

Lead Counsel for Lead Plaintiff

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re ZOOM SECURITIES LITIGATION

Case No. 3:20-cv-02353-JD

This Document Relates To:

STIPULATION OF SETTLEMENT

ALL ACTIONS.

1 This Stipulation of Settlement (the “Stipulation”) is made and entered into by and between
2 Lead Plaintiff Adam M. Butt (“Lead Plaintiff”), on behalf of himself and the proposed Class
3 (defined below), on the one hand, by and through his counsel of record in the Action (as defined
4 herein), and Defendants Zoom Video Communications, Inc. (“Zoom”), and Eric S. Yuan
5 (collectively, “Defendants” and together with Lead Plaintiff, the “Parties”) on the other hand, by and
6 through their counsel of record in the Action.

7 All words or terms used herein that are capitalized shall have the meanings ascribed to those
8 words or terms as set forth herein and in ¶1 hereof entitled “Definitions.”

9 **I. THE LITIGATION**

10 On April 7, 2020, the initial complaint was filed in the United States District Court for the
11 Northern District of California (the “Court”).

12 On November 4, 2020, the Court appointed Adam M. Butt as Lead Plaintiff and approved his
13 selection of Lead Counsel.

14 Lead Plaintiff filed the Consolidated Class Action Complaint for Violation of the Federal
15 Securities Laws on December 23, 2020, alleging violations of §§10(b) and 20(a) of the Securities
16 Exchange Act of 1934 (“1934 Act”) against Defendants and Kelly Steckelberg (the “Complaint”).
17 Defendants and Ms. Steckelberg filed their motion to dismiss the Complaint on May 20, 2021. Lead
18 Plaintiff filed his opposition to the motion to dismiss on July 9, 2021. Defendants and Ms.
19 Steckelberg filed their reply brief on August 9, 2021. On February 16, 2022, the Court entered an
20 order granting in part and denying in part the motion to dismiss which, among other things,
21 dismissed Ms. Steckelberg from the Action. Defendants moved for leave to file a motion for partial
22 reconsideration on March 14, 2022, and Lead Plaintiff filed an opposition to Defendants’ request on
23 March 29, 2022. Defendants answered the Complaint on April 22, 2022. On May 23, 2022, the
24 Parties attended a full-day mediation with the Honorable Layn R. Phillips (Ret.) of Phillips ADR. In
25 advance of the mediation, the Parties exchanged and provided to Judge Phillips detailed confidential
26 mediation briefs with supporting exhibits. The Parties negotiated in good faith but did not reach an
27 agreement, and litigation continued.

28 On March 8, 2023, the Court denied Defendants’ motion for partial reconsideration.

1 On March 23, 2023, the Parties conducted their Rule 26(f) conference, after which discovery
2 commenced in the Action. In response to Lead Plaintiff's discovery requests, Defendants have
3 produced over 135,000 pages of documents to Lead Plaintiff, and third parties have produced over
4 800 pages of documents.

5 On April 6, 2023, the Court entered a Case Management Scheduling Order, which set the
6 initial trial schedule for the Action.

7 As discovery progressed, the Parties continued their negotiation in parallel with their
8 litigation efforts. After extensive negotiations, the Parties reached an agreement-in-principle to
9 settle the case on the terms set forth herein.

10 **II. LEAD PLAINTIFF'S CLAIMS AND BENEFITS OF SETTLEMENT**

11 Lead Plaintiff believes that the claims asserted in the Action have merit and that the evidence
12 developed to date supports the claims asserted. However, Lead Plaintiff and Lead Counsel
13 recognize and acknowledge the expense and length of continued proceedings necessary to prosecute
14 the Action through discovery, summary judgment, and trial (and any possible appeals). Lead
15 Plaintiff and Lead Counsel also have taken into account the uncertain outcome and the risk of any
16 litigation, especially in complex actions such as the Action, as well as the difficulties and delays
17 inherent in such litigation. Lead Counsel is mindful of the inherent problems of proof and the
18 possible defenses to the claims alleged in the Action. Based on their evaluation, Lead Plaintiff and
19 Lead Counsel believe that the Settlement set forth in this Stipulation confers substantial monetary
20 benefits upon the Class and is in the best interests of the Class.

