally bind you. That
6 means you will accept your allocated share, if any, of the Net
7 Settlement Fund as sole compensation for any losses you suffered in
8 the purchase, acquisition, sale, or ownership of Nova common stock
9 during the Settlement Class Period. The specific terms of the release
10 are included in the Stipulation.

11 **11. How can I get out of the Settlement if I am a Settlement Class**
12 **Member?**

13 If you are a Settlement Class Member, but you do not want to receive
14 a payment from the Settlement, and you want to keep any right you
15 may have to sue or continue to sue Settling Defendants or other
16 Released Parties on your own about the claims made in the Action,
17 then you must take steps to exclude yourself from the Settlement. To
18 exclude yourself from the Settlement, you must mail a letter that (A)
19 clearly indicates your name, address, phone number, and e-mail
20 contact information (if any) and states that you "request to be
21 excluded from the Settlement Class in *George Barney v. Nova*
22 *Lifestyle, Inc., et al.*, Case No. 2:18-cv-10725- TJH(AFMx)" and (B)
23 states the date, number of shares, and dollar amount of each Nova
24 common stock purchase or acquisition during the Settlement Class
25 Period, any sale transactions, and the number of shares of Nova
26 common stock held by you as of the opening and closing of the
27 Settlement Class Period. In order to be valid, such request for
28 exclusion must be submitted with documentary proof: (i) of each
purchase and, if applicable, sale transaction of Nova common stock
during the Settlement Class Period; and (ii) demonstrating your status
as a beneficial owner of the Nova common stock. Any such request
for exclusion must be signed and submitted by you, as the beneficial
owner, under penalty of perjury. You must mail your exclusion
request, to be received no later than _____, 2023, to the Claims
Administrator at the following address:

EXCLUSIONS - Nova LifeStyle Inc. Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson St., Ste. 205
Media, PA 19063

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

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

12. If I am a Settlement Class Member and I do not exclude myself, can I sue Defendants or the other Released Parties for the same thing later?

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

13. If I am a Settlement Class Member, do I have a lawyer in this case?

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

14. How will the lawyers be paid?

Lead Counsel have expended considerable time litigating this Action on a contingent fee basis and have paid for the expenses of the case themselves. They have not been paid attorneys' fees or reimbursed

1 for their expenses in advance of this Settlement. Lead Counsel have
2 done so with the expectation that, if they are successful in recovering
3 money for the Settlement Class, they will receive attorneys' fees and
4 be reimbursed for their litigation expenses from the Settlement Fund,
5 as is customary in this type of litigation. Lead Counsel will not
6 receive attorneys' fees or be reimbursed for their litigation expenses
7 except from the Settlement Fund. Therefore, Lead Counsel will file a
8 motion asking the Court at the Settlement Hearing to make an award
9 of attorneys' fees in an amount not to exceed 25% plus interest on the
10 Settlement Amount (\$187,500), reimbursement of litigation expenses
11 of no more than \$70,000, Administration Costs of no more than
12 \$95,000, and Award to Lead Plaintiffs not to exceed \$3,500 each, or
13 \$7,000 in total. The Court may award less than these amounts. Any
14 amounts awarded by the Court will come out of the Settlement Fund.

15 **15. How do I tell the Court that I do not like the Settlement?**

16 You can tell the Court you do not agree with the Settlement, any part
17 of the Settlement, and/or to Lead Counsel's motion for attorneys'
18 fees and expenses and application for an Award to Plaintiffs, and that
19 you think the Court should not approve the Settlement, by mailing a
20 letter stating that you object to the Settlement in the matter of *George*
21 *Barney v. Nova Lifestyle, Inc., et al.*, Case No. 2:18-cv-10725-
22 TJH(AFMx). Be sure to include: (1) your name, address, and
23 telephone number; (2) a list of all purchases and sales of Nova
24 common stock during the Settlement Class Period in order to show
25 membership in the Settlement Class; (3) all grounds for the objection,
26 including any legal support known to you or your counsel; (4) the
27 name, address, and telephone number of all counsel, if any, who
28 represent you, including your former or current counsel who may be
entitled to compensation in connection with the objection; and (5) the
number of times you and/or your counsel has filed an objection to a
class action settlement in the last five years, the nature of each such
objection in each case, the jurisdiction in each case, and the name of
the issuer of the security or seller of the product or service at issue in
each case.

Attendance at the Settlement Hearing is not necessary. Objectors wishing to be heard orally at the Settlement Hearing are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and after instruction pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Be sure to serve copies of any objections, papers, and briefs to each of the addresses listed below, **to be received no later than _____, 2023:**

<p>Clerk of the Court United States District Court Central District of California First Street Courthouse 350 West First Street, Suite 4311 Los Angeles, CA 90012</p>	<p><u>LEAD COUNSEL:</u> Phillip Kim THE ROSEN LAW FIRM, P.A. 275 Madison Avenue, 40th Floor New York, NY 10016</p>	<p><u>COUNSEL FOR SETTLING DEFENDANTS:</u> Robert W. Hayes COZEN O’CONNOR 1650 Market Street, Suite 2800 Philadelphia, PA 19103</p>
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16. What is the difference between objecting and requesting exclusion?

