

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ASFA KASSAM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

FLUX POWER HOLDINGS, INC.,
RONALD F. DUTT, and CHARLES A.
SCHEIWE,

Defendants.

Case No. 3:25-cv-113-JO-DDL

Hon. Jinsook Ohta

CLASS ACTION

STIPULATION OF SETTLEMENT

This Stipulation of Settlement dated as of August 27, 2025 (together with all Exhibits hereto, “Stipulation”), which is entered into, by and through their undersigned attorneys, between (i) Lead Plaintiff Brandon Paulson and named Plaintiff Thomas Frank Clark (“Plaintiffs”), on behalf of themselves and the Settlement Class (as defined herein), and (ii) Defendants Flux Power Holdings, Inc. (“Flux Power”), Ronald F. Dutt, and Charles A. Scheiwe (“Defendants,” and together with Plaintiffs, the “Parties”), states all of the terms of the settlement and resolution of this matter by the Parties, and is intended by the Parties to fully and finally compromise, settle, release, resolve, remise, discharge, and dismiss with prejudice the Released Claims (as defined herein) against the Released Parties (as defined herein) for the consideration specified, as set forth below.

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

WHEREAS:

A. Litigation History

On November 1, 2024, a complaint was filed against Defendants in the District of Nevada, alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (“Exchange Act”) by Defendants Flux Power, Dutt, and Scheiwe. Dkt. No. 1. On January 14, 2025, the case was transferred to the Southern District of California, before Judge Jinsook Ohta. Dkt. No. 17.

On December 31, 2024, Mr. Paulson and three other movants filed motions seeking appointment as lead plaintiff of the Action and approval of their respective counsel and lead counsel. Dkt. Nos. 12-14. On February 20, 2025, the Court appointed Mr. Paulson as Lead Plaintiff and appointed The Rosen Law Firm, P.A., as Lead Counsel. Dkt. No. 42.

On April 21, 2025, Plaintiffs filed the operative Amended Complaint (“Complaint”). Dkt. No. 48. On May 12, 2025, Defendants filed their motions to dismiss the Complaint. Dkt. Nos. 49, 52.

On May 19, 2025, the Parties entered a joint stipulation informing the Court that they had agreed to participate in a private mediation and requesting that further briefing and the hearing on Defendants’ motions to dismiss be continued pending the mediation. Dkt. No. 54. On May 27, 2025, the Court approved the joint stipulation and stayed the case pending a joint report on the outcome of this mediation. Dkt. No. 55.

On July 25, 2025, the Parties notified the Court that they had reached a settlement in principle and that no new briefing deadlines or hearing date were needed for Defendants’ motions to dismiss. The Parties proposed that Plaintiffs would move for preliminary approval of the proposed Settlement on or by September 8, 2025. Dkt. No. 56.

B. Mediation and Settlement

The Parties engaged Robert Meyer, Esq. of JAMS, a well-respected mediator with experience mediating complex securities class actions such as this Action. Prior to the mediation, the Parties exchanged detailed mediation statements.

The Parties attended a mediation with Mr. Meyer on July 11, 2025. After extensive discussions regarding the merits of the claims, Defendants' motions, and potential damages, the Parties each accepted a mediator's proposal from Mr. Meyer to settle the Action in principle for the Settlement Amount.

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

C. Defendants' Denial of Wrongdoing and Liability

Throughout this Action, Defendants have denied, and continue to deny, any and all allegations of fault, liability, wrongdoing, or damages whatsoever arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Defendants have denied, and continue to deny, the allegations that Plaintiffs or any Settlement Class Member have suffered damages or were harmed by any of the conduct alleged in the Action or that could have been alleged as part of the Action. In addition, Defendants maintain that they have meritorious defenses to all claims in the Action. Defendants continue to believe the claims asserted against them in the Action are without merit, and they have agreed to enter into the Settlement set forth in this Stipulation solely to avoid the expense, distraction, time and uncertainty associated with the Action.

Defendants have concluded that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Defendants have also taken into account the risks inherent in any litigation, especially in complex cases such as this Action. Defendants have

1 therefore determined that it is desirable and beneficial that the Action be settled in
2 the manner and upon the terms and conditions set forth in this Stipulation.

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

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

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

24 **1. Definitions**

25 In addition to the terms defined above, the following capitalized terms, used
26 in this Stipulation, shall have the meanings specified below:
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1 **1.1.** “Action” means the putative class action captioned *Kassam v.*
2 *Flux Power Holdings, Inc., et al.*, 3:25-cv-113-JO-DDL (S.D. Cal.).

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

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

13 **1.4.** “Award to Plaintiffs” means the requested reimbursement to
14 Plaintiffs for their reasonable costs and expenses directly related to Plaintiffs’
15 representation of the Settlement Class in the Action.

16 **1.5.** “Business Day” means any day except Saturday, Sunday, or any
17 legal holiday as defined by Federal Rule of Civil Procedure 6(a)(6).

18 **1.6.** “Claimant” means any Settlement Class Member who files a
19 Proof of Claim in such form and manner, and within such time, as the Court shall
20 permit.

21 **1.7.** “Claims” means any and all manner of claims, debts, demands,
22 controversies, obligations, losses, costs, interest, penalties, fees, expenses, rights,
23 duties, judgments, sums of money, suits, contracts, agreements, promises, damages,
24 causes of action and liabilities, of every nature and description in law or equity
25 (including, but not limited to, any claims for damages, whether compensatory,
26 special, incidental, consequential, punitive, exemplary or otherwise, injunctive
27 relief, declaratory relief, recession or recessionary damages, interest, attorneys’
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1 fees, expert or consulting fees, costs, or expenses), accrued or unaccrued, known or
2 unknown, arising under federal, state, common, administrative, or foreign law, or
3 any other law, rule, or regulation.

4 **1.8.** “Claims Administrator” means Strategic Claims Services,
5 which shall administer the Settlement.

6 **1.9.** “Court” means the United States District Court for the Southern
7 District of California, or if this Action is transferred to another court, the transferee
8 court.

9 **1.10.** “Defendants” means Flux Power Holdings, Inc., Ronald F. Dutt,
10 and Charles A. Scheiwe.

11 **1.11.** “Escrow Account” means an interest-bearing escrow account
12 established by the Escrow Agent at The Huntington National Bank. The Escrow
13 Account shall be managed by the Escrow Agent, subject to the Court’s supervisory
14 authority, for the benefit of Plaintiffs and the Settlement Class in accordance with
15 the terms of the Stipulation and any order of the Court, provided that, unless this
16 Stipulation otherwise permits, no amount shall be withdrawn from the Escrow
17 Account prior to the Effective Date absent written approval of Defendants or their
18 counsel, or an order of the Court after notice to Defendants.

19 **1.12.** “Escrow Agent” means The Huntington National Bank. The
20 Escrow Agent shall perform the duties set forth in this Stipulation and any order of
21 the Court.

22 **1.13.** “Effective Date” shall have the meaning set forth in ¶10.5 of this
23 Stipulation.

24 **1.14.** “Final” when referring to the Final Judgment means exhaustion
25 of all possible appeals, meaning (i) if no appeal or request for review is filed, the
26 day after the date of expiration of any time for appeal or review of the Final
27 Judgment, and (ii) if an appeal or request for review is filed, the day after the date
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1 the appeal or request for review is dismissed, or the Final Judgment is upheld on
2 appeal or review in all material respects, and is not subject to further review on
3 appeal or by *certiorari* or otherwise; provided, however, that any dispute or appeals
4 relating solely to the amount, payment or allocation of attorneys' fees and expenses
5 or the Plan of Allocation shall have no effect on finality for purposes of determining
6 the date on which the Final Judgment becomes Final.

7 **1.15.** "Final Judgment" means the order and judgment to be entered
8 by the Court finally approving the Settlement, materially in the form attached hereto
9 as Exhibit B.

10 **1.16.** "Lead Counsel" means The Rosen Law Firm, P.A.

11 **1.17.** "Long Notice" means the Notice of Pendency and Proposed
12 Settlement of Class Action, substantially in the form attached hereto as Exhibit A-
13 1.

14 **1.18.** "Net Settlement Fund" means the Settlement Fund, less: (i) the
15 Fee and Expense Awards; (ii) Administrative Costs; (iii) Taxes and Tax Expenses;
16 (iv) any Award to Plaintiffs; and (v) other fees and expenses authorized by the
17 Court.

18 **1.19.** "Notice" means collectively, the Long Notice, Summary Notice,
19 and Postcard Notice, which are to be made available to Settlement Class Members
20 substantially in the forms attached hereto as Exhibits A-1, A-3, and A-4,
21 respectively, on the Claims Administrator's website, via publication, and/or mailed
22 to Settlement Class Members.

23 **1.20.** "Party" means any one of, and "Parties" means all of,
24 Defendants and Plaintiffs (individually and on behalf of the Settlement Class).

25 **1.21.** "Person" means an individual, corporation, fund, limited
26 liability corporation, professional corporation, limited liability partnership,
27 partnership, limited partnership, association, joint stock company, estate, legal
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1 representative, trust, unincorporated association, government or any political
2 subdivision or agency thereof, and any business or legal entity and their spouses,
3 heirs, predecessors, successors, representatives, or assigns.

4 **1.22.** “Plaintiffs” means Lead Plaintiff Brandon Paulson and named
5 Plaintiff Thomas Frank Clark.

6 **1.23.** “Plaintiffs’ Counsel” means Lead Counsel and additional
7 counsel Bragar Eagel & Squire, P.C.

8 **1.24.** “Plan of Allocation” means a plan or formula for allocating the
9 Settlement Fund to Authorized Claimants after payment of Administrative Costs,
10 Taxes and Tax Expenses, and such attorneys’ fees, costs, and expenses as may be
11 awarded by the Court. The Plan of Allocation is not a condition to the effectiveness
12 of this Stipulation, and the Released Parties shall have no responsibility or liability
13 with respect thereto.

14 **1.25.** “Postcard Notice” means the Postcard Notice, substantially in
15 the form attached hereto as Exhibit A-4, alerting potential Settlement Class
16 Members to the availability of the Long Notice and containing instructions on how
17 Settlement Class Members can obtain copies of the Long Notice and Proof of Claim
18 either by electronic means or by mail.

19 **1.26.** “Preliminary Approval Order” means an order preliminarily
20 approving the Settlement and directing notice thereof to the Settlement Class,
21 substantially in the form of the proposed order attached hereto as Exhibit A.

22 **1.27.** “Proof of Claim” means the Proof of Claim and Release Form
23 to be submitted by Claimants, substantially in the form attached hereto as Exhibit
24 A-2.

25 **1.28.** “Related Parties” means, with respect to each Released Party,
26 the immediate family members, employees, officers, directors, attorneys, legal
27 representatives, insurers, reinsurers, and agents of each of them, and any person or
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1 entity which is or was related to or affiliated with any Released Party or in which
2 any Released Party has a controlling interest, and their present and former parents,
3 subsidiaries, variable interest entities, divisions, affiliates, employees, officers,
4 directors, attorneys, legal representatives, insurers, reinsurers, and agents, and the
5 predecessors, heirs, administrators, successors and assigns of the foregoing.

6 **1.29.** “Released Claims” means and includes any and all Claims and
7 Unknown Claims that have been or could have been asserted or could in the future
8 be asserted in any forum by or on behalf of any of the Releasing Parties, in any
9 capacity, whether known or unknown, whether foreign or domestic, whether arising
10 under federal, state, common, or foreign law, whether based on statements or
11 omissions made directly to individual persons or broadly to the market, which arise
12 out of, are based upon, or relate in any way to the purchase, acquisition, sale, or
13 disposition of Flux Power common stock during the Settlement Class Period,
14 including, but not limited to, any claims alleged in the Action and any claims related
15 to the allegations, facts, transactions, events, matters, occurrences, acts, disclosures,
16 representations, omissions, failures to act, filings, publications, or presentations
17 involved, related to, set forth, alleged or referred to in the Action. Notwithstanding
18 the foregoing, “Released Claims” does not include claims to enforce the terms of
19 this Stipulation or orders or judgments issued by the Court in connection with this
20 Settlement.

21 **1.30.** “Released Parties” means Defendants and each and all of their
22 respective Related Parties, their respective families, parent entities, associates,
23 affiliates or subsidiaries, and each and all of their respective past, present or future
24 officers, directors, stockholders, agents, representatives, employees, attorneys,
25 financial or investment advisors, advisors, insurers, co-insurers and reinsurers,
26 heirs, executors, general or limited partners or partnerships, personal or legal
27 representatives, estates, administrators, predecessors, successors and assigns.
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1 **1.31.** “Releasing Parties” means Plaintiffs, each and every Settlement
2 Class Member, and each of their respective parent entities, associates, affiliates,
3 subsidiaries, predecessors, successors, assigns, attorneys, immediate family
4 members, heirs, representatives, administrators, executors, devisees, legatees, and
5 estates, whether or not they object to the Settlement set forth in this Stipulation, and
6 whether or not they make a claim for payment from the Net Settlement Fund.

7 **1.32.** “Settlement” means the settlement contemplated by this
8 Stipulation.

9 **1.33.** “Settlement Amount” means one million seven hundred fifty
10 thousand U.S. dollars (\$1,750,000.00).

11 **1.34.** “Settlement Class” means all persons or entities who purchased
12 publicly traded Flux Power common stock between November 15, 2021 and
13 February 14, 2025, both dates inclusive. Excluded from the Settlement Class are:
14 (a) persons who suffered no compensable losses; (b) Defendants; the present and
15 former officers, directors, or control persons of Flux Power at all relevant times;
16 members of their immediate families and their legal representatives, heirs,
17 successors, predecessors, or assigns; present and former parents, subsidiaries,
18 assigns, successors, and predecessors of Flux Power; and any entity in which any
19 of the persons excluded under this subsection (b) has or had a controlling or
20 majority ownership interest at any time. Also excluded from the Settlement Class
21 are those persons or entities who file valid and timely requests for exclusion in
22 accordance with the Preliminary Approval Order.

23 **1.35.** “Settlement Class Member” means any one of, and “Settlement
24 Class Members” means all of, the members of the Settlement Class.

25 **1.36.** “Settlement Class Period” means the period from November 15,
26 2021 through February 14, 2025, both dates inclusive.

1 **1.37.** “Settlement Fund” means all funds transferred to the Escrow
2 Account or Escrow Agent pursuant to this Stipulation and any interest or other
3 income earned thereon.