21 **III. DEFENDANTS' DENIALS OF LIABILITY**

22 Defendants deny each and all of the claims, contentions, and allegations made by Lead
23 Plaintiff in the Action. They have expressly denied and continue to deny that they have violated the
24 federal securities laws or any other laws, or have otherwise misled investors as alleged in the Action.
25 Defendants have denied and continue to deny the allegations that any of the Defendants made any
26 material misstatements or omissions or engaged in any fraudulent scheme, and that any member of
27 the Class has suffered damages resulting from the conduct alleged in the Action. In addition,
28 Defendants maintain that they have meritorious defenses to the claims alleged in the Action.

1 Nonetheless, Defendants have concluded that further litigation could be protracted,
2 burdensome, expensive, and distracting. Defendants also have taken into account the uncertainty,
3 risks, and costs inherent in any litigation, especially in complex cases such as this Action.
4 Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be
5 fully, finally, and forever resolved, discharged, and settled in the manner and upon the terms and
6 conditions set forth in this Stipulation.

7 NOW THEREFORE, without any concession by Lead Plaintiff that the Action lacks merit,
8 and without any concession by Defendants of any liability or wrongdoing or truth as to the
9 allegations of Lead Plaintiff or lack of merit in Defendants' defenses, it is hereby **STIPULATED**
10 **AND AGREED**, by and among the Parties to this Stipulation, through their respective attorneys,
11 subject to approval by the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that,
12 in consideration of the benefits flowing to the Parties hereto, all Released Claims (including
13 Unknown Claims) and all Released Defendants' Claims (including Unknown Claims), as against all
14 Released Parties, shall be fully, finally, and forever compromised, settled, released, discharged, and
15 dismissed with prejudice, and without costs (except as provided in the Stipulation), upon and subject
16 to the following terms and conditions:

17 **1. Definitions**

18 As used in this Stipulation, the following terms shall have the meanings set forth below.

19 1.1 "Action" means the civil action captioned *In re Zoom Securities Litigation*, No. 3:20-
20 cv-02353-JD (N.D. Cal.), pending in the United States District Court for the Northern District of
21 California before the Honorable James Donato.

22 1.2 "Authorized Claimant" means a Class Member whose claim for recovery from the
23 Settlement has been allowed pursuant to the terms of the Stipulation.

24 1.3 "Claims Administrator" means the administrator retained by Lead Counsel, subject to
25 the approval of the Court, to provide all notices approved by the Court to potential Class Members
26 and to administer the Settlement. Defendants shall have no involvement in the retention of the
27 Claims Administrator or any other claims administrator.

1 1.4 “Class” or “Class Member” means all Persons that purchased or otherwise acquired
2 Zoom securities between April 18, 2019, and April 6, 2020, inclusive. Excluded from the Class are
3 Defendants and their families, the officers and directors of Zoom during the Class Period, members
4 of their immediate families, and their legal representatives, heirs, successors or assigns, and any
5 firm, trust, corporation, partnership, or other entity in which any Defendant has or had a controlling
6 interest. Also excluded from the Class will be any Person who timely and validly seeks exclusion
7 from the Class.

8 1.5 “Class Period” means the period from April 18, 2019, through April 6, 2020,
9 inclusive.

10 1.6 “Defendants” means Zoom and Eric S. Yuan.

11 1.7 “Defendants’ Counsel” means Cooley LLP.

12 1.8 “Effective Date” means the date upon which the Settlement shall have become
13 effective, as set forth in ¶7.1, below.

14 1.9 “Escrow Account” means the separate escrow account designated and controlled by
15 Lead Counsel into which the Settlement Amount will be deposited for the benefit of the Class.

16 1.10 “Escrow Agent” means Robbins Geller Rudman & Dowd LLP and its successor(s).

17 1.11 “Fee and Expense Application” means Lead Counsel’s application for an award of
18 attorneys’ fees and litigation expenses.