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

1 **17. When and where will the Court decide whether to approve the**
2 **Settlement?**

3 The Court will hold a Settlement Hearing on _____, 2023, at
4 __:__ a.m., at the United States District Court, Central District of
5 California, First Street Courthouse, 350 West First Street, Courtroom
6 9B, 9th Floor, Los Angeles, California 90012. The Court reserves
7 the right to hold the Settlement Hearing telephonically or by other
8 virtual means. In the event the Court decides to hold the Settlement
9 Hearing telephonically or by other virtual means, the Claims
10 Administrator will update its website, on the page dedicated to this
11 Settlement, to note the telephonic or other virtual means for the
12 Settlement Hearing.

13 At this hearing, the Court will consider whether the Settlement is fair,
14 reasonable, and adequate and whether to approve the Settlement. If
15 there are objections, the Court will consider them, and the Court will
16 listen to people who have asked to speak at the hearing. The Court
17 may also decide how much to pay Lead Counsel for attorneys' fees
18 and expenses and how much to award Plaintiffs.

19 **18. Do I have to come to the hearing?**

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

25 **19. What happens if I do nothing at all?**

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

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DATED: _____

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

EXHIBIT A-2

PROOF OF CLAIM AND RELEASE FORM

Deadline for Submission: _____

IF YOU PURCHASED PUBLICLY TRADED NOVA LIFESTYLE INC. (“NOVA” OR THE “COMPANY”) COMMON STOCK FROM DECEMBER 3, 2015 THROUGH DECEMBER 20, 2018, BOTH DATES INCLUSIVE (THE “SETTLEMENT CLASS PERIOD”), AND WERE DAMAGED THEREBY, YOU ARE A “SETTLEMENT CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS. (EXCLUDED FROM THE SETTLEMENT CLASS ARE: DEFENDANTS; THE OFFICERS, DIRECTORS, AND AFFILIATES OF NOVA, AT ALL RELEVANT TIMES; NOVA’S EMPLOYEE RETIREMENT OR BENEFIT PLAN(S) AND THEIR PARTICIPANTS OR BENEFICIARIES TO THE EXTENT THEY PURCHASED OR ACQUIRED NOVA STOCK THROUGH ANY SUCH PLAN(S); ANY ENTITY IN WHICH DEFENDANTS HAVE OR HAD CONTROLLING INTEREST; IMMEDIATE FAMILY MEMBERS OF ANY EXCLUDED PERSON; AND THE LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS, OR ASSIGNS OF ANY EXCLUDED PERSON OR ENTITY. ALSO EXCLUDED ARE THOSE PERSONS WHO FILE VALID AND TIMELY REQUESTS FOR EXCLUSION IN ACCORDANCE WITH THE COURT’S ORDER GRANTING MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT AND PERSONS WITH NO COMPENSABLE DAMAGES).

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS PROOF OF CLAIM AND RELEASE FORM (“CLAIM FORM”) IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS BY EITHER:

1. COMPLETING AND SUBMITTING THE ELECTRONIC VERSION OF THIS CLAIM FORM BY 11:59 P.M. EST ON _____, 2023 AT WWW.STRATEGICCLAIMS.NET/NOVA; OR
2. COMPLETING AND SIGNING THIS CLAIM FORM AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN _____, 2023 TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Nova LifeStyle Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
info@strategicclaims.net

YOUR FAILURE TO SUBMIT YOUR CLAIM BY _____, 2023 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOU FROM RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL, AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM FORM ONLY TO THE CLAIMS ADMINISTRATOR. IF YOU ARE A SETTLEMENT CLASS MEMBER AND DO NOT SUBMIT A PROPER CLAIM FORM, YOU WILL NOT SHARE IN THE SETTLEMENT BUT YOU NEVERTHELESS WILL BE BOUND BY THE ORDER AND FINAL JUDGMENT OF THE COURT UNLESS YOU EXCLUDE YOURSELF. SUBMISSION OF A CLAIM FORM DOES NOT ASSURE THAT YOU WILL SHARE IN THE PROCEEDS OF THE SETTLEMENT.