4 **1.38.** “Settlement Hearing” means the hearing at or after which the
5 Court will make a final decision pursuant to Rule 23 of the Federal Rules of Civil
6 Procedure as to whether the Settlement contained in the Stipulation is fair,
7 reasonable and adequate, and therefore, should receive final approval from the
8 Court.

9 **1.39.** “Summary Notice” means the Summary Notice of Pendency
10 and Proposed Class Action Settlement that the Claims Administrator will cause to
11 be published, substantially in the form attached hereto as Exhibit A-3.

12 **1.40.** “Unknown Claims” means all Claims of every nature and
13 description which Plaintiffs or any Settlement Class Member do not know or
14 suspect to exist in their favor at the time of the release of the Released Parties which,
15 if known by them, might have affected their decision with respect to the settlement
16 with and release of the Released Parties, including without limitation any decision
17 not to opt-out or object to this Settlement.

18 **2. The Settlement Consideration**

19 **2.1.** In consideration of the full and final release, settlement, and
20 discharge of all Released Claims against the Released Parties:

21 **(a)** Within 5 Business Days after the entry of the Preliminary
22 Approval Order, Lead Counsel shall provide Defendants’ counsel with
23 complete and accurate payment instructions and a W-9 for the
24 Settlement Fund and Escrow Account.

25 **(b)** Within 20 Business Days after the later of: (i) receiving payment
26 instructions from Lead Counsel, or (ii) entry of the Preliminary
27 Approval Order, Defendants shall pay, or cause to be paid, for the
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benefit of the Settlement Class, \$1,750,000 cash into the Escrow Account.

2.2. The obligations incurred pursuant to this Stipulation shall be in full and final disposition and settlement of all Released Claims. Plaintiffs and Settlement Class Members shall look solely to the Settlement Fund as full, final, and complete satisfaction of all Released Claims. Under no circumstances will Defendants be required to pay, or cause payment of, more than the Settlement Amount pursuant to this Stipulation or the Settlement for any reason whatsoever, including, without limitation, as Administrative Costs, as compensation to any Settlement Class Member, as payment of Plaintiffs' or any Settlement Class Member's attorneys' fees and expenses, or in payment of any fees, expenses, costs, liability, losses, Taxes, or damages whatsoever alleged or incurred by Plaintiffs, any Settlement Class Member, or Plaintiffs' Counsel, including, but not limited to, their attorneys, experts, advisors, agents, or representatives. Any agreement between or among Plaintiffs' Counsel to divide fees, expenses, costs, or interest shall be between or among such Plaintiffs' Counsel only, and Defendants and their Related Persons shall have no responsibility for or liability with respect to any allocation between or among Plaintiffs' Counsel, or with respect to any payment to any Plaintiffs' Counsel, of any fees, expenses, costs or interest.

3. Handling and Disbursement of Funds by the Escrow Agent

3.1. No monies will be disbursed from the Settlement Fund prior to the Effective Date except:

- (a) As provided in ¶3.4 below;
- (b) As provided in ¶8.2 below;
- (c) As provided in ¶10.10 below, if applicable; and
- (d) To pay Taxes and Tax Expenses (as defined in ¶4.1 below). Taxes and Tax Expenses shall be paid out of the Settlement Fund and shall

1 be considered to be a cost of administration of the Settlement and shall be timely
2 paid by the Escrow Agent without prior Order of the Court.

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

15 **3.3.** The Escrow Agent shall not disburse the Settlement Fund except
16 as provided in this Stipulation, by an order of the Court, or with the written
17 agreement of Defendants.

18 **3.4.** At any time after the Court grants preliminary approval of the
19 Settlement, the Escrow Agent may, without further approval from Defendants or
20 the Court, disburse at the direction of Lead Counsel up to \$125,000 from the
21 Settlement Fund prior to the Effective Date to pay Administrative Costs. After the
22 Effective Date, up to \$50,000 may be transferred from the Settlement Fund to pay
23 for any reasonable and necessary Administrative Costs without further order of the
24 Court.

25 **4. Taxes**

26 **4.1.** The Parties agree to treat the Settlement Fund as being at all
27 times a “qualified settlement fund” within the meaning of Treasury Regulation
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1 § 1.468B-1. In addition, Lead Counsel shall timely make, or cause to be made via
2 the Escrow Agent, such elections as necessary or advisable to carry out the
3 provisions of this ¶4.1, including the “relation-back election” (as defined in
4 Treasury Regulation § 1.468B-1) back to the earliest permitted date. Such elections
5 shall be made in compliance with the procedures and requirements contained in
6 such regulations. It shall be the responsibility of Lead Counsel to timely and
7 properly prepare and deliver the necessary documentation for signature by all
8 necessary parties, and thereafter to cause the appropriate filing to occur. Upon
9 written request, the Released Parties will timely provide to Lead Counsel the
10 statement described in Treasury Regulation § 1.468B-3(e).

11 (a) For purposes of § 1.468B of the Internal Revenue Code of 1986,
12 as amended, and Treasury Regulation § 1.468B-2(k)(3) promulgated thereunder,
13 the “administrator” shall be Lead Counsel. Lead Counsel shall timely and properly
14 file, or cause to be filed via the Escrow Agent, all informational and other tax returns
15 necessary or advisable with respect to the Settlement Fund (including without
16 limitation the returns described in Treasury Regulation § 1.468B-2(k)). Such returns
17 (as well as the election described in this ¶4.1) shall be consistent with this ¶4.1 and
18 in all events shall reflect that all Taxes (including any estimated Taxes, interest or
19 penalties) on the income earned by the Settlement Fund shall be paid out of the
20 Settlement Fund.

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

19 **5. Preliminary Approval Order and Settlement Hearing**

20 **5.1.** As soon as practicable after execution of this Stipulation,
21 Plaintiffs shall submit this Stipulation and its exhibits to the Court and shall move
22 for preliminary approval of the Settlement set forth in this Stipulation, entry of a
23 preliminary approval order substantially in the form of Exhibit A, and approval for
24 the mailing and dissemination of notice, substantially in the form of Exhibits A-1,
25 A-2, A-3, and A-4. The Long Notice (Exhibit A-1) shall include the general terms
26 of the Settlement and the provisions of the Plan of Allocation, and shall set forth
27 the procedure by which recipients of the Notice may object to the Settlement or the
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1 Plan of Allocation or request to be excluded from the Settlement Class. The date
2 and time of the Settlement Hearing shall be added to the Notice before it is mailed
3 or otherwise provided to Settlement Class Members.

4 **5.2.** At the time of the submission described in ¶5.1 hereof, Plaintiffs
5 shall request that, after the Notice is provided, the Court hold the Settlement
6 Hearing and (i) approve the Settlement as set forth herein, and (ii) enter a final order
7 and judgment, substantially in the form of Exhibit B hereto, as promptly after the
8 Settlement Hearing as possible.

9 **5.3.** It shall be Lead Counsel's sole responsibility to disseminate the
10 Notice to the Settlement Class in accordance with this Stipulation and as ordered
11 by the Court. Defendants shall not bear any cost or responsibility for the Notice,
12 the administration, or the allocation of the Net Settlement Fund among Settlement
13 Class Members. Settlement Class Members shall have no recourse as to the
14 Released Parties with respect to any claims they may have that arise from any
15 failure of the notice process.

16 **5.4.** To assist in dissemination of notice, Flux Power will provide to
17 Lead Counsel transfer records information reasonably available to Flux Power
18 concerning the identity of Settlement Class Members, including any names and
19 addresses of Settlement Class Members and nominees or custodians that exist in
20 such transfer records ("Settlement Class Information"). Flux Power shall provide
21 transfer records containing the Settlement Class Information to Lead Counsel or the
22 Claims Administrator, at no cost to Plaintiffs, the Settlement Class, Lead Counsel,
23 or the Claims Administrator, within 15 Business Days after the Court signs an order
24 preliminarily approving the Settlement, in electronic searchable form, such as Excel
25 spreadsheet or other form as is reasonably available to Flux Power. The Parties
26 acknowledge that any information Flux Power provides to Lead Counsel or the
27 Claims Administrator pursuant to this ¶5.4 shall be treated as confidential and will
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1 be used by Lead Counsel and/or the Claims Administrator solely to deliver the
2 Notice and/or implement the Settlement, including the Plan of Allocation.

3 **5.5.** No later than 10 days following the filing of this Stipulation with
4 the Court, Defendants shall serve, or cause to be served, the notice required under
5 the Class Action Fairness Act of 2005 (“CAFA”). No later than 21 days following
6 the filing of this Stipulation with the Court, Defendants shall file with the Court an
7 affidavit or declaration regarding their compliance with the CAFA notice
8 requirements.

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

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

10 **6.2.** With respect to any and all Released Claims, the Parties
11 stipulate and agree that, upon the Effective Date, the Releasing Parties shall
12 expressly waive, shall be deemed to have waived, and by operation of the Final
13 Judgment shall have waived, the provisions, rights, and benefits of California Civil
14 Code § 1542, which provides:

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

21 With respect to any and all Released Claims, the Releasing Parties shall expressly
22 waive, shall be deemed to have waived, and by operation of the Final Judgment
23 shall have waived, any and all provisions, rights and benefits conferred by any law
24 of any state, territory, foreign country or principle of common law, which is similar,
25 comparable or equivalent to California Civil Code § 1542. The Releasing Parties
26 may hereafter discover facts in addition to or different from those which they now
27 know or believe to be true with respect to the Released Claims, but the Releasing
28 Parties shall expressly, fully, finally, and forever settle and release, and upon the

1 Effective Date, shall be deemed to have, and by operation of the Final Judgment
2 shall have, fully, finally, and forever settled and released, any and all Released
3 Claims, known or unknown, suspected or unsuspected, contingent or
4 noncontingent, whether or not concealed or hidden, which now exist, or heretofore
5 have existed, upon any theory of law or equity now existing or coming into
6 existence in the future, including, but not limited to, conduct which is negligent,
7 intentional, with or without malice, or a breach of fiduciary duty, law, or rule,
8 without regard to the subsequent discovery or existence of such different or
9 additional facts. The Releasing Parties acknowledge, and shall be deemed by
10 operation of the Final Judgment to have acknowledged, that the foregoing waiver
11 was separately bargained for and a key element of the Settlement of which this
12 release is a part.

13 **6.3.** Upon the Effective Date, the Released Parties shall be deemed
14 to have, and by operation of the Final Judgment shall have, fully, finally, and
15 forever released, relinquished, and discharged all claims they may have against the
16 Releasing Parties, including Settlement Class Members and Plaintiffs' Counsel,
17 related to the prosecution of the Action or any other known or unknown counter-
18 claim related thereto and shall have covenanted not to sue the Releasing Parties,
19 including Settlement Class Members and Plaintiffs' Counsel, with respect to any
20 counter claim, claim, or sanction related to the Released Claims, and shall be
21 permanently barred and enjoined from asserting, commencing, prosecuting,
22 instituting, assisting, instigating, or in any way participating in the commencement
23 or prosecution of any action or other proceeding, in any forum, asserting any such
24 claim, in any capacity, against any of the Releasing Parties, including Settlement
25 Class Members and Plaintiffs' Counsel, and agree and covenant not to sue any of
26 the Releasing Parties, including Settlement Class Members and Plaintiffs' Counsel,
27 on the basis of any such claim or to assist any third party in commencing or
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1 maintaining any suit against the Releasing Parties related to any such claim.
2 Nothing contained herein shall, however, bar the Released Parties from bringing
3 any action or claim to enforce the terms of this Stipulation or the Final Judgment.

4 **6.4.** The releases provided in this Stipulation shall become effective
5 immediately upon occurrence of the Effective Date without the need for any further
6 action, notice, condition, or event. The Releasing Parties and Released Parties shall
7 be deemed to acknowledge that, as of the Effective Date, the releases given herein
8 shall become effective immediately by operation of the Final Judgment and shall
9 be permanent, absolute, and unconditional.

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

12 **7.1.** Under the supervision of Lead Counsel, acting on behalf of the
13 Settlement Class, and subject to such supervision and direction of the Court as
14 circumstances may require, the Claims Administrator shall administer and calculate
15 the claims submitted by Settlement Class Members and shall oversee distribution
16 of the Net Settlement Fund (as defined below) to Authorized Claimants. After the
17 Effective Date, Lead Counsel shall apply to the Court, on notice to the Parties, for
18 the Settlement Fund Distribution Order.

19 **7.2.** The Settlement Fund shall be applied as follows:

- 20 **(a)** To pay the Taxes and Tax Expenses described in ¶4.1
21 above;
- 22 **(b)** To pay Administrative Costs;
- 23 **(c)** To pay Lead Counsel's attorneys' fees and expenses, and
24 payments to Plaintiffs for reimbursement of their time and expenses ("Fee and
25 Expense Award"), to the extent allowed by the Court; and
- 26 **(d)** To distribute the balance of the Settlement Fund, that is,
27 the Settlement Fund less the items set forth in ¶¶7.2(a)-(c) hereof, plus all accrued
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1 interest (“Net Settlement Fund”) to the Authorized Claimants as allowed by this
2 Stipulation, the Plan of Allocation, or the Court.

3 **7.3.** Upon and after the Effective Date, the Net Settlement Fund shall
4 be distributed to Authorized Claimants in accordance with the terms of the Plan of
5 Allocation set forth in the Notice and any orders of the Court. No Person shall have
6 any claims against Lead Counsel, the Claims Administrator, or any other agent
7 designated by Lead Counsel based on distribution determinations or claim
8 rejections made substantially in accordance with this Stipulation and the Settlement
9 contained herein, the Plan of Allocation, or orders of the Court. Lead Counsel shall
10 have the right, but not the obligation, to waive what it deems to be formal or
11 technical defects in any Proofs of Claim filed, where doing so is in the interest of
12 achieving substantial justice.

13 **7.4.** This is not a claims-made settlement, and if all conditions of the
14 Stipulation are satisfied and the Final Judgment becomes Final, no portion of the
15 Settlement Fund will be returned to Defendants, their insurers, or such other persons
16 or entities who Defendants caused to fund the Settlement Fund. Defendants, their
17 counsel, their insurers, and the other Released Parties shall have no responsibility
18 for, involvement in, interest in, or liability whatsoever with respect to the
19 investment or distribution of the Net Settlement Fund, the Plan of Allocation, the
20 determination, administration, or calculation of claims, the payment or withholding
21 of Taxes or Tax Expenses, or any losses incurred in connection therewith. In no
22 instance shall Defendants be required to pay any amount other than as specified in
23 ¶2.1.