19 1.12 “Final” means, with respect to any order of the Court, including, without limitation,
20 the Judgment, that such order represents a final and binding determination of all issues within its
21 scope and is not subject to further review on appeal or otherwise. Without limitation, an order
22 becomes “Final” when: (i) no appeal has been filed and the prescribed time for commencing any
23 appeal has expired; or (ii) an appeal has been filed and either (a) the appeal has been dismissed and
24 the prescribed time, if any, for commencing any further appeal has expired, or (b) the order has been
25 affirmed in all material respects and the prescribed time, if any, for commencing any further appeal
26 has expired. For purposes of this definition of “Final,” an “appeal” includes any motion to alter or
27 amend under Rule 52(b) or Rule 59(e) of the Federal Rules of Civil Procedure, any appeal as of
28 right, discretionary appeal, interlocutory appeal, petition for writ of certiorari, or other proceeding

1 involving writs of certiorari or mandamus, and any other proceedings of like kind. However, any
 2 appeal or proceeding seeking subsequent judicial review pertaining solely to the Plan of Allocation,
 3 or to the Court's award of attorneys' fees or expenses, shall not in any way delay or affect the time
 4 set forth above for the Judgment to become Final or otherwise preclude the Judgment from
 5 becoming Final.

6 1.13 "Former Defendant" or "Ms. Steckelberg" means Kelly Steckelberg.

7 1.14 "Individual Defendant" or "Mr. Yuan" means Eric S. Yuan.

8 1.15 "Judgment" means the proposed judgment to be entered by the Court approving the
 9 Settlement, substantially in the form incorporated herein as Exhibit B.

10 1.16 "Lead Counsel" means Robbins Geller Rudman & Dowd LLP.

11 1.17 "Lead Plaintiff" means Adam M. Butt.

12 1.18 "Net Settlement Fund" means the Settlement Fund less: (i) Court-awarded attorneys'
 13 fees and expenses; (ii) Notice and Administration Expenses; (iii) Taxes and Tax Expenses; and
 14 (iv) any other fees or expenses approved by the Court.

15 1.19 "Notice" means the Notice of Pendency and Proposed Settlement of Class Action,
 16 which shall be substantially in the form incorporated herein as Exhibit A-1.

17 1.20 "Person(s)" means any individual, corporation (including all divisions and
 18 subsidiaries), general or limited partnership, limited liability partnership, domestic partnership,
 19 marital community, association, joint stock company, joint venture, or joint venturer, limited liability
 20 company, professional corporation, estate, legal representative, trust, unincorporated association,
 21 government or any political subdivision or agency thereof, and any other business or legal entity.

22 1.21 "Plan of Allocation" means the plan for allocating the Net Settlement Fund as set
 23 forth in the Notice, or such other plan of allocation as the Court may approve.

24 1.22 "Preliminary Approval Order" means the proposed Order Preliminarily Approving
 25 Settlement and Providing for Notice, substantially in the form incorporated herein as Exhibit A.

26 1.23 "Proof of Claim" or "Claim Form" means the Proof of Claim for submitting a claim,
 27 which shall be substantially in the form incorporated herein as Exhibit A-2.

1 1.24 “Related Persons” means, with respect to Zoom, each and all of its present or former
2 parents, subsidiaries, affiliates, successors and assigns, and each and all of the present or former
3 officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial
4 bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners
5 and partnerships, heirs, executors, administrators, agents, spouses, associates, and assigns of each or
6 any of them or any trust of which Zoom is the settlor or which is for the benefit of Zoom and any
7 entity in which Zoom has a controlling interest. With respect to Mr. Yuan and Ms. Steckelberg,
8 “Related Persons” means each and all of their present or former affiliates, successors and assigns,
9 attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment
10 bankers, representatives, general and limited partners and partnerships, heirs, executors,
11 administrators, agents, spouses, associates, and assigns of each or any of them or any trust of which
12 Mr. Yuan or Ms. Steckelberg is the settlor or which is for the benefit of Mr. Yuan or Ms. Steckelberg
13 and any entity in which either has a controlling interest.