CLAIMANT'S STATEMENT

1. I (we) purchased Nova LifeStyle Inc. ("Nova") common stock during the Settlement Class Period. (Do not submit this Proof of Claim and Release Form if you did not purchase Nova common stock during the Settlement Class Period.)
2. By submitting this Proof of Claim and Release Form, I (we) state that I (we) believe in good faith that I am (we are) a Settlement Class Member(s) as defined above and in the Notice of Pendency and Proposed Settlement of Securities Class Action (the "Notice"), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Action or anyone excluded from the Settlement Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Settlement Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Settlement Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim and Release Form. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Settlement Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing of the Proof of Claim and Release Form.
4. I (we) have set forth where requested below all relevant information with respect to each purchase or acquisition of Nova common stock during the Settlement Class Period, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase and sale of Nova common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER OR TAX ADVISOR BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim and Release Form is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your Recognized Loss. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)
7. Upon the occurrence of the Court's approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their parent, subsidiary and affiliated entities, heirs, executors, administrators, predecessors, successors, and assigns) of each of the "Released Parties" of all "Released Claims," as those terms are defined in the Renewed Stipulation of Settlement, dated March 24, 2023 ("Stipulation").

EXHIBIT A-2

8. Upon the occurrence of the Court's approval of the Settlement, as detailed in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a covenant by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim and Release Form on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, parent, subsidiary and other affiliated entities, executors, administrators, predecessors, successors, and assigns) to permanently refrain from prosecuting or attempting to prosecute any Released Claims against any of the Released Parties.
9. "Released Parties" has the meaning laid out in the Stipulation.
10. "Released Claims" has the meaning laid out in the Stipulation.
11. "Unknown Claims" has the meaning laid out in the Stipulation.
12. I (We) acknowledge that the inclusion of "Unknown Claims" in the definition of claims released pursuant to the Stipulation was separately bargained for and is a material element of the Settlement of which this release is a part.
13. NOTICE REGARDING INSTITUTIONAL FILERS: Representatives with authority to file on behalf of (a) accounts of multiple Settlement Class Members and/or (b) institutional accounts with large numbers of transactions ("Representative Filers") must submit information regarding their transactions in an electronic spreadsheet format. If you are a Representative Filer, you must contact the Claims Administrator at efile@strategicclaims.net or visit their website at www.strategicclaims.net to obtain the required file layout. Claims which are not submitted in electronic spreadsheet format and in accordance with the Claims Administrator's instructions may be subject to rejection. All Representative Filers MUST also submit a manually signed Proof of Claim and Release Form, as well as proof of authority to file (see Item 2 of the Claimant's Statement), along with the electronic spreadsheet format. No claims submitted in electronic spreadsheet format will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.
14. NOTICE REGARDING ONLINE FILING: Claimants who are not Representative Filers may submit their claims online using the electronic version of the Proof of Claim and Release Form hosted at www.strategicclaims.net. If you are not acting as a Representative Filer, you do not need to contact the Claims Administrator prior to filing; you will receive an automated e-mail confirming receipt once your Proof of Claim and Release Form has been submitted. If you are unsure if you should submit your claim as a Representative Filer, please contact the Claims Administrator at info@strategicclaims.net or (866) 274-4004. If you are not a Representative Filer, but your claim contains a large number of transactions, the Claims Administrator may request that you also submit an electronic spreadsheet showing your transactions to accompany your Proof of Claim and Release Form.

I. CLAIMANT INFORMATION

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

II. SCHEDULE OF TRANSACTIONS IN NOVA LIFESTYLE INC. ("NOVA") COMMON STOCK

Beginning Holdings:

A. State the total number of shares of Nova common stock held at the close of trading on December 2, 2015 (*must be documented*). If none, write "zero" or "0."

--

Purchases/Acquisitions:

B. Separately list each and every purchase or acquisition of Nova common stock between December 3, 2015 and March 20, 2019, both dates inclusive, and provide the following information (*must be documented*):

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

Sales:

C. Separately list each and every sale of Nova common stock between December 3, 2015 and March 20, 2019, both dates inclusive, and provide the following information (*must be documented*):

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

Ending Holdings:

D. State the total number of shares of Nova common stock held at the close of trading on March 20, 2019 (*must be documented*).

--

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

III. SUBSTITUTE FORM W-9

Request for Taxpayer Identification Number:

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

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

IV. CERTIFICATION

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

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding; or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup

EXHIBIT A-2

withholding as a result of a failure to report all interest or dividends; or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

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

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

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

(Signature)

(Signature)

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

Date: _____

THIS PROOF OF CLAIM AND RELEASE FORM MUST BE SUBMITTED NO LATER THAN _____, 2023, AND MUST BE MAILED TO:

Nova LifeStyle Inc. Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Fax: (610) 565-7985
info@strategicclaims.net

A Proof of Claim and Release Form received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by _____, 2023, and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim and Release Form shall be deemed to have been submitted when actually received by the Claims Administrator.

The Claims Administrator will acknowledge receipt of your Proof of Claim and Release Form by mail or email within 45 days of receipt. Your claim is not deemed filed until you receive such an acknowledgement. If you do not receive an acknowledgement within 45 days, please contact the Claims Administrator by telephone toll-free at 866-274-4004 or by email at info@strategicclaims.net.

