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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

MIKE JONES, derivatively on behalf )	Case No. 15-cv-4170 BRO (JEMx)
of MEDBOX, INC., )	(Consolidated for pretrial purposes with
Plaintiff, )	Case No. 15-cv-0426 BRO (JEMx))
vs. )	
GUY MARSALA, J. MITCHELL )	<b>ORDER AND FINAL JUDGMENT</b>
LOWE, NED SIEGEL, JENNIFER )	
S. LOVE, C. DOUGLAS )	
MITCHELL, PEJMAN VINCENT )	
MEHDIZADEH, MATTHEW )	
FEINSTEIN, BRUCE BEDRICK, )	
and THOMAS IWANSKI, )	
Defendants, )	
- and - )	
MEDBOX, INC., a Nevada )	
corporation, )	
Nominal Defendant. )	

1 This matter came before the Court for hearing on November 14, 2016, to  
2 consider approval of the proposed settlement (“Settlement”) set forth in the Stipulation  
3 and Agreement of Settlement dated December 17, 2015, and the exhibits thereto (the  
4 “Stipulation”). The Court has reviewed and considered all documents, evidence,  
5 objections (if any), and arguments presented in support of or against the Settlement.  
6 Good cause appearing therefore, the Court enters this Judgment.

7 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

8 This Judgment incorporates by reference the following Orders issued by the  
9 Court on November 14, 2016: (i) granting Plaintiffs’ Motion for Final Approval of  
10 Derivative Settlement; (ii) granting in part, without prejudice, Plaintiffs’ Motion for  
11 an Award of Attorneys’ Fees [and] Reimbursement of Litigation Expenses; and, (iii)  
12 granting Plaintiffs’ request for service awards. This Judgment also incorporates by  
13 reference the Order Re: Supplemental Declarations in Further Support of Derivative  
14 Plaintiff’s Motion issued by the Court on December 15, 2016, granting an additional  
15 award for reimbursement of fees and expenses.

16 Unless otherwise stated herein, all capitalized terms contained in this Judgment  
17 shall have the same meaning and effect as stated in the Stipulation.

18 This Court has jurisdiction over the subject matter of the Action and over the  
19 Settling Parties to the Action.

20 This Court hereby approves the Settlement set forth in the Stipulation and finds  
21 that the Settlement is, in all respects, fair, reasonable, and adequate to each of the  
22 Settling Parties, Medbox Inc. (“Medbox”), and Medbox shareholders, and hereby  
23 directs the Settling Parties to perform the terms of the Settlement as set forth in the  
24 Stipulation.

25 This Court hereby dismisses the Action with prejudice and without costs to any  
26 of the Settling Parties, except as otherwise provided below.

27 Upon the Effective Date, the Releasing Parties shall be deemed to have fully,  
28 finally, and forever released, relinquished, and discharged the Released Claims

1 (including Unknown Claims) against the Released Persons and any and all claims  
2 arising out of, relating to, or in connection with the defense, settlement, or resolution  
3 of the Actions against the Released Persons. Nothing herein shall in any way impair  
4 or restrict the rights of any Settling Party to enforce the terms of the Stipulation.

5       Upon the Effective Date hereof, the Releasing Parties are barred and enjoined  
6 from commencing, prosecuting, instigating, or in any way participating in the  
7 commencement or prosecution of any action asserting any Released Claims against  
8 any of the Released Persons as set forth in and in accordance with the terms of the  
9 Stipulation. Nothing herein shall in any way impair or restrict the rights of any Settling  
10 Party to enforce the terms of the Stipulation.

11       The Notice of Pendency and Settlement of Shareholder Derivative Action  
12 (“Notice”) has been given to shareholders of the Company pursuant to and in the  
13 manner directed by the Order dated February 3, 2016, proof of Notice was filed with  
14 the Court, and full opportunity to be heard has been offered to all Settling Parties and  
15 Medbox shareholders.

16       The Court hereby approves the Fee and Expense Amount consisting of  
17 \$297,241.41 in cash and the transfer of 2,000,000 shares of Medbox common stock  
18 from defendant Mehdizadeh to Plaintiffs’ counsel and 300,000 shares of common  
19 stock from defendant Bedrick to Plaintiffs’ Counsel and directs payment of the Fee  
20 and Expense Amount in accordance with the terms of the Stipulation.

21       The Court hereby approves the Service Award of \$1,500 for each of the  
22 Plaintiffs, to be paid from Plaintiffs’ Counsels’ Fee and Expense Amount in  
23 recognition of Plaintiffs’ participation and effort in the prosecution of the Actions.

24       During the course of the litigation of the Actions, all Settling Parties and their  
25 counsel acted in good faith and complied with F.R.C.P. 11 and any similar rule or  
26 statute.

27       Neither the Stipulation nor the Settlement contained therein, nor any act  
28 performed or document executed pursuant to or in furtherance of the Stipulation or the

1 Settlement, is or may be deemed to be or may be used as: (a) an admission of, or  
2 evidence of, the validity of any Released Claim or any wrongdoing or liability of the  
3 Defendants, or the Court's jurisdiction over the Released Persons for purpose of the  
4 Released Claims or for any other purpose; (b) an admission or concession by Plaintiffs  
5 or any Medbox shareholder of any infirmity in the claims asserted in the Complaint;  
6 or (c) an admission of, or evidence of, any fault or omission of any of the Released  
7 Persons in any civil, criminal, or administrative proceeding in any court,  
8 administrative agency, or other tribunal. The Released Persons may file the  
9 Stipulation and/or this Judgment in any action that may be brought against them in  
10 order to support a defense or counterclaim based on principles of *res judicata*,  
11 collateral estoppel, equitable estoppel, judicial estoppel, release, good-faith settlement,  
12 judgment bar or reduction, or any theory of claim preclusion or issue preclusion or  
13 similar defense or counterclaim.

14 Without affecting the finality of this Judgment in any way, this Court hereby  
15 retains continuing jurisdiction over: (a) implementation of this Settlement; and (b) all  
16 Settling Parties and the Settling Parties' counsel hereto for the sole purpose of  
17 construing, enforcing, and administering the Stipulation and this Order.

18 There is no reason for delay in the entry of this Judgment and immediate entry  
19 by the Clerk of the Court is expressly directed by the Court.

20 IT IS SO ORDERED.

21 DATED: March 3, 2017

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By: 

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Honorable Beverly R. O'Connell  
United States District Court Judge

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