24 **7.5.** The Claims Administrator shall administer the Settlement
25 subject to the jurisdiction of the Court and pursuant to this Stipulation and the Plan
26 of Allocation. Plaintiffs and Lead Counsel shall be solely responsible for
27 formulation of the Plan of Allocation. It is understood and agreed by the Parties that
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1 any proposed Plan of Allocation of the Net Settlement Fund including, but not
2 limited to, any adjustments to an Authorized Claimant's claim set forth therein, is
3 not a condition of this Stipulation and is to be considered by the Court separately
4 from the Court's consideration of the fairness, reasonableness, and adequacy of the
5 Settlement. Any order or proceedings relating to the Plan of Allocation, or any
6 appeal from any order relating thereto or reversal or modification thereof, shall not
7 operate to modify, terminate, or cancel this Stipulation, or affect or delay the finality
8 of the Final Judgment and the releases contained therein, or any other orders entered
9 pursuant to this Stipulation.

10 **7.6.** Each Claimant shall be deemed to have submitted to the
11 jurisdiction of the Court with respect to the Claimant's claim, and the claim will be
12 subject to investigation and discovery under the Federal Rules of Civil Procedure,
13 provided that such investigation and discovery shall be limited to that Claimant's
14 status as a Settlement Class Member and the validity of the amount of the
15 Claimant's claim. No discovery shall be allowed on the merits of the Action or
16 Settlement in conjunction with the processing of the Proofs of Claim.

17 **7.7.** Payment pursuant to this Stipulation shall be deemed final and
18 conclusive against all Claimants. All Claimants whose claims are not approved by
19 the Court shall be barred from participating in the distribution from the Net
20 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation
21 and the Settlement, including the terms of the Final Judgment to be entered in this
22 Action and the releases provided for herein, and will be barred from bringing any
23 action against the Released Parties concerning the Released Claims.

24 **7.8.** All proceedings with respect to the administration, processing,
25 and determination of claims and all controversies relating thereto, including
26 disputed questions of law and fact with respect to the validity of claims, shall be
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1 subject to the jurisdiction of this Court, but shall not delay or affect the finality of
2 the Final Judgment.

3 **7.9.** Neither the Parties nor their counsel shall have any
4 responsibility for or liability whatsoever with respect to: (i) any act, omission, or
5 determination of the Escrow Agent or the Claims Administrator, or any of their
6 respective designees or agents, in connection with the administration of the
7 Settlement Fund or otherwise; (ii) the Plan of Allocation; (iii) the determination,
8 administration, calculation, or payment of any claims asserted against the
9 Settlement Fund; (iv) any losses suffered by, or fluctuations in the value of, the
10 Settlement Fund; or (v) the payment or withholding of any Taxes, expenses, and/or
11 costs incurred in connection with the taxation of the Settlement Fund or the filing
12 of any returns.

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

14 **8.1.** Lead Counsel may submit an application or applications (“Fee
15 and Expense Application”) for distributions from the Settlement Fund to Lead
16 Counsel for a Fee and Expense Award consisting of: (i) an award of attorneys’ fees
17 from the Settlement Fund; (ii) reimbursement of actual costs and expenses,
18 including the fees and expenses of any experts or consultants, incurred in
19 connection with prosecuting the Action; and (iii) an Award to Plaintiffs as payment
20 to Plaintiffs for reimbursement of their time and expenses in connection with the
21 Action. Defendants shall take no position with respect to the Fee and Expense
22 Application. Lead Counsel’s application for an award of attorneys’ fees or litigation
23 expenses is not the subject of any agreement between Defendants and Plaintiffs
24 other than what is set forth in this Stipulation.

25 **8.2.** Any attorneys’ fees and expenses awarded to Lead Counsel by
26 the Court shall be paid to Lead Counsel from the Escrow Account within 5 Business
27 Days of the date the Court enters an order approving the Fee and Expense Award,
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1 notwithstanding the existence of any timely filed objections to any Fee and Expense
2 Award, or potential for appeal therefrom, or collateral attack on the Settlement or
3 any part thereof, and subject to Lead Counsel's obligation to make appropriate
4 refunds or repayments to the Settlement Fund, plus interest earned thereon, within
5 10 Business Days if and when the Settlement is terminated in accordance with its
6 terms or, as a result of any appeal and/or further proceedings on remand, or
7 successful collateral attack, the Fee and Expense Award is reduced.

8 **8.3.** The procedure for, and allowance or disallowance by the Court
9 of, the Fee and Expense Application are not conditions of the Settlement set forth
10 in this Stipulation and are to be considered by the Court separately from the Court's
11 consideration of the fairness, reasonableness, and adequacy of the Settlement. Any
12 order or proceeding relating to the Fee and Expense Application, or any objection
13 to, motion regarding, or appeal from any order or proceeding relating thereto or
14 reversal or modification thereof, shall not operate to modify, terminate, or cancel
15 this Stipulation, or affect or delay the finality of the Final Judgment and the releases
16 contained therein, or any other orders entered pursuant to this Stipulation.

17 **8.4.** Any Fee and Expense Award paid to Lead Counsel or Award to
18 Plaintiffs shall be paid solely from the Settlement Fund and shall reduce the
19 settlement consideration paid to the Settlement Class accordingly. Defendants shall
20 not have any responsibility for payment of Lead Counsel's attorneys' fees and
21 expenses or other award to Plaintiffs beyond the obligation of Defendants to fund,
22 or cause to be funded, the Settlement Amount as set forth in ¶2.1 above. The
23 Released Parties shall have no responsibility for, and no liability whatsoever with
24 respect to, any payments to Lead Counsel, Plaintiffs, the Settlement Class and/or
25 any other Person who receives payment from the Settlement Fund.
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1 **9. Class Certification**

2 **9.1.** The Parties agree that the Court should certify the Settlement
3 Class for purposes of this Settlement only. For purposes of this Settlement only, in
4 connection with the Final Judgment, Defendants consent to (i) the appointment of
5 Plaintiffs as class representatives, (ii) the appointment of Lead Counsel as class
6 counsel, and (iii) the certification of the Settlement Class pursuant to Rules 23(a)
7 and (b)(3) of the Federal Rules of Civil Procedure.

8 **9.2.** In the event that the Final Judgment does not become Final or
9 the Settlement fails to become effective for any reason, the Settlement Class shall
10 be decertified without prejudice, and the Parties shall revert to their pre-settlement
11 positions.

12 **10. Conditions of Settlement, Effect of Disapproval, Cancellation or**
13 **Termination**

14 **10.1.** Plaintiffs, on behalf of the Settlement Class, and Defendants
15 shall each have the right to terminate the Settlement and Stipulation by providing
16 written notice of their election to do so (“Termination Notice”) to all other Parties
17 within 30 calendar days of:

18 **(a)** entry of a final, non-appealable Court order declining to
19 enter the Preliminary Approval Order in all material respects;

20 **(b)** entry of a final, non-appealable Court order refusing to
21 approve this Stipulation in all material respects;

22 **(c)** entry of a final, non-appealable Court order declining to
23 enter the Final Judgment in all material respects, provided, however, that this
24 Settlement is expressly not conditioned on the Court’s approval of the proposed
25 Plan of Allocation, nor on the Court’s approval of Lead Counsel’s application for
26 attorneys’ fees or expenses, nor on the Court’s approval of any award to Plaintiffs
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1 for their reasonable costs and expenses, and any change in the Judgment relating to
2 these items shall not be considered a material change;

3 (d) entry of a final, non-appealable Court order refusing to
4 dismiss the Action with prejudice; or

5 (e) entry of a final, non-appealable order by which the Final
6 Judgment is modified or reversed in any material respect by any appeal or review.

7 **10.2.** If the Settlement Amount is not paid into the Escrow Account
8 in accordance with ¶2.1 of this Stipulation, then Plaintiffs, on behalf of the
9 Settlement Class, shall have the right to: (a) terminate the Settlement and Stipulation
10 by providing written notice to Defendants at any time prior to the Court's entry of
11 the Final Judgment, provided that Plaintiffs shall not have the right to terminate the
12 Settlement and Stipulation if the Settlement Amount is paid into the Escrow
13 Account within 10 Business Days of such written notice; or (b) enforce the terms
14 of the Settlement and this Stipulation and seek a judgment effecting the terms
15 herein.

16 **10.3.** If, prior to the Settlement Hearing, persons who otherwise
17 would be Settlement Class Members have filed with the Court valid and timely
18 requests for exclusion from the Settlement Class in accordance with the provision
19 of the Preliminary Approval Order and the Notice, and such persons in the
20 aggregate have purchased Flux Power common stock in an amount that equals or
21 exceeds the sum specified in a separate supplemental agreement between the Parties
22 ("Supplemental Agreement"), Defendants shall have the option, but not the
23 obligation, to terminate this Stipulation in accordance with the procedures set forth
24 in the Supplemental Agreement. The Parties agree that disclosure of the terms of
25 the Supplemental Agreement may cause irreparable harm to Defendants, and
26 therefore that the Supplemental Agreement will not be filed with any Court unless
27 a dispute arises as to its interpretation or application, or as otherwise ordered by the
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1 Court, nor shall the Supplemental Agreement otherwise be disclosed by Plaintiffs
2 unless ordered by the Court. If a dispute arises among the Parties concerning its
3 interpretation or application, the Parties will take reasonable steps to assure the
4 Supplemental Agreement is filed under seal or submitted for *in camera* review,
5 subject to the Court's approval and direction. The Parties will file a statement
6 identifying the existence of the Supplemental Agreement pursuant to Federal Rule
7 of Civil Procedure 23(e)(3). Copies of all requests for exclusion received, together
8 with copies of all revocations of requests for exclusion (if any), shall be delivered
9 to Defendants' counsel within 5 days of receipt thereof.

10 **10.4.** If any Party engages in a material breach of the terms hereof,
11 any other Party, provided that it is in substantial compliance with the terms of this
12 Stipulation, may terminate this Stipulation on notice to all the Parties.

13 **10.5.** The Effective Date of this Stipulation shall not occur unless and
14 until each of the following events occurs, and it shall be the date upon which the
15 last in time of the following events occurs:

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

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

21 (c) The Action has been dismissed with prejudice; and

22 (d) The Final Judgment has become Final as defined in ¶1.14.

23 **10.6.** Upon the occurrence of the Effective Date, any and all interest
24 or right of Defendants in or to the Settlement Fund shall be absolutely and forever
25 extinguished, except as set forth in this Stipulation.

26 **10.7.** In the event that some or all of the conditions specified in ¶10.5
27 above are not met, the Parties may agree in writing nevertheless to proceed with
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1 this Stipulation and Settlement. However, none of the Parties, or any of them, shall
2 have any obligation whatsoever to proceed under any terms other than those
3 provided for and agreed herein.

4 **10.8.** In the event the Stipulation shall terminate, or be canceled, or
5 shall not become effective for any reason, the Parties and the Released Parties shall
6 be restored to their respective positions in the Action immediately prior to July 11,
7 2025, and they shall proceed in all respects as if the Stipulation had not been
8 executed and the related orders had not been entered, and in that event all of their
9 respective claims and defenses as to any issue in the Action shall be preserved
10 without prejudice.

11 **10.9.** In the event that the Stipulation is not approved by the Court or
12 the Settlement set forth in this Stipulation is terminated or fails to become effective
13 in accordance with its terms, the terms and provisions of this Stipulation, except as
14 otherwise provided herein, shall have no further force and effect with respect to the
15 Parties or the Released Parties and shall not be used in the Action or in any other
16 proceeding for any purpose, and any judgment or order entered by the Court in
17 accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro*
18 *tunc*.

19 **10.10.** In the event the Stipulation shall be terminated, or be canceled,
20 or is incapable of becoming effective for any reason, within 10 Business Days after
21 the occurrence of such event, the Settlement Fund (less taxes already paid and any
22 Administrative Costs which have already been disbursed) shall be refunded by the
23 Escrow Agent to Defendants or such entity as Defendants direct, as applicable, plus
24 accrued interest attributable to that amount, by check or wire transfer pursuant to
25 written instructions from Defendants' counsel. At the request of Defendants, the
26 Escrow Agent or its designee shall apply for any tax refund owed on the Settlement
27 Fund and pay the proceeds, after deduction of any fees or expenses incurred in
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1 connection with such application(s) for refund, to Defendants or such entity as
2 Defendants direct, as applicable, pursuant to written direction from Defendants.

3 **10.11.** No order of the Court or modification or reversal on appeal of
4 any order of the Court or motion for reconsideration, appeal, petition for a writ of
5 *certiorari* or its equivalent concerning the Plan of Allocation or the Fee and Expense
6 Application shall in any way delay or preclude the Effective Date or constitute
7 grounds for cancellation or termination of the Stipulation.

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

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

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

12. Miscellaneous Provisions

12.1. Except in the event of the provision of a Termination Notice pursuant to ¶10 of this Stipulation, the Parties shall take all actions necessary to

1 consummate this agreement and agree to cooperate with each other to the extent
2 reasonably necessary to effectuate and implement all terms and conditions of the
3 Stipulation.

4 **12.2.** The Parties and their counsel represent that they will not
5 encourage or otherwise influence (or seek to influence) in any way whatsoever any
6 Settlement Class Members to request exclusion from, or object to, the Settlement.

7 **12.3.** Each of the attorneys executing this Stipulation, any of its
8 exhibits, or any related Settlement documents on behalf of any Party hereto hereby
9 warrants and represents that he or she has been duly empowered and authorized to
10 do so by the Party he or she represents.

11 **12.4.** Plaintiffs and Plaintiffs' Counsel represent and warrant that
12 Plaintiffs are Settlement Class Members and none of Plaintiffs' claims or causes of
13 action against Defendants in the Action, or referred to in this Stipulation, or that
14 could have been alleged against Defendants in the Action have been assigned,
15 encumbered, or in any manner transferred in whole or in part.

16 **12.5.** This Stipulation constitutes the entire agreement between the
17 Parties related to the Settlement and supersedes any prior agreements. No
18 representations, warranties, promises, inducements, or other statements have been
19 made to or relied upon by any Party concerning this Stipulation, other than the
20 representations, warranties, and covenants expressly set forth herein. Plaintiffs, on
21 behalf of themselves and the Settlement Class, acknowledge and agree that any and
22 all other representations and warranties of any kind or nature, express or implied,
23 are specifically disclaimed and were not relied upon in connection with this
24 Stipulation. In entering this Stipulation, the Parties relied solely upon their own
25 knowledge and investigation. Except as otherwise provided herein, each Party shall
26 bear his, her, or its own costs.