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

REMINDER CHECKLIST

- Please be sure to sign this Proof of Claim and Release Form on page 6. If this Proof of Claim and Release Form is submitted on behalf of joint claimants, then each claimant must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim and Release Form or any supporting documents.
- If you move or change your address, telephone number or email address, please submit the new information to the Claims Administrator, as well as any other information that will assist us in contacting you. NOTE: Failure to submit updated information to the Claims Administrator may result in the Claims Administrator's inability to contact you regarding issues with your claim or to deliver payment to you.

EXHIBIT A-3

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GEORGE BARNEY, Individually and
on behalf of all others similarly
situated,

Plaintiff,

v.

NOVA LIFESTYLE, INC., THANH
H. LAM, YA MING WONG,
JEFFERY CHUANG, and YUEN
CHING HO,

Defendants.

No. 2:18-cv-10725-TJH(AFMx)

CLASS ACTION

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

EXHIBIT A-3

1 **TO: ALL PERSONS WHO PURCHASED PUBLICLY TRADED NOVA**
2 **LIFESTYLE INC. (“NOVA”) COMMON STOCK FROM**
3 **DECEMBER 3, 2015 THROUGH DECEMBER 20, 2018, BOTH**
4 **DATES INCLUSIVE.**

5 YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States
6 District Court for the Central District of California, that a hearing will be held on
7 _____, 2023, at __:___.m. before the Honorable Terry J. Hatter Jr., United
8 States District Judge of the United States District Court for the Central District of
9 California, First Street Federal Courthouse, 350 W. First Street, Courtroom 9B,
10 9th Floor, Los Angeles, California 90012, or by telephonic or videoconference
11 means as directed by the Court for the purpose of determining: (1) whether the
12 proposed Settlement of the claims in the above-captioned Action for consideration
13 including the sum of \$750,000 should be approved by the Court as fair,
14 reasonable, and adequate; (2) whether the proposed plan to distribute the
15 Settlement proceeds is fair, reasonable, and adequate; (3) whether the application
16 of Lead Counsel for an award of attorneys’ fees of up to 25% of the Settlement
17 Amount (\$187,500) plus a proportionate share of interest accrued on the
18 Settlement Amount, Lead Counsel’s reimbursement of litigation expenses
19 incurred of not more than \$70,000, Administration Costs of not more than
20 \$95,000, and Award to Lead Plaintiffs of not more than \$3,500 each, or \$7,000
21 total, should be approved; and (4) whether the Action should be dismissed with
22 prejudice as set forth in the Renewed Stipulation of Settlement dated March 24,
23 2023 (the “Stipulation”).

24 If you purchased publicly traded Nova common stock during the period
25 from December 3, 2015 through December 20, 2018, both dates inclusive (the
26 “Settlement Class Period), your rights may be affected by this Settlement,
27 including the release and extinguishment of claims you may possess relating to
28 your ownership interest in Nova common stock. You may obtain copies of the
detailed Notice of Pendency and Proposed Settlement of Securities Class Action

EXHIBIT A-3

1 (“Notice”) and the Proof of Claim and Release Form by writing to or calling the
2 Claims Administrator: Nova LifeStyle Inc. Securities Litigation, c/o Strategic
3 Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA 19063;
4 (Tel) (866) 274-4004; (Fax) (610) 565-7985; info@strategicclaims.net. You can
5 also download copies of the Notice and submit your Proof of Claim and Release
6 Form online at www.strategicclaims.net/Nova. If you are a member of the
7 Settlement Class, in order to share in the distribution of the Net Settlement Fund,
8 you must submit a Proof of Claim and Release Form electronically or postmarked
9 no later than _____, 2023 to the Claims Administrator, establishing that
10 you are entitled to recovery. Unless you submit a written exclusion request, you
11 will be bound by any judgment rendered in the Action, whether or not you make a
12 claim.

13 If you are a Settlement Class Member and desire to be excluded from the
14 Settlement Class, you must submit to the Claims Administrator a request for
15 exclusion so that it is received no later than _____, 2023, in the manner
16 and form explained in the detailed Notice. All members of the Settlement Class
17 who have not requested exclusion from the Settlement Class will be bound by any
18 judgment entered in the Action pursuant to the Stipulation.

19 Any objection by a Settlement Class Member to the Settlement, Plan of
20 Allocation, Lead Counsel’s requests for an award to Lead Counsel of attorneys’
21 fees and reimbursement of expenses and Award to Plaintiffs must be in the
22 manner and form explained in the detailed Notice and received no later than
23 _____, 2023, by each of the following:

24 Clerk of the Court
25 United States District Court
26 Central District of California
27 First Street Courthouse
28 350 West First Street, Suite 4311
Los Angeles, CA 90012

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LEAD COUNSEL
Phillip Kim
THE ROSEN LAW FIRM, P.A.
275 Madison Avenue, 40th Floor
New York, NY 10016

COUNSEL FOR DEFENDANTS
Robert W. Hayes
COZEN O’CONNOR
1650 Market Street, Suite 2800
Philadelphia, PA 19103

If you have any questions about the Settlement, you may call or write to
Lead Counsel:

THE ROSEN LAW FIRM, P.A.
Phillip Kim
275 Madison Avenue, 40th Floor
New York, NY 10016
Telephone: (212) 686-1060
Email: pkim@rosenlegal.com

PLEASE DO NOT CONTACT THE COURT OF THE CLERK’S OFFICE REGARDING THIS NOTICE.