14 1.25 “Released Claims” means any and all claims, rights, liabilities, and causes of action
15 of every nature and description, including both known claims and Unknown Claims (as defined
16 below), whether contingent or absolute, asserted or unasserted, mature or unmature, discoverable or
17 undiscoverable, liquidated or unliquidated, accrued or unaccrued, including those that are concealed
18 or hidden, regardless of legal or equitable theory, that both (i) arise out of, are based upon, or are
19 related in any way to the allegations, acts, facts, matters, occurrences, disclosures, filings,
20 statements, representations, or omissions that were or could have been alleged by Lead Plaintiff and
21 all other Class Members in the Action whether arising under federal, state, local, common or foreign
22 law, or any other law, rule, or regulation, whether class or individual in nature, and (ii) concern, arise
23 out of, are based upon, or relate to the purchase or other acquisition of Zoom securities during the
24 Class Period. Notwithstanding the foregoing, “Released Claims” does not include claims relating to
25 the enforcement of the Settlement or claims that could be brought in any ERISA or derivative action
26 based on similar allegations.

27 1.26 “Released Defendant Parties” means each and all of the Defendants and the Former
28 Defendants and each and all of their Related Persons.

1 1.27 “Released Defendants’ Claims” means all claims and causes of action of every nature
2 and description, including both known claims and Unknown Claims (as defined below), whether
3 arising under federal, state, common or foreign law, or any other law, that Defendants could have
4 asserted against any of the Released Plaintiff Parties, including Lead Counsel and Class Members,
5 that arise out of or relate in any way to the institution, prosecution, or settlement of the claims in the
6 Action, except for claims relating to the enforcement of the Settlement.

7 1.28 “Released Parties” means the Released Defendant Parties and the Released Plaintiff
8 Parties.

9 1.29 “Released Plaintiff Parties” means the Lead Plaintiff, each and every Class Member,
10 Lead Counsel, and each of their respective past or present trustees, officers, directors, partners,
11 employees, contractors, auditors, principals, agents, attorneys, predecessors, successors, assigns,
12 insurers, parents, subsidiaries, general or limited partners or partnerships, and limited liability
13 companies; and the spouses, members of the immediate families, representatives, and heirs of any
14 Released Plaintiff Party who is an individual, as well as any trust of which any Released Plaintiff
15 Party is the settlor or which is for the benefit of any of their immediate family members. Released
16 Plaintiff Parties does not include any Person who timely and validly seeks exclusion from the Class.

17 1.30 “Settlement” means the resolution of the Action in accordance with the terms and
18 provisions of the Stipulation.

19 1.31 “Settlement Amount” means one hundred fifty million U.S. dollars (\$150,000,000.00)
20 in cash.

21 1.32 “Settlement Fund” means the Settlement Amount and any interest earned thereon.

22 1.33 “Settlement Hearing” means the hearing to be held by the Court to determine whether
23 (i) the Settlement is fair, reasonable, and adequate and should be approved; (ii) the Plan of
24 Allocation is fair, reasonable, and adequate and should be approved; and (iii) Lead Counsel’s request
25 for an award of attorneys’ fees and expenses and an award to Lead Plaintiff should be approved.

26 1.34 “Settling Parties” or “Parties” means Lead Plaintiff, on behalf of himself and the
27 Class, and Defendants.

28 1.35 “Stipulation” means this Stipulation of Settlement.

1 1.36 “Summary Notice” means the Summary Notice for publication, which shall be
2 substantially in the form incorporated herein as Exhibit A-3.

3 1.37 “Tax Expenses” means expenses and costs incurred in connection with the calculation
4 and payment of taxes or the preparation of tax returns and related documents, including, without
5 limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs relating to
6 filing (or failing to file) the returns described in ¶2.9.

7 1.38 “Taxes” means all taxes (including any estimated taxes, interest or penalties) arising
8 with respect to the income earned by the Settlement Fund as described in ¶2.9.