1 **12.6.** This Stipulation may not be modified or amended, nor may any
2 of its provisions be waived, except by a writing signed by all Parties or their counsel
3 or their respective successors in interest.

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

7 **12.8.** The Released Parties who do not appear on the signature lines
8 below are acknowledged and agreed to be third party beneficiaries of this
9 Stipulation and Settlement.

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

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

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

22 **12.12.** Any claim or dispute among the Parties arising out of, relating
23 to, or in connection with the interpretation or implementation of the terms of the
24 Stipulation prior to submission to the Court shall be resolved by the mediator Robert
25 Meyer of JAMS, acting as arbitrator, whose determinations shall be binding and
26 non-appealable.

1 **12.13.** The Court shall retain jurisdiction with respect to the
2 implementation and enforcement of the terms of this Stipulation, and all Parties
3 hereto submit to the jurisdiction of the Court for purposes of implementing and
4 enforcing the Settlement embodied in this Stipulation.

5 **12.14.** The Stipulation shall not be construed more strictly against one
6 Party than another merely by virtue of the fact that it, or any part of it, may have
7 been prepared by counsel for one of the Parties, it being recognized that it is the
8 result of arm's-length negotiations between the Parties, and all Parties have
9 contributed substantially and materially to the preparation of this Stipulation.

10 **12.15.** Plaintiffs, Lead Counsel, and the attorneys, staff, experts, and
11 consultants assisting them in this Action agree that (a) they will not intentionally
12 assist or cooperate with any person or entity in the pursuit of legal action related to
13 the Released Claims against the Released Parties, (b) they will not intentionally
14 assist or cooperate with any person or entity seeking to publicly disparage or
15 economically harm the Released Parties with respect to any matter relating to the
16 subject matter this Action, (c) they will not discuss any confidential matters related
17 to this Action or the Settlement with anyone, and (d) they will not make any
18 accusations of wrongful or actionable conduct by any party concerning the
19 prosecution, defense, and resolution of the Action, and shall not otherwise suggest
20 that the Settlement embodied in this Stipulation constitutes an admission of any
21 claim or defense alleged. The Parties reserve their right to rebut, in a manner that
22 such party determines to be appropriate, any contention made in any public forum
23 regarding the Action, including that the Action was brought or defended in bad faith
24 or without a reasonable basis.

25 **12.16.** All agreements by, between, or among the Parties, their
26 counsel, and their other advisors as to the confidentiality of information exchanged
27 between or among them shall remain in full force and effect, and shall survive the
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1 execution and any termination of this Stipulation and the final consummation of the
2 Settlement, if finally consummated, without regard to any of the conditions of the
3 Settlement.

4 **12.17.** The Parties shall not assert or pursue any action, claim, or rights
5 that any Party violated any provision of Rule 11 of the Federal Rules of Civil
6 Procedure and/or the Private Securities Litigation Reform Act of 1995 in
7 connection with the Action, the Settlement, or the Stipulation. The Parties agree
8 that the Action was resolved in good faith following arm's-length bargaining, in
9 full compliance with applicable requirements of good faith litigation under the
10 Exchange Act, Rule 11 of the Federal Rules of Civil Procedure, and/or the Private
11 Securities Litigation Reform Act of 1995.

12 **12.18.** Any failure by any of the Parties to insist upon the strict
13 performance by any other Party of any of the provisions of the Stipulation shall not
14 be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding
15 such failure, shall have the right thereafter to insist upon the strict performance of
16 any and all of the provisions of this Stipulation to be performed by the other Parties
17 to this Stipulation.

18 **12.19.** The waiver, express or implied, by any Party of any breach or
19 default by any other Party in the performance of such Party of its obligations under
20 the Stipulation shall not be deemed or construed to be a waiver of any other breach,
21 whether prior, subsequent, or contemporaneous, under this Stipulation.

22 **12.20.** The Parties reserve the right, subject to the Court's approval, to
23 make any reasonable extensions of time that might be necessary to carry out any of
24 the provisions of this Stipulation.

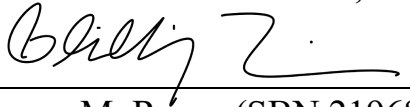
25 **12.21.** Whether or not this Stipulation is approved by the Court and
26 whether or not the Settlement embodied in this Stipulation is consummated, the
27 Parties and their counsel shall use their best efforts to keep all negotiations,
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1 discussions, acts performed, agreements, drafts, documents signed, and proceedings
2 had in connection with this Stipulation confidential. Notwithstanding the foregoing,
3 the Parties agree that this Stipulation may be filed publicly as part of any motion
4 for preliminary or final approval of the Settlement.

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

7
8 Dated: August 27, 2025

THE ROSEN LAW FIRM, P.A.

9 By: 
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*Lead Counsel for Plaintiffs and the
Settlement Class*

BRAGAR EAGEL & SQUIRE, P.C.

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*Additional Counsel for Plaintiff Thomas
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Dated: August 27, 2025

**WILSON SONSINI GOODRICH &
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By: 

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*Counsel for Defendants Flux Power
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1 Dated: August 27, 2025

**WILSON ELSEER MOSKOWITZ
EDELMAN & DICKER LLP**

2 
3 By: _____
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*Counsel for Defendant Charles A.
Scheiwe*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ASFA KASSAM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

FLUX POWER HOLDINGS, INC.,
RONALD F. DUTT, and CHARLES A.
SCHEIWE,

Defendants.

Case No. 3:25-cv-113-JO-DDL

Hon. Jinsook Ohta

CLASS ACTION

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

WHEREAS, Lead Plaintiff Brandon Paulson and named Plaintiff Thomas Frank Clark ("Plaintiffs"), individually and on behalf of the Settlement Class, and Defendants Flux Power Holdings, Inc. ("Flux Power"), Ronald F. Dutt, and Charles A. Scheiwe ("Defendants," and together with Plaintiffs, the "Parties") have entered into the Stipulation of Settlement, dated August 27, 2025 ("Stipulation"), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits annexed thereto, sets forth the terms and conditions for the proposed settlement of the class action pending before the Court entitled *Kassam v. Flux Power Holdings, Inc., et al.*, Case No. 3:25-cv-113 (S.D. Cal.) ("Action"); and the Court having read and considered the Stipulation and the exhibits thereto and submissions made relating thereto, and finding that substantial and sufficient grounds exist for entering this Order; and the Parties having consented to the entry of this Order;

1 NOW, THEREFORE, IT IS HEREBY ORDERED, this ____ day of
2 _____, 2025, that:

3 1. Capitalized terms used herein have the meanings set forth in the
4 Stipulation.

5 2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil
6 Procedure and for the purposes of the Settlement only, the Action is hereby
7 preliminarily certified as a class action on behalf of all persons or entities who
8 purchased publicly traded Flux Power common stock between November 15, 2021
9 and February 14, 2025, both dates inclusive. Excluded from the Settlement Class
10 are: (a) persons who suffered no compensable losses; (b) Defendants; the present
11 and former officers, directors, or control persons of Flux Power at all relevant times;
12 members of their immediate families and their legal representatives, heirs,
13 successors, predecessors, or assigns; present and former parents, subsidiaries,
14 assigns, successors, and predecessors of Flux Power; and any entity in which any
15 of the persons excluded under this subsection (b) has or had a controlling or
16 majority ownership interest at any time; and (c) persons or entities who file valid
17 and timely requests for exclusion from the Settlement Class in accordance with this
18 Order.

19 3. This Court finds, preliminarily and for purposes of this Settlement
20 only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the
21 Federal Rules of Civil Procedure have been satisfied in that: (a) the number of
22 Settlement Class Members is so numerous that joinder of all members of the
23 Settlement Class is impracticable; (b) there are questions of law and fact common
24 to the Settlement Class; (c) the claims of Plaintiffs are typical of the claims of the
25 Settlement Class they seek to represent; (d) Plaintiffs fairly and adequately
26 represent the interests of the Settlement Class; (e) questions of law and fact common
27 to the Settlement Class predominate over any questions affecting only individual
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1 members of the Settlement Class; and (f) a class action is superior to other available
2 methods for the fair and efficient adjudication of the Action.

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

8 5. The Court finds that: (a) the Stipulation resulted from good faith,
9 arm’s-length negotiations; and (b) the Stipulation is sufficiently fair, reasonable,
10 and adequate to the Settlement Class Members to warrant providing notice of the
11 Settlement to Settlement Class Members and holding a Settlement Hearing.

12 6. The Court therefore preliminarily approves the Settlement, subject to
13 further consideration at a hearing (“Settlement Hearing”) pursuant to Federal Rule
14 of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on
15 _____, 202_ at _:_ .m. PT, and may be conducted via telephonic or
16 videoconference means at the Court’s direction, for the following purposes:

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

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

22 (c) to determine finally whether the Final Judgment, substantially
23 in the form of Exhibit B to the Stipulation, should be entered, dismissing the Action
24 on the merits and with prejudice, and to determine whether the release by the
25 Releasing Parties of the Released Claims against the Released Parties, as set forth
26 in the Stipulation, should be ordered, along with a permanent injunction barring
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1 efforts to prosecute or attempt to prosecute any Released Claims extinguished by
2 the release against any of the Released Parties, as also set forth in the Stipulation;

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

6 (e) to consider the application of Class Counsel for an award of
7 attorneys' fees and expenses and award to Class Representatives;

8 (f) to consider Settlement Class Members' objections to the
9 Settlement, if any, whether submitted previously in writing or presented orally at
10 the Settlement Hearing by Settlement Class Members (or by counsel on their
11 behalf); and

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

14 7. The Court reserves the right to adjourn the Settlement Hearing to a
15 later date and to approve the Settlement with or without modification and with or
16 without further notice other than entry of an Order on the Court's docket. The Court
17 may decide to hold the Settlement Hearing telephonically or by other virtual means
18 without further notice. The Court further reserves the right to enter its Final
19 Judgment approving the Settlement and dismissing the Action, on the merits and
20 with prejudice, regardless of whether it has approved the Plan of Allocation or
21 awarded attorneys' fees and expenses.

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

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

4 10. Class Counsel, on behalf of Plaintiffs, has the authority to enter into
5 the Settlement on behalf of the Settlement Class and has the authority to act on
6 behalf of the Settlement Class with respect to all acts or consents required by or that
7 may be given pursuant to the Stipulation or such other acts that are reasonably
8 necessary to consummate the Settlement.

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

12 12. The Escrow Agent may, at any time after entry of this Order and
13 without further approval from Defendants or the Court, disburse at the direction of
14 Class Counsel up to \$125,000 from the Settlement Fund prior to the Effective Date
15 to pay reasonable Administrative Costs, provided, however, that in the event the
16 Stipulation shall be terminated, or be canceled, or is incapable of becoming
17 effective for any reason, within 10 Business Days after the occurrence of such event,
18 the Settlement Fund (less taxes already paid and any Administrative Costs which
19 have already been disbursed) shall be refunded by the Escrow Agent to Defendants
20 or such entity as Defendants direct, as applicable, plus accrued interest attributable
21 to that amount, by check or wire transfer pursuant to written instructions from
22 Defendants' counsel. At the request of Defendants, the Escrow Agent or its
23 designee shall apply for any tax refund owed on the Settlement Fund and pay the
24 proceeds, after deduction of any fees or expenses incurred in connection with such
25 application(s) for refund, to Defendants or such entity as Defendants direct, as
26 applicable, pursuant to written direction from Defendants.

1 13. After the Effective Date, additional amounts up to \$50,000 may be
2 transferred from the Settlement Fund to pay for any reasonable and necessary
3 Administrative Costs without further order of the Court, subject to the conditions
4 set forth in ¶12.

5 14. No later than 15 Business Days after the date of this Order, Flux Power
6 shall provide and/or cause its transfer agent to provide to Class Counsel transfer
7 records information reasonably available to Flux Power concerning the identity of
8 Settlement Class Members, including any names and addresses of Settlement Class
9 Members and nominees or custodians that exist in such transfer records
10 (“Settlement Class Information”) in a searchable electronic format, such as an Excel
11 spreadsheet, or other form as is reasonably available to Flux Power. This
12 information will be kept confidential and not used for any purpose other than to
13 provide the notice contemplated by this Order.

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

23 16. Class Counsel, through the Claims Administrator, shall make all
24 reasonable efforts to give notice to nominees or custodians who held Flux Power
25 common stock during the Settlement Class Period as record owners but not as
26 beneficial owners. Such nominees or custodians shall, within 10 days of receipt of
27 the notice, either: (i) request copies of the Postcard Notice sufficient to send the
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1 Postcard Notice to all beneficial owners for whom they are nominee or custodian,
2 and within 10 days after receipt thereof send copies to such beneficial owners; (ii)
3 request links to the location of the Long Notice and Proof of Claim and email the
4 links to each beneficial owner for whom they are nominee or custodian within 10
5 days after receipt thereof; or (iii) provide the Claims Administrator with lists of the
6 names and last known addresses and email addresses (to the extent known) of such
7 beneficial owners, in which event the Claims Administrator shall promptly send the
8 Postcard Notice to such beneficial owners for whom no email address is provided,
9 and if the Claims Administrator receives an email address, it will send a link to the
10 location of the Long Notice and Proof of Claim electronically. Nominees or
11 custodians who elect to email links to the Long Notice and Proof of Claim or send
12 the Postcard Notice to their beneficial owners shall send a written confirmation to
13 the Claims Administrator confirming that the mailing or emailing has been made as
14 directed. Copies of the Postcard Notice shall be made available to any nominee or
15 custodian requesting same for the purpose of distribution to beneficial owners. The
16 Claims Administrator shall, if requested, reimburse nominees or custodians out of
17 the Settlement Fund solely for their reasonable out-of-pocket expenses incurred in
18 providing notice to beneficial owners in the manner specified above, which
19 expenses would not have been incurred except for the providing of names,
20 addresses, and email addresses, of up to \$0.02 per name, address, and email address
21 provided to the Claims Administrator; up to \$0.02 per unit for each Postcard Notice
22 actually mailed, plus postage at the current pre-sort rate used by the Claims
23 Administrator; or up to \$0.02 per email notice sent, and subject to further order of
24 this Court with respect to any dispute concerning such reimbursement.

25 17. Class Counsel shall, at least 7 days before the Settlement Hearing,
26 serve upon counsel for Defendants and file with the Court proof of the mailing of
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1 the Postcard Notice and emailing of the links to the location of the Long Notice and
2 Proof of Claim as required by this Order.