Dated: _____, 2023

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

EXHIBIT A-4

Securities Litigation
c/o Strategic Claims Services
P.O. Box 230
Media, PA 19063

PRESORTED
FIRST-CLASS
MAIL U.S.
POSTAGE PAID

**Court-Ordered Legal Notice
Forwarding Service Requested**

Case No. 2:18-cv-10725 (C.D. Cal.)

*Important Notice about a Securities
Class Action Settlement*

Case Pending in the United States District Court for the
Central District of California

*You may be entitled to a payment.
This Notice may affect your legal
rights.*

[NAME 1]
[NAME 2]
[NAME 3]
[ADDRESS 1]
[ADDRESS 2]

Please read it carefully.

THIS CARD PROVIDES ONLY LIMITED INFORMATION ABOUT THE SETTLEMENT.

PLEASE VISIT WWW.STRATEGICCLAIMS.NET OR CALL 1-866-274-4004 FOR MORE INFORMATION.

The U.S. District Court for the Central District of California (the "Court") has preliminarily approved a proposed Settlement of claims against Nova LifeStyle Inc. ("Nova" or the "Company"), Thanh H. Lam, and Jeffery Chuang (collectively, the "Settling Defendants"). The proposed Settlement would resolve a class action lawsuit alleging that, in violation of the federal securities laws, Defendants misled investors, issuing materially false and misleading statements and causing damages to Settlement Class Members. Defendants deny any wrongdoing.

You received this notice because you may have purchased publicly traded Nova common stock from December 3, 2015 through December 20, 2018, inclusive, and you may be a Settlement Class Member. The Settlement provides that, in exchange for the dismissal and release of claims against Settling Defendants, a fund consisting of \$750,000, less attorneys' fees and expenses, will be divided among Settlement Class Members who timely submit valid Proof of Claim and Release Forms ("Claim Forms"). For a full description of the Settlement and your rights and to make a claim, please view the Renewed Stipulation of Settlement and obtain a copy of the Notice of Pendency and Proposed Settlement of Securities Class Action ("Notice") and Claim Form by visiting the website: www.strategicclaims.net/Nova. You may request copies of the Notice and Claim Form by: (1) mail: Nova LifeStyle Inc. Securities Litigation, c/o Strategic Claims Services, P.O. Box 230, 600 N. Jackson St, Ste. 205, Media, PA 19063; (2) toll-free phone: (866) 274-4004; (3) fax: (610) 565-7985; or (4) email: info@strategicclaims.net.

To qualify for payment, you must submit a Claim Form, which can be found on the website www.strategicclaims.net/Nova. CLAIM FORMS ARE DUE BY _____, 2023 TO THE CLAIMS ADMINISTRATOR AT NOVA LIFESTYLE INC. SECURITIES LITIGATION, C/O STRATEGIC CLAIMS SERVICES, P.O. BOX 230, 600 N. JACKSON ST, STE. 205, MEDIA, PA 19063 OR SUBMITTED ELECTRONICALLY AT WWW.STRATEGICCLAIMS.NET/NOVA. If you do not want to be legally bound by the Settlement, you must exclude yourself by _____, 2023. If you exclude yourself, you cannot get money from this Settlement. If you stay in the Settlement, you may object to it by _____, 2023. The Notice explains how to exclude yourself or to object.

The Court will hold a hearing in this case on _____, 2023 at _____, am. at the First Street Federal Courthouse, 350 W. First Street, Courtroom 9B, 9th Floor, Los Angeles, CA, 90012, to consider whether to approve the Settlement, the Plan of Allocation, and a request by Lead Counsel for up to 25% of the Settlement Fund for their attorneys' fees, plus up to \$70,000 in litigation expenses. Administration Costs up to \$95,000, and Award to Lead Plaintiffs of no more than \$7,000 in total for litigating the case and negotiating the Settlement. You may, but do not have to, attend the hearing and ask to be heard by the Court. The Court reserves the right to hold the Settlement Hearing telephonically or by other virtual means. For more information, call toll-free 1-866-274-4004, or visit the website www.strategicclaims.net.

EXHIBIT B

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

GEORGE BARNEY, Individually and
on behalf of all others similarly
situated,

Plaintiff,

v.

NOVA LIFESTYLE, INC., THANH
H. LAM, YA MING WONG,
JEFFERY CHUANG, and YUEN
CHING HO,

Defendants.

No. 2:18-cv-10725-TJH(AFMx)

CLASS ACTION

**[PROPOSED] ORDER AND
FINAL JUDGMENT**

Hon. Terry J. Hatter, Jr.

