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10 *Attorneys for Defendants Robert Lee, Steven Roberts, Edward Yew, Jon Tondeur, and Brian Morales*
 11 *and Nominal Defendant Zoompass Holdings, Inc.*

12 **UNITED STATES DISTRICT COURT**
 13 **DISTRICT OF NEVADA**

14 VALERIE KLUGE, Derivatively on behalf of
 15 Nominal Defendant, ZOOMPASS HOLDINGS
 16 INC.,

17 Plaintiff,

Case No. 2:17-cv-02578-APG-CWH

18 v.

19 ROBERT LEE, STEVEN ROBERTS,
 20 EDWARD (TED) YEW, JON TONDEUR AND
 BRIAN MORALES,

21 Defendants,

**STIPULATION AND
 ORDER CONCERNING SERVICE OF
 PROCESS AND STAYING
 PROCEEDINGS**

22 and

23 ZOOMPASS HOLDINGS, INC.

24 Nominal
 25 Defendant.,

26
 27 WHEREAS Plaintiff Valerie Kluge filed her Complaint on October 4, 2017 in which she
 28 alleged, among other things, breaches of fiduciary duty, unjust enrichment, and waste of corporate

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1 assets derivatively on behalf of Nominal Defendant Zoompass Holdings, Inc. (the “Nominal
2 Defendant”) against Defendants Robert Lee, Steven Roberts, Edward Yew, Jon Tondeur, and Brian
3 Morales (collectively, the “Individual Defendants,” and together with the Nominal Defendant, the
4 “Defendants”);

5 WHEREAS pending before the United States District Court for the District of New Jersey is
6 *Patel v. Zoompass Holdings, Inc.*, 2:17-cv-03831 (the “Securities Class Action”), a putative class
7 action alleging violations of the Securities Exchange Act of 1934 and regulations promulgated
8 thereunder;

9 WHEREAS the parties to the Securities Class Action have stipulated that the plaintiff shall
10 file an Amended Complaint on or before November 20, 2017 and that the defendants shall answer,
11 move, or otherwise respond to said Amended Complaint on or before 60 days from the filing of the
12 Amended Complaint;

13 WHEREAS Plaintiff’s Complaint in the above-captioned matter alleges certain misconduct
14 that is similar to the misconduct alleged in the Securities Class Action; and

15 WHEREAS Plaintiff, the Individual Defendants, and the Nominal Defendant wish to
16 promote the efficient and orderly administration of justice by coordinating this derivative action with
17 the above-captioned derivative matter with the Securities Class Action while simultaneously
18 litigating the Securities Class Action.

19 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the
20 undersigned counsel for the Plaintiff, the Individual Defendants, and the Nominal Defendant. that:

- 21 (1) The undersigned counsel for the Individual Defendants hereby accept service of the
22 Complaint filed in the above-captioned matter on behalf of all Defendants, including
23 the Individual Defendants, as of the date set forth below;
- 24 (2) By authorizing their counsel to accept service on their behalf, the Individual
25 Defendants waive any and all objections to the absence of a summons or of service,
26 but do not waive any other defense, objection, or ground for dismissal that they may
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1 have otherwise raised in response to this action, including but not limited to any
2 objection to the Court's jurisdiction or venue of the action.

3 (3) All activity in the above-captioned matter shall be stayed, and the Defendants shall
4 need not answer, move, or otherwise respond to Plaintiff's Complaint, or any
5 amended complaint, during the pendency of the stay;

6 (4) Should any of the Defendants produce during the pendency of the stay any documents
7 to any plaintiffs in the Securities Class Action, to any plaintiffs in any related
8 derivative actions, or to any purported shareholders who made a books and records
9 demand, Defendants will produce to Plaintiff a copy of the same documents, subject
10 to the parties entering into a confidentiality agreement and/or protective order;

11 (5) During the pendency of the stay, Defendants shall include Plaintiff in any mediation
12 and any formal settlement talks with the plaintiffs in the Securities Class Action and
13 shall include Plaintiff in any mediation and any formal settlement talks with any
14 plaintiff in any related derivative lawsuit;

15 (6) Plaintiff may lift the stay of the above-captioned matter at any time by (i) making a
16 request to the Court, and (ii) by transmitting notice to counsel for the nominal
17 defendant via e-mail at the e-mail addresses listed below;

18 (7) Defendants shall promptly notify Plaintiff of any related derivative lawsuits that any
19 of them become aware of;

20 (8) During the pendency of the stay, Plaintiff may amend the Complaint;

21 (9) The Individual Defendants and the Nominal Defendant shall answer, move, or
22 otherwise respond to Plaintiff's Complaint, or instead the operative amended
23 complaint, if any amended complaint has been filed, within sixty (60) days after they
24 receive a request to lift the stay, except as described in Paragraph 11, *infra*;

25 (10) Should any other derivative case be filed in any forum subsequent to the above-
26 captioned matter that alleges and seeks relief from the same or similar alleged
27 misconduct as that alleged in the above-captioned matter, the Individual Defendants
28

1 and the Nominal Defendants shall either agree to, or move for, a stay of said later-
2 filed action;

3 (11) Should a later-filed action such as is described in Paragraph 10, supra, not be stayed,
4 Plaintiff in the above-captioned matter may lift the stay of the above-captioned matter
5 by following the requirements of Paragraph 6, supra, but in such circumstance the
6 Individual Defendants and the Nominal Defendant shall answer, move, or otherwise
7 respond to Plaintiff's Complaint, or instead the operative amended complaint, if any
8 amended complaint has been filed, within twenty (20) days after they receive a
9 request to lift the stay; and

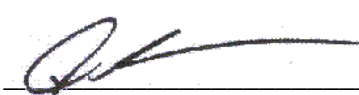
10 (12) Should any other derivative case be filed in any forum that alleges and seeks relief
11 from the same or similar alleged misconduct as that alleged in the above-captioned
12 matter, the Individual Defendants and the Nominal Defendant shall never move to
13 stay the above-captioned action in deference to the later-filed action.

14 Dated: November 17, 2017.

MCDONALD CARANO, LLP

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22 **IT IS SO ORDERED.**

23 
24 _____
25 UNITED STATES DISTRICT JUDGE
26 Dated: November 21, 2017.

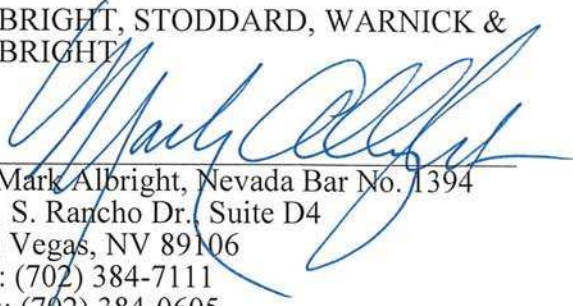
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Nominal Defendant Zoompass Holdings, Inc.*

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IT IS SO ORDERED.

UNITED STATES DISTRICT COURT