3 18. Within 16 days of the entry of this Order, Class Counsel, through the
4 Claims Administrator, shall cause the Stipulation and its exhibits, this Order, and a
5 copy of the Long Notice and Proof of Claim to be posted on the Claims
6 Administrator's website.

7 19. Class Counsel, through the Claims Administrator, shall cause the
8 Summary Notice to be published electronically once on the *GlobeNewswire* and in
9 print once in the *Investor's Business Daily* within 10 days after the Postcard Notice
10 mailing or emailing of links to the location of the Long Notice and Proof of Claim.
11 Class Counsel shall, at least seven days before the Settlement Hearing, serve upon
12 counsel for Defendants and file with the Court proof of publication of the Summary
13 Notice.

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

24 21. In order to be entitled to participate in recovery from the Net
25 Settlement Fund after the Effective Date, each Settlement Class Member shall take
26 the following action and be subject to the following conditions:
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1 (a) A properly completed and executed Proof of Claim must be
2 submitted to the Claims Administrator: (a) electronically through the Claims
3 Administrator's website, www.strategicclaims.net/flux, by 11:59 p.m. ET on
4 _____, 202_; or (b) at the Post Office Box indicated in the Notice,
5 postmarked no later than _____, 202_ (30 days prior to the
6 Settlement Hearing). Such deadline may be further extended by Order of the
7 Court. Each Proof of Claim shall be deemed to have been submitted when:
8 (a) the claim receives a confirmation notice from the Claims Administrator
9 for electronic submissions; or (b) legibly postmarked (if properly addressed
10 and mailed by first class mail), provided such Proof of Claim is actually sent
11 on or before the claims filing deadline. Any Proof of Claim submitted in any
12 other manner shall be deemed to have been submitted when it was actually
13 received by the Claims Administrator at the address designated in the Notice.

14 (b) The Proof of Claim submitted by each Settlement Class Member
15 must satisfy the following conditions: (i) it must be properly completed,
16 signed, and submitted in a timely manner in accordance with the provisions
17 of the preceding subparagraph; (ii) it must be accompanied by adequate
18 supporting documentation for the transactions reported therein, in the form
19 of broker confirmation slips, broker account statements, an authorized
20 statement from the broker containing the transactional information found in
21 a broker confirmation slip, or such other documentation as is deemed
22 adequate by the Claims Administrator or Class Counsel; (iii) if the person
23 executing the Proof of Claim is acting in a representative capacity, a
24 certification of their current authority to act on behalf of the Settlement Class
25 Member must be provided with the Proof of Claim; and (iv) the Proof of
26 Claim must be complete and contain no material deletions or modifications
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1 of any of the printed matter contained therein and must be signed under
2 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,
5 deficient, or rejected. For each claim determined to be either deficient or
6 rejected, the Claims Administrator shall send a deficiency letter or rejection
7 letter as appropriate, describing the basis on which the claim was so
8 determined. Persons who timely submit a Proof of Claim that is deficient or
9 otherwise rejected shall be afforded a reasonable time (at least 10 days) to
10 cure such deficiency, if it shall appear that such deficiency may be cured. If
11 any Claimant whose claim has been rejected in whole or in part wishes to
12 contest such rejection, the Claimant must, within 10 days after the date of
13 mailing of the notice, serve upon the Claims Administrator a notice and
14 statement of reasons indicating the Claimant's ground for contesting the
15 rejection, along with any supporting documentation, and requesting a review
16 thereof by the Court. If an issue concerning a claim cannot be otherwise
17 resolved, Class Counsel shall thereafter present the request for review to the
18 Court.

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

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

3 23. Settlement Class Members shall be bound by all determinations and
4 judgments in the Action, whether favorable or unfavorable, unless such Persons
5 request exclusion from the Settlement Class in a timely and proper manner, as
6 hereinafter provided. A Settlement Class Member wishing to make such request for
7 exclusion from the Settlement shall mail it, in written form, by first class mail,
8 postage prepaid, or otherwise deliver it, so that it is received no later than
9 _____, 202_ (21 days prior to the Settlement Hearing) (“Exclusion
10 Deadline”), to the address listed in the Long Notice. In order to be valid, such
11 request for exclusion must (A) indicate the name, address, phone number and e-
12 mail contact information (if any) of the Person seeking exclusion and state that the
13 sender specifically “requests to be excluded from the Settlement of *Kassam v. Flux*
14 *Power Holdings, Inc., et al.*, Case No. 3:25-cv-113 (S.D. Cal.)” and (B) state the
15 date, number of shares, and dollar amount of each purchase of Flux Power common
16 stock and, if applicable, each sale during the Settlement Class Period, as well as the
17 number of shares of Flux Power common stock held by the Person as of the opening
18 and closing of the Settlement Class Period. In order to be valid, such request for
19 exclusion must be submitted with documentary proof: (i) of each purchase and, if
20 applicable, sale transaction of Flux Power common stock during the Settlement
21 Class Period; and (ii) demonstrating the Person’s status as a beneficial owner of the
22 Flux Power common stock. Any such request for exclusion must be signed and
23 submitted by the beneficial owner under penalty of perjury. The request for
24 exclusion shall not be effective unless it provides the required information, is
25 legible, and is made within the time stated above, or the exclusion is otherwise
26 accepted by the Court. Class Counsel may contact any Person filing a request for
27 exclusion, or their attorney if one is designated, to discuss the request for exclusion.
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1 24. 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 25. Any Person that submits a request for exclusion may thereafter submit
8 to the Claims Administrator a written revocation of that request for exclusion,
9 provided that it is received no later than two Business Days before the Settlement
10 Hearing, in which event that Person will be included in the Settlement Class.

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

14 27. The Court will consider comments and/or objections to the Settlement,
15 the Plan of Allocation, or the Fee and Expense Application, provided, however, that
16 no Settlement Class Member or other Person shall be heard or entitled to contest
17 the approval of the terms and conditions of the proposed Settlement, the Plan of
18 Allocation, or the Fee and Expense Application, or any other order relating thereto,
19 unless, at least 21 days prior to the Settlement Hearing, that Person has: (a) filed
20 said objections, papers, and briefs, as well as proof of service upon counsel
21 identified below, with the Clerk of the Court, U.S. District Court, Southern District
22 of California, 333 West Broadway, Suite 420, San Diego, CA 92101; and (b) served
23 copies of any objections, papers, and briefs on each of the following counsel:

24 CLASS COUNSEL:
25 THE ROSEN LAW FIRM, P.A.
26 Phillip Kim
27 275 Madison Avenue, 40th Floor
28 New York, NY 10016

COUNSEL FOR DEFENDANTS:
 WILSON SONSINI GOODRICH &
 ROSATI, P.C.
 Caz Hashemi
 650 Page Mill Road
 Palo Alto, CA 94304

1 WILSON ELSEER MOSKOWITZ
2 EDELMAN & DICKER LLP
3 David Aveni
4 401 W. A St., Ste. 1900
San Diego, CA 92101

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

26 29. Any Settlement Class Member who does not object in the manner
27 prescribed above shall be deemed to have waived all such objections and shall
28 forever be foreclosed from making any objection to the fairness, adequacy, or

1 reasonableness of the Settlement, the Judgment to be entered approving the
2 Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless
3 otherwise ordered by the Court; shall be bound by all the terms and provisions of
4 the Stipulation and by all proceedings, orders, and judgments in the Action; and
5 shall also be foreclosed from appealing from any judgment or order entered in this
6 Action.

7 30. All papers in support of the Settlement, the Plan of Allocation, and/or
8 the Fee and Expense Application shall be filed and served no later than 28 days
9 before the Settlement Hearing.

10 31. Any submissions filed in response to any objections or in further
11 support of the Settlement, the Plan of Allocation, and/or the Fee and Expense
12 Application shall be filed no later than 7 days prior to the Settlement Hearing.

13 32. Defendants, their counsel, and other Released Parties shall have no
14 responsibility for, or liability with respect to, the Plan of Allocation or any
15 application for attorneys' fees and interest, or expenses or payments to the Class
16 Representatives submitted by Class Counsel, and such matters will be considered
17 separately from the fairness, reasonableness, and adequacy of the Settlement.

18 33. Pending final determination of whether the Settlement should be
19 approved, all Releasing Parties shall be enjoined from commencing, prosecuting,
20 or attempting to prosecute any Released Claims against any Released Party in any
21 court or tribunal or proceeding. Unless and until the Stipulation is cancelled and
22 terminated pursuant to the Stipulation, all proceedings in the Action, other than such
23 proceedings as may be necessary to carry out the terms and conditions of the
24 Stipulation, are hereby stayed and suspended until further order of the Court.

25 34. All funds held by the Escrow Agent shall be deemed and considered
26 to be in the custody of the Court, and shall remain subject to the jurisdiction of the
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1 Court, until such time as such funds shall be distributed or returned pursuant to the
2 Stipulation and Plan of Allocation and/or further order(s) of the Court.

3 35. Neither the Stipulation, nor any of its terms or provisions, nor any of
4 the negotiations or proceedings connected with it, shall be construed as an
5 admission or concession by Defendants, their counsel, or any of the other Released
6 Parties of the truth of any of the allegations in the Action, or of any liability, fault,
7 or wrongdoing of any kind and shall not be construed as, or deemed to be evidence
8 of, or an admission or concession that Class Representatives or any Settlement Class
9 Members directly have suffered any damages, harm, or loss. Further, neither the
10 Stipulation, nor any of its terms or provisions, nor any of the negotiations or
11 proceedings connected with it, nor this Order shall be construed as an admission or
12 concession by Class Representatives of the validity of any factual or legal defense
13 or of the infirmity of any of the claims or facts alleged in the Action.

14 36. In the event the Settlement is not consummated in accordance with the
15 terms of the Stipulation, then the Stipulation and this Order (including any
16 amendment(s) thereof, and except as expressly provided in the Stipulation or by
17 order of the Court) shall be null and void, of no further force or effect, and without
18 prejudice to any Party, and may not be introduced as evidence or used in any action
19 or proceeding by any Person against the Parties or the Released Parties, and each
20 Party shall be restored to his, her, or its respective litigation positions as they existed
21 prior to July 11, 2025, pursuant to the terms of the Stipulation.

22 37. The Court retains exclusive jurisdiction over the Action to consider all
23 further matters arising out of, or relating to, the Stipulation, including by way of
24 illustration and not limitation, any dispute concerning any Proof of Claim submitted
25 and any future requests by one or more of the Parties that the Judgment, the releases,
26 and/or the permanent injunction set forth in the Stipulation be enforced.

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Dated: _____, 2025

HON. JINSOOK OHTA
UNITED STATES DISTRICT JUDGE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ASFA KASSAM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

FLUX POWER HOLDINGS, INC.,
RONALD F. DUTT, and CHARLES A.
SCHEIWE,

Defendants.

Case No. 3:25-cv-113-JO-DDL

Hon. Jinsook Ohta

CLASS ACTION

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

If you purchased publicly traded common stock of Flux Power Holdings, Inc. (“Flux Power”) during the period between November 15, 2021 and February 14, 2025, both dates inclusive (“Settlement Class Period”), you could get a payment from a proposed class action settlement (“Settlement”).

Under law, a federal court has authorized this Notice. This is not attorney advertising.

- If approved by the Court, the Settlement will provide \$1,750,000 (“Settlement Amount”), plus interest as it accrues, minus attorneys’ fees, costs, administrative expenses, and net of any taxes on interest, to pay claims of investors who purchased Flux Power common stock during the Settlement Class Period.
- The approximate recovery, after deduction of attorneys’ fees and expenses approved by the Court, is an average of \$0.08 per damaged share of Flux Power common stock. This estimate is based on the assumptions set forth in the following two paragraphs. Your actual recovery, if any, will depend on the aggregate losses of all Settlement Class Members, the date(s) you purchased and sold Flux Power common stock, the purchase and sale prices, and the total number and amount of claims filed.
- Attorneys for Plaintiffs (“Lead Counsel”) intend to ask the Court to award them fees of up to one-third of the Settlement Amount, or \$583,333.33, reimbursement of litigation expenses of no more than \$75,000, and an award to Plaintiffs not to exceed \$15,000 in total. Collectively, the attorneys’ fees and expenses and award to Plaintiffs are estimated to average up to \$0.05 per damaged share of Flux Power common stock. If approved by the Court, these amounts will be paid from the Settlement Fund.
- The Settlement represents an estimated average recovery of \$0.12 per damaged share of Flux Power common stock for the approximately 14.1 million damaged shares estimated during the Settlement Class Period. Shares may have been traded more than once during the Settlement Class Period. This estimate solely reflects the average recovery per damaged share of Flux Power common stock. The indicated average recovery per share will be the total average recovery for

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

- 5 • The Settlement resolves the Action concerning whether Defendants Flux Power,
6 Ronald F. Dutt, and Charles A. Scheiwe violated the federal securities laws by
7 making misrepresentations and/or omissions of material fact in various filings
8 with the U.S. Securities and Exchange Commission or in other public statements
9 to investors. Defendants deny each and every claim and contention alleged in the
10 Action and deny any misconduct or wrongdoing whatsoever, including by any
11 of Flux Power's officers, directors, or employees.
- 12 • Your legal rights will be affected whether you act or do not act. If you do not
13 act, you may permanently forfeit your right to recover on this claim. Therefore,
14 you should read this Notice carefully.

15 YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

16 SUBMIT A CLAIM FORM NO LATER THAN _____, 202_	The only way to get a payment.
17 EXCLUDE YOURSELF NO LATER THAN _____, 202_	18 Get no payment. This is the only option that 19 allows you to ever be part of any other lawsuit 20 against Defendants about the legal claims in 21 this case.
22 OBJECT NO LATER THAN _____, 202_	23 Write to the Court and explain why you object 24 to the Settlement.
25 GO TO A HEARING ON _____, 202_	26 Ask to speak in Court about the fairness of the 27 Settlement.
28 DO NOTHING	Get no payment. Give up rights.

INQUIRIES

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

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

All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Stipulation of Settlement, dated August 27, 2025 (“Stipulation”).

COMMON QUESTIONS AND ANSWERS CONCERNING THE SETTLEMENT

1. Why did I get this Notice?

You or someone in your family may have purchased Flux Power common stock between November 15, 2021 and February 14, 2025, both dates inclusive.

2. What is this lawsuit about?

The case is known as *Kassam v. Flux Power Holdings, Inc., et al.*, Case No. 3:25-cv-113-JO-DDL (S.D. Cal.) (“Action”). The Action is pending in the United States District Court for the Southern District of California.