EXHIBIT B

1 On the ____ day of _____, 2023 a hearing having been held before
2 this Court to determine: (1) whether the terms and conditions of the Renewed
3 Stipulation of Settlement dated March 24, 2023 (the “Stipulation”) are fair,
4 reasonable, and adequate for the settlement of all claims asserted by the
5 Settlement Class against Settling Defendants (as defined in the Stipulation),
6 including the release of the Released Claims against the Released Parties, and
7 should be approved; (2) whether judgment should be entered dismissing the
8 Action with prejudice; (3) whether to approve the proposed Plan of Allocation as
9 a fair and reasonable method to allocate the Net Settlement Fund among
10 Settlement Class Members; (4) whether and in what amount to award Lead
11 Counsel fees and reimbursement of expenses; and (5) whether and in what amount
12 to award Lead Plaintiffs; and

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

15 It appearing in the record that the Postcard Notice substantially in the form
16 approved by the Court in the Court’s Order Granting Motion for Preliminary
17 Approval of Class Action Settlement, dated _____, 2023 (“Preliminary
18 Approval Order”) was mailed to all reasonably identifiable Settlement Class
19 Members and the Long Notice was posted to the website of the Claims
20 Administrator, both in accordance with the Preliminary Approval Order and the
21 specifications of the Court; and

22 It appearing in the record that the links to the webpage hosting the Long
23 Notice and Proof of Claim substantially in the form approved by the Court in the
24 Preliminary Approval Order were emailed to identifiable Settlement Class
25 Members when an email address was provided to the Claims Administrator in
26 accordance with the Preliminary Approval Order and the specifications of the
27 Court; and

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1 It appearing in the record that the Summary Notice substantially in the form
2 approved by the Court in the Preliminary Approval Order was published
3 electronically once on the *GlobeNewswire* and in print once in the *Investor's*
4 *Business Daily*;

5 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
6 DECREED THAT:

7 1. This Order and Judgment incorporates by reference the definitions in
8 the Stipulation, and all capitalized terms used herein shall have the same meanings
9 as set forth therein.

10 2. The Court has jurisdiction over the subject matter of the Action, Lead
11 Plaintiffs, all Settlement Class Members, and Settling Defendants.

12 3. The Court finds that, for settlement purposes only, the prerequisites
13 for a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil
14 Procedure have been satisfied in that:

- 15 (a) the number of Settlement Class Members is so numerous that
16 joinder of all members thereof is impracticable;
- 17 (b) there are questions of law and fact common to the Settlement
18 Class;
- 19 (c) Lead Plaintiffs' claims are typical of the claims of the
20 Settlement Class they seek to represent;
- 21 (d) Lead Plaintiffs and Lead Counsel fairly and adequately
22 represent the interests of the Settlement Class;
- 23 (e) questions of law and fact common to the members of the
24 Settlement Class predominate over any questions affecting
25 only individual members of the Settlement Class; and
- 26 (f) a class action is superior to other available methods for the fair
27 and efficient adjudication of this Action, considering;
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- i. the interests of the Settlement Class Members in individually controlling to prosecution of the separate actions;
- ii. the extent and nature of any litigation concerning the controversy already commenced by Settlement Class Members;
- iii. the desirability or undesirability of concentrating the litigation of these claims in this particular forum; and
- iv. the difficulties likely to be encountered in the management of the class action.

The Settlement Class is being certified for settlement purposes only.

4. The Court hereby finally certifies this action as a class action for purposes of the Settlement only, pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, on behalf of all persons and entities who purchased publicly traded Nova common stock from December 3, 2015 through December 20, 2018, both dates inclusive, and were damaged thereby. Excluded from the Settlement Class are the following: Defendants; the officers, directors, and affiliates of Nova, at all relevant times; Nova’s employee retirement or benefit plan(s) and their participants or beneficiaries to the extent they purchased or acquired Nova stock through any such plan(s); any entity in which Defendants have or had controlling interest; immediate family members of any excluded person; and the legal representatives, heirs, successors, or assigns of any excluded person or entity. Also excluded from the Settlement Class are those persons listed on Exhibit A hereto who filed valid and timely requests for exclusion in accordance with the Preliminary Approval Order.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, for the purposes of this Settlement only, Lead Plaintiffs are certified as the class

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1 representatives on behalf of the Settlement Class (“Class Representatives”) and
2 Lead Counsel previously selected by Lead Plaintiffs and appointed by the Court is
3 hereby appointed as Class Counsel for the Settlement Class (“Class Counsel”).