1 The Action involves Plaintiffs' allegations that Defendants violated the federal
2 securities laws by making false and misleading statements in Flux Power's
3 filings with the U.S. Securities and Exchange Commission or other public
4 statements to investors concerning, among other things, Flux Power's financial
5 statements, accounting for inventory, and internal control over financial
6 reporting. The Complaint asserts that the alleged misrepresentations and
7 omissions artificially inflated the price of Flux Power common stock during the
8 Settlement Class Period, and that the stock price dropped in response to certain
9 subsequent disclosures. Defendants have denied and continue to deny the
10 allegations in the Complaint and all charges of wrongdoing or liability against
11 Flux Power or any of its officers, directors, or employees. The Settlement shall
12 in no event be construed as, or deemed to be evidence of, an admission or
13 concession by Defendants with respect to any claim or any fault or wrongdoing
14 or damage to the Settlement Class Members or any other person. The Settlement
15 resolves all of the claims in the Action, as well as certain other claims or potential
16 claims.

17
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19 **3. Why is this a class action?**

20 In a class action, one or more persons and/or entities, called plaintiffs, sue on
21 behalf of all persons and/or entities who have similar claims. All of these persons
22 and/or entities are referred to collectively as a class, and these individual persons
23 and/or entities are known as class members. One court resolves all of the issues
24 for all class members, except for those class members who exclude themselves
25 from the class.

26
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28 **4. Why is there a Settlement?**

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

1 This matter has not gone to trial. Instead, Plaintiffs and Defendants have agreed
2 to settle the case. Plaintiffs and Lead Counsel believe the Settlement is best for
3 all Settlement Class Members because of the risks associated with continued
4 litigation and the nature of the defenses Defendants would raise. Among the
5 reasons that Plaintiffs and Lead Counsel believe the Settlement is fair is the fact
6 that there is uncertainty about whether they will prevail on Defendants' pending
7 motions to dismiss, whether they would be able to prevail on a motion for class
8 certification, whether they would be able to prove their claims at trial, and
9 whether they will be able to prove that the alleged misstatements and omissions
actually caused the Settlement Class any damages, and the amount of damages,
if any.

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

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

16 The Settlement Class consists of those Persons who purchased publicly traded
17 Flux Power common stock between November 15, 2021 and February 14, 2025,
18 both dates inclusive.

19 **6. Are there exceptions to being included?**

20 Yes. Excluded from the Settlement Class are: (a) persons who suffered no
21 compensable losses; and (b) Defendants; the present and former officers,
22 directors, or control persons of Flux Power at all relevant times; members of
23 their immediate families and their legal representatives, heirs, successors,
24 predecessors, or assigns; present and former parents, subsidiaries, assigns,
25 successors, and predecessors of Flux Power; and any entity in which any of the
26 persons excluded under this subsection (b) has or had a controlling or majority
27 ownership interest at any time. Also excluded from the Settlement Class are
28 those persons or entities who file valid and timely requests for exclusion from
the Settlement Class.

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

2 If you are still not sure whether you are included, you can ask for free help. For
3 more information, you can contact the Claims Administrator, Strategic Claims
4 Services, by phone at (866) 274-4004, by email at info@strategicclaims.net, or
5 by facsimile at (610) 565-7985; visit the website
6 www.strategicclaims.net/FLUX; or fill out and return the Proof of Claim and
7 Release Form described in Question 9, to see if you qualify.

8 **8. What does the Settlement provide?**

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

10 The proposed Settlement provides that Defendants pay \$1,750,000 into a
11 Settlement Fund. The Settlement is subject to Court approval. Also, subject to
12 the Court's approval, a portion of the Settlement Fund will be used to pay
13 attorneys' fees and reasonable litigation expenses to Lead Counsel and any
14 award to Plaintiffs. A portion of the Settlement Fund also will be used to pay
15 taxes due on interest earned by the Settlement Fund, if necessary, and the costs
16 of the claims administration, including the costs of printing and mailing notice
17 and the costs of publishing notice. After the foregoing deductions from the
18 Settlement Fund have been made, the amount remaining ("Net Settlement
19 Fund") will be distributed according to the Plan of Allocation to be approved by
20 the Court to Settlement Class Members who submit timely, valid Proofs of
21 Claim.

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

23 Your share of the Net Settlement Fund will or may depend on: (i) the number of
24 claims filed; (ii) the dates you purchased and sold Flux Power common stock;
25 (iii) the prices of your purchases and sales; (iv) the amount of administrative
26 costs, including the costs of notice; and (v) the amounts awarded by the Court
27 to Lead Counsel for attorneys' fees, costs, and expenses and any awards to
28 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 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

1 that will be paid to Authorized Claimants pursuant to the Settlement. The
2 Recognized Loss formula is the basis upon which the Net Settlement Fund will
3 be proportionately allocated to the Settlement Class Members with valid claims.

4 The Net Settlement Fund will be distributed to Settlement Class Members who
5 submit a Proof of Claim and whose claims for recovery are allowed by the
6 Claims Administrator pursuant to the terms of the Stipulation or by order of the
7 Court under the below Plan of Allocation (“Authorized Claimants”), which
8 reflects Plaintiffs’ contention that because of the alleged misrepresentations
9 made by Defendants, the prices of Flux Power common stock were artificially
10 inflated during the relevant period and that certain subsequent disclosures
11 caused changes in the inflated prices of Flux Power common stock. Defendants
12 have denied these allegations.

11 **PROPOSED PLAN OF ALLOCATION**

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

18 The Claims Administrator shall determine the *pro rata* share of the Net
19 Settlement Fund of each Authorized Claimant based upon each Authorized
20 Claimant’s Recognized Loss. **Please Note:** The Recognized Loss formula, set
21 forth below, is not intended to be an estimate of the amount that a Settlement
22 Class Member might have been able to recover after a trial, nor is it an estimate
23 of the amount that will be paid to Authorized Claimants pursuant to the
24 Settlement. The Recognized Loss formula is the basis upon which the Net
25 Settlement Fund will be proportionately allocated to the Authorized Claimants.
26 To the extent there are sufficient funds in the Net Settlement Fund, each
27 Authorized Claimant will receive an amount equal to the Authorized Claimant’s
28 Recognized Loss and subject to the provisions in the following paragraphs. 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

1 that each Authorized Claimant's Recognized Loss bears to the total Recognized
2 Losses of all Authorized Claimants and subject to the provisions in the preceding
3 paragraph (*i.e.*, "*pro rata* share"). No distribution will be made on a claim where
4 the potential distribution amount is less than ten dollars (\$10.00) in cash.

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

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

19
20 Each Authorized Claimant shall be allocated a *pro rata* share of the Net
21 Settlement Fund based on their Recognized Loss as compared to the total
22 Recognized Losses of all Authorized Claimants. Recognized Losses for Flux
23 Power common stock purchased during the Settlement Class Period will be
24 calculated as follows:

- 25 (A) For shares purchased during the Settlement Class Period and
26 sold during the Settlement Class Period, the Recognized Loss
27 per share will be the *lesser* of: (1) the inflation per share upon
28 purchase (as set forth in Inflation Table A below) less the
inflation per share upon sale (as set forth in Inflation Table A

below); or (2) the purchase price per share minus the sales price per share.

(B) For shares purchased during the Settlement Class Period and sold during the period from February 18, 2025 through May 16, 2025, inclusive, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the difference between the purchase price per share and the average closing share price as of date of sale provided in Table B below.

(C) For shares purchased during the Settlement Class Period and retained as of the close of trading on May 16, 2025, the Recognized Loss will be the *lesser* of: (1) the inflation per share upon purchase (as set forth in Inflation Table A below); or (2) the purchase price per share minus \$1.61¹ per share.

INFLATION TABLE A	
Period	Inflation
November 15, 2021 to September 5, 2024	\$1.16 per share
September 6, 2024 to September 30, 2024	\$1.05 per share
October 1, 2024 to November 17, 2024	\$0.91 per share
November 18, 2024 to November 21, 2024	\$0.79 per share
November 22, 2024 to January 7, 2025	\$0.46 per share
January 8, 2025 to February 14, 2025	\$0.19 per share
After February 14, 2025	\$0.00 per share

¹ Pursuant 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 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.” The mean daily closing trading price of Flux Power’s shares during the 90-day period beginning on February 18, 2025 through and including May 16, 2025 was \$1.61.

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Table B					
Date	Closing Price	Average Closing Price	Date	Closing Price	Average Closing Price
2/18/2025	\$1.46	\$1.46	4/3/2025	\$1.53	\$1.56
2/19/2025	\$1.42	\$1.44	4/4/2025	\$1.46	\$1.55
2/20/2025	\$1.49	\$1.46	4/7/2025	\$1.43	\$1.55
2/21/2025	\$1.53	\$1.48	4/8/2025	\$1.39	\$1.55
2/24/2025	\$1.43	\$1.47	4/9/2025	\$1.54	\$1.55
2/25/2025	\$1.39	\$1.45	4/10/2025	\$1.51	\$1.54
2/26/2025	\$1.38	\$1.44	4/11/2025	\$1.49	\$1.54
2/27/2025	\$1.26	\$1.42	4/14/2025	\$1.48	\$1.54
2/28/2025	\$1.28	\$1.40	4/15/2025	\$1.49	\$1.54
3/3/2025	\$1.29	\$1.39	4/16/2025	\$1.38	\$1.54
3/4/2025	\$1.21	\$1.38	4/17/2025	\$1.40	\$1.53
3/5/2025	\$1.21	\$1.36	4/21/2025	\$1.44	\$1.53
3/6/2025	\$1.34	\$1.36	4/22/2025	\$1.51	\$1.53
3/7/2025	\$1.41	\$1.36	4/23/2025	\$1.70	\$1.53
3/10/2025	\$1.31	\$1.36	4/24/2025	\$1.65	\$1.54
3/11/2025	\$1.42	\$1.36	4/25/2025	\$1.68	\$1.54
3/12/2025	\$1.35	\$1.36	4/28/2025	\$1.70	\$1.54
3/13/2025	\$1.36	\$1.36	4/29/2025	\$1.72	\$1.55
3/14/2025	\$1.41	\$1.37	4/30/2025	\$1.69	\$1.55
3/17/2025	\$1.82	\$1.39	5/1/2025	\$1.73	\$1.55
3/18/2025	\$1.82	\$1.41	5/2/2025	\$1.71	\$1.56
3/19/2025	\$1.62	\$1.42	5/5/2025	\$1.81	\$1.56
3/20/2025	\$1.63	\$1.43	5/6/2025	\$1.77	\$1.56

3/21/2025	\$1.95	\$1.45	5/7/2025	\$1.91	\$1.57
3/24/2025	\$2.10	\$1.48	5/8/2025	\$1.97	\$1.58
3/25/2025	\$2.07	\$1.50	5/9/2025	\$1.89	\$1.58
3/26/2025	\$1.94	\$1.51	5/12/2025	\$2.03	\$1.59
3/27/2025	\$2.03	\$1.53	5/13/2025	\$1.99	\$1.60
3/28/2025	\$1.88	\$1.55	5/14/2025	\$1.83	\$1.60
3/31/2025	\$1.72	\$1.55	5/15/2025	\$1.90	\$1.61
4/1/2025	\$1.64	\$1.55	5/16/2025	\$1.90	\$1.61
4/2/2025	\$1.63	\$1.56			

To the extent a Claimant had a trading gain or “broke even” from their overall transactions in Flux Power common stock during the Settlement Class Period, their Recognized Loss will be zero and the Claimant will not be entitled to a share of the Net Settlement Fund. To the extent that a Claimant suffered a trading loss on their overall transactions in Flux Power common stock during the Settlement Class Period, but that trading loss was less than the Recognized Loss calculated above, then the Recognized Loss shall be limited to the amount of the Claimant’s actual trading loss.

For purposes of calculating your Recognized Loss, the date of purchase 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 Flux Power common stock shall not be deemed a purchase or sale for the calculation of an Authorized Claimant’s Recognized Loss. The covering purchase of a short sale is not an eligible purchase.

For purposes of calculating your Recognized Loss, all purchases and sales shall be matched on a First In First Out (“FIFO”) basis in chronological order. Therefore, on the Proof of Claim enclosed with this Notice, you must provide all your purchases and sales of Flux Power common stock during the period from November 15, 2021 through and including May 16, 2025.

1 Payment pursuant to the Plan of Allocation approved by the Court shall be
2 conclusive against all Claimants. No person shall have any claim against
3 Defendants, Defendants' counsel, Plaintiffs, Lead Counsel or the Claims
4 Administrator or other agent designated by Lead Counsel based on the
5 distributions made substantially in accordance with the Stipulation and the
6 Settlement contained therein, the Plan of Allocation, or further orders of the
7 Court. Each Claimant shall be deemed to have submitted to the jurisdiction of
8 the Court with respect to the Claimant's Proof of Claim. All persons involved in
9 the review, verification, calculation, tabulation, or any other aspect of the
10 processing of the claims submitted in connection with the Settlement, or
11 otherwise involved in the administration or taxation of the Settlement Fund or
12 the Net Settlement Fund shall be released and discharged from any and all claims
13 arising out of such involvement, and all Settlement Class Members, whether or
14 not they are to receive payment from the Net Settlement Fund, will be barred
15 from making any further claim against the Net Settlement Fund beyond the
16 amount allocated to them as provided in any distribution orders entered by the
17 Court.

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

14 To qualify for a payment, you must send in a form entitled "Proof of Claim and
15 Release Form." This form is attached to this Notice. You may also obtain this
16 form on the Settlement website at www.strategicclaims.net/FLUX. Read the
17 instructions carefully, fill out the form, and sign it in the location indicated. The
18 Proof of Claim and Release Form may be completed in two ways: (1) by
19 completing and submitting it electronically at www.strategicclaims.net/FLUX
20 by 11:59 p.m. ET on _____, 202_; or (2) by mailing the claim form together
21 with all documentation requested in the form, postmarked no later than
22 _____, 202_, to the Claims Administrator at:

22 Flux Power Securities Litigation
23 c/o Strategic Claims Services
24 600 N. Jackson St., Ste. 205
25 P.O. Box 230
26 Media, PA 19063
27 Fax: 610-565-7985
28 info@strategicclaims.net

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

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

4 Unless you exclude yourself from the Settlement Class by the _____, 202_
5 deadline, you will remain a member of the Settlement Class and will be bound
6 by the release of claims against the Defendants and other Released Parties if the
7 Settlement is approved. That means you and all other Settlement Class Members
8 and each of their respective parent entities, associates, affiliates, subsidiaries,
9 predecessors, successors, assigns, attorneys, immediate family members, heirs,
10 representatives, administrators, executors, devisees, legatees, and estates will
11 release (agreeing never to sue, continue to sue, or be part of any other lawsuit)
12 as against the Defendants and other Released Parties any and all claims which
13 arise out of, are based upon or relate in any way to the purchase of Flux Power
14 common stock during the Settlement Class Period. It means that all of the
15 Court's orders will apply to you and legally bind you. That means you will accept
16 a share of the Net Settlement Fund as the sole compensation for any losses you
17 suffered in the purchase or sale of Flux Power common stock during the
18 Settlement Class Period. The specific terms of the release are included in the
19 Stipulation.