4 6. In accordance with the Court’s Preliminary Approval Order, the
5 Court hereby finds that the forms and methods of notifying the Settlement Class
6 of the Settlement and its terms and conditions met the requirements of due
7 process, Rule 23 of the Federal Rules of Civil Procedure, and Section 21D(a)(7)
8 of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as amended by
9 the Private Securities Litigation Reform Act of 1995; constituted the best notice
10 practicable under the circumstances; and constituted due and sufficient notice of
11 these proceedings and the matters set forth herein, including the Settlement and
12 Plan of Allocation, to all persons and entities entitled to such notice. No
13 Settlement Class Member is relieved from the terms and conditions of the
14 Settlement, including the releases provided for in the Stipulation, based upon the
15 contention or proof that such Settlement Class Member failed to receive actual or
16 adequate notice. A full opportunity has been offered to the Settlement Class
17 Members to object to the proposed Settlement and to participate in the hearing
18 thereon. The Court further finds that the notice provisions of the Class Action
19 Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is hereby
20 determined that all Settlement Class Members are bound by this Order and
21 Judgment except those persons listed on Exhibit A to this Order and Judgment.

22 7. The Settlement is approved as fair, reasonable, and adequate under
23 Rule 23 of the Federal Rules of Civil Procedure. This Court further finds that the
24 Settlement set forth in the Stipulation is the result of good faith, arm’s-length
25 negotiations with a well-respected mediator and between experienced counsel
26 representing the interests of Class Representatives, Settlement Class Members,
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1 and Settling Defendants. The Parties are directed to consummate the Settlement
2 in accordance with the terms and provisions of the Stipulation.

3 8. The Action and all claims contained therein, as well as the Released
4 Claims, are dismissed with prejudice as against all Defendants and the Released
5 Parties. The Parties are to bear their own costs, except as otherwise provided in
6 the Stipulation.

7 9. The Releasing Plaintiff Parties, on behalf of themselves, their
8 successors and assigns, and any other Person claiming (now or in the future)
9 through or on behalf of them, regardless of whether any such Releasing Plaintiff
10 Party ever seeks or obtains by any means, including without limitation by
11 submitting a Proof of Claim and Release Form, any disbursement from the
12 Settlement Fund, shall be deemed to have, and by operation of this Order and
13 Judgment shall have, fully, finally, and forever released, relinquished, and
14 discharged all Released Plaintiffs' Claims against the Released Defendant Parties.
15 The Releasing Plaintiff Parties shall be deemed to have, and by operation of this
16 Order and Judgment shall have, covenanted not to sue the Released Defendant
17 Parties with respect to any and all Released Plaintiffs' Claims in any forum and in
18 any capacity. The Releasing Plaintiff Parties shall be and hereby are permanently
19 barred and enjoined from asserting, commencing, prosecuting, instituting,
20 assisting, instigating, or in any way participating in the commencement or
21 prosecution of any action or other proceeding, in any forum, asserting any
22 Released Plaintiffs' Claim, in any capacity, against any of the Released Defendant
23 Parties, including Defense Counsel and the Insurers. Nothing contained herein
24 shall, however, bar the Releasing Plaintiff Parties from bringing any action or
25 claim to enforce the terms of the Stipulation or this Order and Judgment.

26 10. Settling Defendants, on behalf of themselves and their Related
27 Parties, shall be deemed to have, and by operation of this Judgment shall have,
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1 fully, finally, and forever released, relinquished, and discharged Class
2 Representatives, Settlement Class Members, Class Counsel, and their respective
3 Related Parties from all Defendants' Released Claims and shall be permanently
4 enjoined from prosecuting the Defendants' Released Claims against Class
5 Representatives, Settlement Class Members, Class Counsel, and their respective
6 Related Parties. Nothing contained herein shall, however, bar the Settling
7 Defendants or their Related Parties from bringing any action or claim to enforce
8 the terms of the Stipulation or this Order and Judgment.

9 11. To the fullest extent permitted by law, all Persons shall be
10 permanently enjoined, barred, and restrained from bringing, commencing,
11 prosecuting, or asserting any claims, actions, or causes of action for contribution,
12 indemnity or otherwise against any of the Released Parties seeking as damages or
13 otherwise the recovery of all or any part of any liability, judgment, or settlement
14 that they pay or are obligated to pay or agree to pay to the Settlement Class or any
15 Settlement Class Member arising out of, relating to, or concerning such Persons'
16 participation in any acts, facts, statements, or omissions that were or could have
17 been alleged in the Actions, whether arising under state, federal, or foreign law as
18 claims, cross-claims, counterclaims, third-party claims, or otherwise, in the Court
19 or any other federal, state, or foreign court, or in any arbitration proceeding,
20 administrative agency proceeding, tribunal, or any other proceeding or forum.
21 Further, nothing in the Stipulation or this Order and Judgment shall apply to bar or
22 otherwise affect any claim for insurance coverage by any Settling Defendant.

23 12. The Court hereby finds that the proposed Plan of Allocation is a fair
24 and reasonable method to allocate the Net Settlement Fund among Settlement
25 Class Members, and Class Counsel and the Claims Administrator are directed to
26 administer the Plan of Allocation in accordance with its terms and the terms of the
27 Stipulation.