20 **11. How do I exclude myself from the Settlement?**

21 If you do not want to receive a payment from this Settlement, and you want to
22 keep any right you may have to sue or continue to sue Defendants or other
23 Released Parties on your own about the claims being released in this Settlement,
24 then you must take steps to exclude yourself from the Settlement. To exclude
25 yourself from the Settlement, you must mail a letter that (A) clearly indicates
26 your name, address, phone number and e-mail contact information (if any) and
27 states that you "request to be excluded from the Settlement Class in *Kassam v.*
28 *Flux Power Holdings, Inc., et al.*, Case No. 3:25-cv-113 (S.D. Cal.);" (B) states
the date, number of shares and dollar amount of each Flux Power common stock
purchase during the Settlement Class Period, and any sale transactions; and (C)
states the number of shares of Flux Power common stock held by you as of the
opening of trading on November 15, 2021 and the close of trading on February
14, 2025. To be valid, such request for exclusion must be submitted with
documentary proof (i) of each purchase and, if applicable, sale transaction of

1 Flux Power common stock during the Settlement Class Period, and (ii)
2 demonstrating your status as a beneficial owner of the Flux Power common
3 stock. Any such request for exclusion must be signed and submitted by you, as
4 the beneficial owner, under penalty of perjury. You must mail your exclusion
5 request, to be received no later than _____, 202_, to the Claims Administrator
6 at the following address:

7 Flux Power Securities Litigation
8 c/o Strategic Claims Services
9 600 N. Jackson St., Ste. 205
10 P.O. Box 230
11 Media, PA 19063

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

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

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

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

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

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

14. How will the lawyers be paid?

1 Lead Counsel have expended considerable time litigating this action on a
2 contingent fee basis and have paid for the expenses of the case themselves. They
3 have not been paid attorneys' fees or reimbursed for their expenses in advance
4 of this Settlement. Lead Counsel have done so with the expectation that, if they
5 are successful in recovering money for the Settlement Class, they will receive
6 attorneys' fees and be reimbursed for their litigation expenses from the
7 Settlement Fund, as is customary in this type of litigation. Lead Counsel will not
8 receive attorneys' fees or be reimbursed for their litigation expenses except from
9 the Settlement Fund. Therefore, Lead Counsel will file a motion asking the Court
10 at the Settlement Hearing to make an award of attorneys' fees in an amount not
11 to exceed one-third of the Settlement Fund, or \$583,333.33, for reimbursement
12 of reasonable litigation expenses not to exceed \$75,000, and an award to
13 Plaintiffs in an amount not to exceed \$15,000 in total. The Court may award less
14 than these amounts. Any amounts awarded by the Court will come out of the
15 Settlement Fund.

12 **15. How do I tell the Court that I object to the Settlement?**

13 You can tell the Court you do not agree with the Settlement, any part of the
14 Settlement, the Plan of Allocation, Lead Counsel's motion for attorneys' fees
15 and expenses, or application for an award to Plaintiffs, and that you think the
16 Court should not approve any or all of the foregoing, by mailing a letter stating
17 that you object to the Settlement in the matter of as *Kassam v. Flux Power*
18 *Holdings, Inc., et al.*, Case No. 3:25-cv-113 (S.D. Cal.). Be sure to include (1)
19 your name, address, and telephone number; (2) a list of all purchases and sales
20 of Flux Power common stock during the Settlement Class Period in order to
21 show membership in the Settlement Class; (3) all grounds for the objection,
22 including any legal support known to you or your counsel; (4) the name, address
23 and telephone number of all counsel, if any, who represent you; and (5) the
24 number of times you and/or your counsel has filed an objection to a class action
25 settlement in the last five years, the nature of each such objection in each case,
26 the jurisdiction in each case, and the name of the issuer of the security or seller
27 of the product or service at issue in each case. Attendance at the Settlement
28 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

1 they intend to introduce into evidence at the Settlement Hearing. Be sure to serve
2 copies of any objections, papers, and briefs to **each** of the addresses listed below,
3 and file proof of service upon lead Counsel and Counsel for Defendants with the
4 Clerk of the Court, to be received no later than _____, 202_:

5 Clerk of the Court
6 United States District Court
7 Southern District of California
8 333 West Broadway, Suite 420
9 San Diego, CA 92101

10 LEAD COUNSEL:
11 THE ROSEN LAW FIRM, P.A.
12 Phillip Kim
13 275 Madison Avenue, 40th Floor
14 New York, NY 10016

15 COUNSEL FOR DEFENDANTS:
16 WILSON SONSINI GOODRICH &
17 ROSATI, P.C.
18 Caz Hashemi
19 650 Page Mill Road
20 Palo Alto, CA 94304

21 WILSON ELSEER MOSKOWITZ
22 EDELMAN & DICKER LLP
23 David Aveni
24 401 W. A St., Ste. 1900
25 San Diego, CA 92101

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

27 Objecting is simply telling the Court you do not like something about the
28 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.

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

The Court will hold a Settlement Hearing on _____, 202_, at __:__.m. PT,
at the U.S. District Court, Southern District of California, Edward J. Schwartz

1 United States Courthouse, Courtroom 4C, 221 West Broadway, San Diego, CA
2 92101, or by telephonic or videoconference means as directed by the Court.

3 At this hearing, the Court will consider whether the Settlement is fair,
4 reasonable, and adequate and whether to approve the Settlement. If there are
5 objections, the Court will consider them, and the Court will listen to people who
6 have asked to speak at the hearing. The Court may also decide whether to
7 approve the Plan of Allocation, as well as how much to pay Lead Counsel for
8 attorneys' fees and expenses and how much to award to Plaintiffs.

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

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

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

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

18
19 DATED: _____, 2025

20 BY ORDER OF THE UNITED STATES
21 DISTRICT COURT FOR THE SOUTHERN
22 DISTRICT OF CALIFORNIA
23
24
25
26
27
28

PROOF OF CLAIM AND RELEASE FORM

Deadline for Submission: _____

IF YOU PURCHASED THE PUBLICLY TRADED COMMON STOCK OF FLUX POWER HOLDINGS, INC. ("FLUX POWER") BETWEEN NOVEMBER 15, 2021 AND FEBRUARY 14, 2025, BOTH DATES INCLUSIVE ("SETTLEMENT CLASS PERIOD"), 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 PRESENT AND FORMER OFFICERS, DIRECTORS, OR CONTROL PERSONS OF FLUX POWER AT ALL RELEVANT TIMES; THE IMMEDIATE FAMILY MEMBERS, LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS OR ASSIGNS OF SUCH EXCLUDED PERSONS; AND ANY ENTITY IN WHICH ANY EXCLUDED PERSON HAS OR HAD A CONTROLLING OR MAJORITY OWNERSHIP INTEREST AT ANY TIME. ALSO EXCLUDED ARE THOSE WHO VALIDLY OPT OUT AND THOSE WITH NO COMPENSATORY LOSSES).

IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT A PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS. YOU CAN COMPLETE AND SUBMIT THE ELECTRONIC VERSION OF THIS PROOF OF CLAIM BY 11:59 P.M. ET ON _____, 202_ AT WWW.STRATEGICCLAIMS.NET/FLUX.

IF YOU DO NOT COMPLETE AND SUBMIT AN ELECTRONIC VERSION OF THIS PROOF OF CLAIM, YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN _____, 202_ TO STRATEGIC CLAIMS SERVICES, THE CLAIMS ADMINISTRATOR, AT THE FOLLOWING ADDRESS:

Flux Power Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

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

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

CLAIMANT'S STATEMENT

1. I (we) purchased the publicly traded common stock of Flux Power Holdings, Inc. ("Flux Power") during the Settlement Class Period. (Do not submit this Proof of Claim if you did not purchase publicly traded Flux Power common stock during the Settlement Class Period.)
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Settlement Class Member(s) as defined above or am (are) acting for such person(s); that I am (we are) not a Defendant(s) in the Action or anyone excluded from the Settlement Class; that I (we) have read and understand the Notice of Pendency and Proposed Settlement of Class Action ("Notice"); that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund; that I (we) elect to participate in the proposed Settlement; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Settlement Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Settlement Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Settlement Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Action or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of Flux Power common stock during the Settlement Class Period, and each sale, if any, of the same. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase and sale of Flux Power common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER OR TAX ADVISOR BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)
6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your Recognized Loss. In some cases, the Claims Administrator may condition acceptance of the claim upon the production of additional information, including, where applicable, information concerning transactions in any derivative securities, such as options.)
7. Upon the occurrence of the Court's approval of the Settlement, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise, and discharge by me (us) and my (our) parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, an estate, or one or more other persons, by them and by their parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates) of each of the "Released Parties" of all "Released Claims," as those terms are defined in the Stipulation of Settlement, dated August 27, 2025 ("Stipulation").

8. Upon the occurrence of the Court's approval of the Settlement, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a covenant by me (us) and my (our) parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, an estate, or one or more other persons, by them and by their parent entities, associates, affiliates, subsidiaries, predecessors, successors, assigns, attorneys, immediate family members, heirs, representatives, administrators, executors, devisees, legatees, and estates) to permanently refrain from prosecuting or attempting to prosecute any Released Claims against any of the Released Parties.
9. "Released Parties" has the meaning defined in the Stipulation.
10. "Released Claims" has the meaning defined in the Stipulation.
11. "Unknown Claims" has the meaning defined in the Stipulation.
12. I (we) agree and acknowledge that I (we) may hereafter discover facts in addition to or different from those which I (we) now know or believe to be true with respect to the Released Claims, but I (we) agree and acknowledge that, upon the Effective Date, as defined in the Stipulation, I (we) shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of fiduciary duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. I (we) agree and acknowledge that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.
13. **NOTICE REGARDING INSTITUTIONAL FILERS:** Representatives with the authority to file on behalf of (a) accounts of multiple Persons and/or (b) institutional accounts with large numbers of transactions ("Representative Filers") must submit information regarding their clients' transactions in the approved electronic spreadsheet format, which is available by request to the Claims Administrator at efile@strategicclaims.net or by visiting the website www.strategicclaims.net/institutional-filers/. One spreadsheet may contain the information for multiple Persons and institutional accounts who constitute distinct legal entities ("Legal Entities"), but 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. The transactions and holdings in Flux Power common stock should be reported in the electronic file so that each resulting Claim corresponds to a single Legal Entity, regardless of the number of individually managed accounts the Legal Entity has, as only one Claim will be processed per Legal Entity (e.g. a Representative Filer reporting the transactions for a fund with multiple sub-accounts should report one total holding at the start of the Settlement Class Period, one total holding at the end of the Settlement Class Period, and a single set of transactions that includes all transactions made by the Legal Entity across their sub-accounts; this would constitute and be processed as a single Claim). The Claims Administrator reserves the right to combine a Legal Entity's accounts into a single Claim prior to processing in the event that a Legal Entity's accounts are divided across multiple Claims when submitted by the Representative Filer. The Claims Administrator also reserves the right to request additional documentary proof regarding a Legal Entity's transactions and holdings in Flux Power common stock to prove and accurately process the Claim. 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/FLUX. 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.
15. In order to provide accurate claims processing, you must provide all transactions in Flux Power common stock between November 15, 2021 and May 16, 2025, both dates inclusive.

I. CLAIMANT INFORMATION

Beneficial Owner Name:		
Record 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 FLUX POWER HOLDINGS, INC. ("FLUX POWER") COMMON STOCK

Beginning Holdings:

- A. State the total number of shares of Flux Power common stock held at the opening of trading on November 15, 2021 (*must be documented*). _____
If none, write "zero" or "0."

Purchases:

- B. Separately list each and every purchase of Flux Power common stock between November 15, 2021 and May 16, 2025, both dates inclusive, and provide the following information (*must be documented*):

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

Sales:

C. Separately list each and every sale of Flux Power common stock between November 15, 2021 and May 16, 2025, 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 Flux Power common stock held at the close of trading on May 16, 2025 (*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 under the terms of the Stipulation and Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Southern 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 Flux Power common stock 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

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 ONLINE AT
WWW.STRATEGICCLAIMS.NET/FLUX NO LATER THAN 11:59 P.M. ET ON _____, 202_, OR
POSTMARKED NO LATER THAN _____, 202_ AND MUST BE MAILED TO:**

Flux Power Securities Litigation
c/o Strategic Claims Services
600 N. Jackson St., Ste. 205
P.O. Box 230
Media, PA 19063
Tel.: 866-274-4004
Fax: 610-565-7985
info@strategicclaims.net

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

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

REMINDER CHECKLIST

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

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ASFA KASSAM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

FLUX POWER HOLDINGS, INC.,
RONALD F. DUTT, and CHARLES A.
SCHEIWE,

Defendants.

Case No. 3:25-cv-113-JO-DDL

Hon. Jinsook Ohta

CLASS ACTION

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

**TO: ALL PERSONS WHO PURCHASED THE PUBLICLY TRADED
COMMON STOCK OF FLUX POWER HOLDINGS, INC. (“FLUX
POWER”) FROM NOVEMBER 15, 2021 THROUGH FEBRUARY 14,
2025, BOTH DATES INCLUSIVE.**

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Southern District of California, that a hearing will be held on _____, 202_, at _:_m. PT before the Honorable Jinsook Ohta, United States District Judge of the United States District Court for the Southern District of California, Edward J. Schwartz United States Courthouse, Courtroom 4C, 221 West Broadway, San Diego, CA 92101, or by telephonic or videoconference means as directed by the Court, for the purpose of determining:

(1) whether the proposed Settlement of the claims in the above-captioned Action for consideration including the sum of \$1,750,000 (“Settlement Amount”) should be approved by the Court as fair, reasonable, and adequate;

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

(3) whether the application of Lead Counsel for an award of attorneys’ fees of up to one-third of the Settlement Amount, reimbursement of expenses of not more than \$75,000, and an award of no more than \$15,000 in total to Plaintiffs should be approved; and

(4) whether this Action should be dismissed with prejudice as set forth in the Stipulation of Settlement, dated August 27, 2025 (“Stipulation”).