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1 13. The Court finds that the Parties and their counsel have complied with
2 all requirements of Rule 11 of the Federal Rules of Civil Procedure and the
3 Private Securities Litigation Reform Act of 1995 as to all proceedings herein.

4 14. Neither this Order and Judgment, the Stipulation (nor the Settlement
5 contained therein), nor any of its terms and provisions, nor any of the negotiations,
6 documents or proceedings connected with them:

7 (a) is or may be deemed to be, or may be used as an admission,
8 concession, or evidence of, the validity or invalidity of any
9 Released Claims, the accuracy or inaccuracy of any fact
10 alleged by Class Representatives, the sufficiency or deficiency
11 of any defense that has been or could have been asserted in the
12 Actions, or of any wrongdoing, liability, negligence, or fault of
13 Defendants, the Released Parties, or each or any of them;

14 (b) is or may be deemed to be or may be used as an admission of,
15 or evidence of, any fault or misrepresentation or omission with
16 respect to any statement or written document attributed to,
17 approved, or made by Defendants or any other Released
18 Parties in any civil, criminal, or administrative proceeding in
19 any court, administrative agency, or other tribunal;

20 (c) is or may be deemed to be or shall be used, offered, or received
21 against the Parties, Defendants or other Released Parties, or
22 each or any of them, as an admission, concession, or evidence
23 of the validity or invalidity of the Released Claims, the
24 infirmity or strength of any claim raised in the Actions, the
25 truth or falsity of any fact alleged by Class Representatives, the
26 Settlement Class, or the availability or lack of availability of
27 meritorious defenses to the claims raised in the Actions;

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1 (d) is or may be deemed to be or shall be construed as or received
2 in evidence as an admission or concession against Settling
3 Defendants, or the Released Parties, or each or any of them,
4 that any of Class Representatives' or Settlement Class
5 Members' claims are with or without merit, that a litigation
6 class should or should not be certified, that damages
7 recoverable in the Actions would have been greater or less than
8 the Settlement Fund, or that the consideration to be given
9 pursuant to the Stipulation represents an amount equal to, less
10 than, or greater than the amount that could have or would have
11 been recovered after trial.

12 15. The Released Parties may file the Stipulation and/or this Order and
13 Judgment in any other action that may be brought against them in order to support
14 a defense or counterclaim based on principles of res judicata, collateral estoppel,
15 full faith and credit, release, good faith settlement, judgment bar or reduction, or
16 any other theory of claim preclusion or issue preclusion or similar defense or
17 counterclaim. The Parties may file the Stipulation and/or this Order and Judgment
18 in any proceedings that may be necessary to consummate or enforce the
19 Settlement Stipulation, the Settlement, or this Order and Judgment.

20 16. Except as otherwise provided herein or in the Stipulation, all funds
21 held by the Escrow Agent shall be deemed to be in *custodia legis* and shall remain
22 subject to the jurisdiction of the Court until such time as the funds are distributed
23 or returned pursuant to the Stipulation and/or further order of the Court. No funds
24 shall be distributed from the Net Settlement Fund to Settlement Class members,
25 except any Award to Lead Plaintiffs the Court may grant, until the time period to
26 appeal this Order has expired without the filing of a notice of appeal or all appeals
27 have been exhausted.

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1 17. Without affecting the finality of this Order and Judgment in any way,
2 this Court hereby retains continuing exclusive jurisdiction over the Parties and the
3 Settlement Class Members for all matters relating to the Action, including the
4 administration, interpretation, effectuation, or enforcement of the Stipulation and
5 this Order and Judgment, including, without limitation, any application for fees
6 and expenses incurred in connection with administering and distributing the
7 Settlement proceeds to the Settlement Class Members.

8 18. Without further order of the Court, Settling Defendants and Class
9 Representatives may agree to reasonable extensions of time to carry out any of the
10 provisions of the Stipulation.

11 19. There is no just reason for delay in the entry of this Order and
12 Judgment and immediate entry by the Clerk of the Court is expressly directed
13 pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

14 20. The finality of this Order and Judgment shall not be affected, in any
15 manner, by rulings that the Court may make on Class Counsel's application for an
16 award of attorneys' fees and expenses to Class Counsel or award to Class
17 Representatives.

18 21. In the event the Settlement is not consummated in accordance with
19 the terms of the Stipulation, then the Stipulation and this Order and Judgment
20 (including any amendment(s) thereof, and except as expressly provided in the
21 Stipulation or by order of the Court) shall be null and void, of no further force or
22 effect, and without prejudice to any Party, and may not be introduced as evidence
23 or used in any action or proceeding by any Person against the Parties or the
24 Released Parties, and each Party shall be restored to his, her, or its respective pre-
25 settlement litigation positions pursuant to the terms of the Stipulation.

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Dated: _____, 2023

HON. TERRY J. HATTER, JR.
UNITED STATES DISTRICT JUDGE