If you purchased Flux Power common stock during the period from November 15, 2021 through February 14, 2025, both dates inclusive, your rights may be affected by this Settlement, including the release and extinguishment of claims you may possess relating to your ownership interest in Flux Power common stock.

You may obtain copies of the detailed Notice of Pendency and Proposed Settlement of Class Action (“Long Notice”) and the Proof of Claim and Release Form

1 (“Proof of Claim”) by writing to or calling Flux Power Securities Litigation, c/o
2 Strategic Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA
3 19063; (Tel) (866) 274-4004; (Fax) (610) 565-7985; info@strategicclaims.net, or
4 going to the website, www.strategicclaims.net/FLUX. If you are a member of the
5 Settlement Class, in order to share in the distribution of the Net Settlement Fund, you
6 must submit a properly completed Proof of Claim electronically or postmarked no later
7 than _____, 202_, to the Claims Administrator, establishing that you are entitled
8 to recovery. Unless you submit a written exclusion request, you will be bound by any
9 judgment rendered in the Action whether or not you make a claim.

10 If you desire to be excluded from the Settlement Class, you must submit a request
11 for exclusion in the manner and form explained in the Long Notice to the Claims
12 Administrator so that it is received no later than _____, 202_. All members
13 of the Settlement Class who have not requested exclusion from the Settlement Class
14 will be bound by any judgment entered in the Action.

15 Any objection to the Settlement, Plan of Allocation, or Lead Counsel’s request
16 for an award of attorneys’ fees and reimbursement of expenses and an award to
17 Plaintiffs must be in the manner and form explained in the Long Notice and received
18 no later than _____, 202_, by each of the following:

19
20 Clerk of the Court
21 United States District Court
22 Southern District of California
23 333 West Broadway, Suite 420
24 San Diego, CA 92101

25 LEAD COUNSEL:
26 THE ROSEN LAW FIRM, P.A.
27 Phillip Kim
28 275 Madison Avenue, 40th Floor
New York, NY 10016

COUNSEL FOR DEFENDANTS:
WILSON SONSINI GOODRICH &
ROSATI, P.C.
Caz Hashemi
650 Page Mill Road

Palo Alto, CA 94304

WILSON ELSEER MOSKOWITZ
EDELMAN & DICKER LLP
David Aveni
401 W. A St., Ste. 1900
San Diego, CA 92101

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
Tel: 212-686-1060

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

Dated: _____, 2025

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

Court-Ordered Legal Notice

Forwarding Service Requested

*Important Notice about a Securities
Class Action Settlement*

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

Please read it carefully.

Flux Power Securities Litigation
c/o Strategic Claims Services
600 N. Jackson Street, Suite 205
Media, PA 19063

*Kassam v. Flux Power Holdings, Inc., et al., Case No. 3:25-cv-113 (S.D. Cal.)
THIS CARD ONLY PROVIDES LIMITED INFORMATION ABOUT THE SETTLEMENT.
PLEASE VISIT WWW.STRATEGICCLAIMS.NET/FLUX OR CALL 1-866-274-4004 FOR MORE INFORMATION.*

There has been a proposed Settlement of all claims against Flux Power Holdings, Inc. ("Flux Power") and certain of its officers and directors (collectively, "Defendants"). The Settlement resolves a lawsuit in which Plaintiffs allege that, in violation of the federal securities laws, Defendants misled investors about Flux Power's financial statements and internal controls, issuing materially false and misleading statements and causing damages to Settlement Class Members. Defendants deny any wrongdoing.

You received this Notice because you or someone in your family may have purchased Flux Power common stock between November 15, 2021 and February 14, 2025, both dates inclusive. The Settlement provides that, in exchange for the settlement and dismissal and release of Defendants, a fund consisting of \$1,750,000 ("Settlement Fund"), less attorneys' fees and expenses, will be divided among all Settlement Class Members who submit valid Proof of Claim and Release Forms ("Proofs of Claim"). For a full description of the Settlement, your rights, and to make a claim, please view the Stipulation of Settlement at www.strategicclaims.net/FLUX and please request a copy of the Notice of Pendency and Proposed Settlement of Class Action ("Long Notice") and Proof of Claim by contacting the Claims Administrator in any of the following ways: (1) mail: *Flux Power Securities Litigation*, c/o Strategic Claims Services, 600 N. Jackson St., Ste. 205, P.O. Box 230, Media, PA 19063; (2) call: toll free, (866) 274-4004; (3) fax: (610) 565-7985; (4) email: info@strategicclaims.net; or (5) visit the website: www.strategicclaims.net/FLUX.

To qualify for payment, you must submit a Proof of Claim to the Claims Administrator. A copy of the Proof of Claim can be found on the website. PROOF OF CLAIMS ARE DUE BY _____, 202_ TO FLUX POWER SECURITIES LITIGATION, C/O STRATEGIC CLAIMS SERVICES, P.O. BOX 230, 600 N. JACKSON STREET, SUITE 205, MEDIA, PA 19063 OR SUBMITTED ONLINE AT WWW.STRATEGICCLAIMS.NET/FLUX. If you do not want to be legally bound by the Settlement, you must exclude yourself by _____, 202_, or you will not be able to sue the Defendants about the legal claims in this case. If you exclude yourself, you cannot get money from this Settlement. If you stay in the Settlement, you may object to it by _____, 202_. The Long Notice explains how to exclude yourself or to object.

The Court will hold a hearing on _____, 202_ at _____ a.m. PT at Edward J. Schwartz United States Courthouse, Courtroom 4C, 221 West Broadway, San Diego, CA 92101, or via remote means at the Court's direction, to consider whether to approve the Settlement, the Plan of Allocation, a request for attorneys' fees of up to one-third of the Settlement Fund, plus actual expenses up to \$75,000 for litigating the case and negotiating the Settlement, and a compensatory Award to Plaintiffs not to exceed \$7,500 each or \$15,000 total ("Settlement Hearing"). You may attend the hearing and ask to be heard by the Court, but you do not have to. The Court reserves the right to hold the Settlement Hearing by remote means. You may, but are not required to, attend the hearing and ask to be heard by the Court. For more information, call (866) 274-4004, or visit www.strategicclaims.net/FLUX.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

ASFA KASSAM, Individually and on
behalf of all others similarly situated,

Plaintiff,

v.

FLUX POWER HOLDINGS, INC.,
RONALD F. DUTT, and CHARLES A.
SCHEIWE,

Defendants.

Case No. 3:25-cv-113-JO-DDL

Hon. Jinsook Ohta

CLASS ACTION

[PROPOSED] ORDER AND FINAL JUDGMENT

On the ____ day of _____, 202_, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the Stipulation of Settlement dated August 27, 2025 (“Stipulation”) are fair, reasonable, and adequate for the settlement of all claims asserted by the Settlement Class against Defendants (as defined in the Stipulation), including the release of the Released Claims against the Released Parties, and should be approved; (2) whether judgment should be entered dismissing this Action with prejudice; (3) whether to approve the proposed Plan of Allocation as a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members; (4) whether and in what amount to award Lead Counsel as fees and reimbursement of expenses; and (5) whether and in what amount to approve an award to the Plaintiffs; and

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

1 It appearing in the record that the Notice substantially in the form approved
2 by the Court in the Court's Order Granting Plaintiffs' Motion for Preliminary
3 Approval of Class Action Settlement, dated _____, 2025 ("Preliminary
4 Approval Order") was disseminated to all reasonably identifiable Settlement Class
5 Members, published, and posted to the website of the Claims Administrator, both
6 in accordance with the Preliminary Approval Order and the specifications of the
7 Court; and

8 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND
9 DECREED THAT:

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

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

15 3. The Court finds that, for settlement purposes only, the prerequisites for
16 a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure
17 have been satisfied in that: (a) the number of Settlement Class Members is so
18 numerous that joinder of all members thereof is impracticable; (b) there are
19 questions of law and fact common to the Settlement Class; (c) Plaintiffs' claims are
20 typical of the claims of the Settlement Class they seek to represent; (d) Plaintiffs
21 fairly and adequately represent the interests of the Settlement Class; (e) questions
22 of law and fact common to the members of the Settlement Class predominate over
23 any questions affecting only individual members of the Settlement Class; and (f) a
24 class action is superior to other available methods for the fair and efficient
25 adjudication of this Action. The Settlement Class is being certified for settlement
26 purposes only.

1 4. The Court hereby finally certifies this action as a class action for
2 purposes of the Settlement, pursuant to Rule 23(a) and (b)(3) of the Federal Rules
3 of Civil Procedure, on behalf of all persons or entities who purchased publicly
4 traded Flux Power Holdings, Inc. (“Flux Power”) common stock between
5 November 15, 2021 and February 14, 2025, both dates inclusive, except that
6 excluded from the Settlement Class are: (a) persons who suffered no compensable
7 losses; and (b) Defendants; the present and former officers, directors, or control
8 persons of Flux Power at all relevant times; members of their immediate families
9 and their legal representatives, heirs, successors, predecessors, or assigns; present
10 and former parents, subsidiaries, assigns, successors, and predecessors of Flux
11 Power; and any entity in which any of the persons excluded under this subsection
12 (b) has or had a controlling or majority ownership interest at any time. Also
13 excluded from the Settlement Class are Persons who filed valid and timely requests
14 for exclusion from the Settlement Class in accordance with the Preliminary
15 Approval Order, as listed on Schedule A to this Final Judgment. Pursuant to Rule
16 23 of the Federal Rules of Civil Procedure, Plaintiffs are certified as the class
17 representatives on behalf of the Settlement Class (“Class Representatives”) and
18 Lead Counsel previously selected by Lead Plaintiff and appointed by the Court are
19 hereby appointed as Class Counsel for the Settlement Class (“Class Counsel”).

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

9 6. The Settlement is approved as fair, reasonable and adequate, and in the
10 best interests of the Settlement Class. This Court further finds that the Settlement
11 set forth in the Stipulation is the result of good faith, arm's-length negotiations
12 between experienced counsel representing the interests of Class Representatives,
13 Settlement Class Members, and Defendants. The Parties are directed to
14 consummate the Settlement in accordance with the terms and provisions of the
15 Stipulation.

16 7. The Action and all claims contained therein, as well as all of the
17 Released Claims, are dismissed with prejudice as against all Defendants. The
18 Parties are to bear their own costs, except as otherwise provided in the Settlement
19 Stipulation.

20 8. Upon the Effective Date, the Releasing Parties, on behalf of
21 themselves, their successors and assigns, and any other Person claiming (now or in
22 the future) through or on behalf of them, regardless of whether any such Releasing
23 Party ever seeks or obtains by any means, including without limitation by
24 submitting a Proof of Claim, any disbursement from the Settlement Fund, shall be
25 deemed to have, and by operation of this Final Judgment shall have, fully, finally,
26 and forever compromised, settled, resolved, released, relinquished, waived,
27 dismissed, and discharged all Released Claims against the Released Parties and
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1 shall have covenanted not to sue the Released Parties with respect to any and all
2 Released Claims, and shall be permanently barred and enjoined from asserting,
3 commencing, prosecuting, instituting, assisting, instigating, or in any way
4 participating in the commencement or prosecution of any action or other
5 proceeding, in any forum, asserting any Released Claim, in any capacity, against
6 any of the Released Parties. Nothing contained herein shall, however, bar the
7 Releasing Parties from bringing any action or claim to enforce the terms of the
8 Stipulation or this Final Judgment. Nor shall anything contained herein limit or
9 release any claims Defendants may have with regard to insurance coverage that may
10 be available to them under any applicable policy. This release shall not apply to any
11 Settlement Class Members who timely and properly exclude themselves from the
12 Settlement Class.

13 9. With respect to any and all Released Claims, the Releasing Parties
14 shall waive, shall be deemed to have waived, and by operation of this Final
15 Judgment shall have waived, the provisions, rights, and benefits of California Civil
16 Code § 1542, which provides:

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

22 10. With respect to any and all Released Claims, the Releasing Parties
23 shall waive, shall be deemed to have waived, and by operation of this Final
24 Judgment shall have waived, any and all provisions, rights, and benefits conferred
25 by any law of any state, territory, or foreign country, or principle of common law,
26 which is similar, comparable, or equivalent to California Civil Code § 1542. The
27 Releasing Parties may hereafter discover facts in addition to or different from those
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1 which they now know or believes to be true with respect to the Released Claims,
2 but the Releasing Parties, upon the Effective Date, shall be deemed to have, and by
3 operation of this Final Judgment shall have, fully, finally, and forever settled and
4 released any and all Released Claims, known or unknown, suspected or
5 unsuspected, contingent or non-contingent, whether or not concealed or hidden,
6 which now exist, or heretofore have existed, upon any theory of law or equity now
7 existing or coming into existence in the future, including, but not limited to, conduct
8 which is negligent, intentional, with or without malice, or a breach of fiduciary duty,
9 law or rule, without regard to the subsequent discovery or existence of such
10 different or additional facts. The Releasing Parties acknowledge and the Settlement
11 Class Members shall be deemed by operation of this Final Judgment to have
12 acknowledged, that the foregoing waiver was separately bargained for and a key
13 element of the Settlement.

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

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

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

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

13 15. Exclusive jurisdiction is hereby retained over the Parties and the
14 Settlement Class Members for all matters relating to the Action, including the
15 administration, interpretation, effectuation or enforcement of the Stipulation and
16 this Final Judgment, and including any application for fees and expenses incurred
17 in connection with administering and distributing the Settlement Fund to the
18 Settlement Class Members.

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

22 17. There is no just reason for delay in the entry of this Final Judgment
23 and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule
24 54(b) of the Federal Rules of Civil Procedure.

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

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

8 20. In the event the Settlement is not consummated in accordance with the
9 terms of the Stipulation, then the Stipulation and this Final Judgment (including any
10 amendment(s) thereof, and except as expressly provided in the Stipulation or by
11 order of the Court) shall have no further force and effect with respect to the Parties
12 and shall not be used in the Action or in any other proceeding for any purpose, and
13 any judgment or order entered by the Court in accordance with the terms of this
14 Stipulation shall be treated as vacated, *nunc pro tunc*, and each Party shall be
15 restored to his, her or its respective litigation positions as they existed prior to July
16 11, 2025, pursuant to the terms of the Stipulation.

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19 Dated: _____, 202_

20 _____
21 HON. JINSOOK OHTA
22 UNITED STATES DISTRICT JUDGE
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Schedule A

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