9 1.39 “Unknown Claims” means any and all Released Claims that Lead Plaintiff or any
10 other Class Member does not know or suspect to exist in his, her, or its favor at the time of the
11 release of the Released Defendant Parties, and any and all Released Defendants’ Claims that any
12 Defendant does not know or suspect to exist in his, her or its favor, which if known by him, her or it,
13 might have affected his, her or its decision to enter into this Settlement, execute this Stipulation, and
14 agree to all the various releases set forth herein, or might have affected his, her or its decision not to
15 object to this Settlement or not exclude himself, herself or himself from the Class. Unknown Claims
16 include, without limitation, those claims in which some or all of the facts composing the claim may
17 be unsuspected, undisclosed, concealed, or hidden. With respect to any and all Released Claims and
18 Released Defendants’ Claims, the Released Parties stipulate and agree that, upon the Effective Date,
19 Lead Plaintiff and Class Members (as regards the Released Claims) and the Defendants (as regards
20 the Released Defendants’ Claims) shall expressly waive and relinquish, and each Class Member
21 shall be deemed to have and by operation of law and of the Judgment shall have, expressly waived
22 and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits
23 conferred by California Civil Code §1542, or any law of any state or territory of the United States, or
24 principle of common law or of international or foreign law, which is similar, comparable, or
25 equivalent to Cal. Civ. Code §1542, which provides:

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

1 **2. The Settlement**

2 **a. The Settlement Fund**

3 2.1 In full settlement of the Released Claims, Defendants shall cause the Settlement
4 Amount to be transferred to an account controlled by the Escrow Agent no later than July 31, 2023
5 (the "Payment Date"), provided that Lead Counsel provides to Defendants information necessary to
6 effectuate a payment of funds, including, without limitation, the beneficiary account name, the U.S.
7 bank name, address, account number and ABA bank and SWIFT code (*i.e.*, routing number), the
8 payment reference, a completed W-9 form for the payee, and payee instructions for payment by
9 check, wire, and/or ACH transfer, and the receipt of name and verifiable contact information of
10 someone who can verbally confirm the payment instructions (the "Payee Information"). The
11 Settlement Amount, together with any interest and income earned thereon once transferred, shall
12 constitute the Settlement Fund.

13 2.2 If the entire Settlement Amount is not deposited into the Escrow Account by the
14 Payment Date, Lead Plaintiff may terminate the Settlement but only if: (i) Lead Counsel has
15 provided all necessary Payee Information to Defendants; (ii) Defendants have received from Lead
16 Counsel written notice of Lead Plaintiff's intention to terminate the Settlement; and (iii) the entire
17 Settlement Amount is not transferred to the Escrow Account within three (3) business days after
18 Lead Counsel has provided such written notice.

19 2.3 Zoom shall be responsible for the provision of notice pursuant to the Class Action
20 Fairness Act, 28 U.S.C. §1715 ("CAFA"), and shall bear all costs and expenses of providing such
21 notice.

22 **b. The Escrow Agent**

23 2.4 The Escrow Agent shall invest the Settlement Fund deposited pursuant to ¶2.1 hereof
24 in instruments backed by the full faith and credit of the United States Government or an agency
25 thereof, or in money funds holding only instruments backed by the full faith and credit of the United
26 States Government or fully insured by the United States government or an agency thereof, and shall
27 reinvest the proceeds of these instruments as they mature in similar instruments at their then-current
28

1 market rates. All costs and risks related to the investment of the Settlement Fund in accordance with
2 the guidelines set forth in this paragraph shall be borne by the Settlement Fund.

3 2.5 The Escrow Agent shall not disburse the Settlement Fund except: (a) as provided in
4 the Stipulation; (b) by an order of the Court; or (c) with the written agreement of counsel for the
5 Parties.

6 2.6 Subject to further order(s) and/or directions as may be made by the Court, or as
7 provided in the Stipulation, the Escrow Agent is authorized to execute such transactions as are
8 provided for under the terms of the Stipulation. The Released Parties shall have no responsibility
9 for, interest in, or liability whatsoever with respect to, the actions of the Escrow Agent, or any
10 transaction executed by the Escrow Agent.

11 2.7 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia*
12 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such
13 funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

14 2.8 Notwithstanding that the Effective Date has not occurred, Lead Counsel may pay
15 from the Settlement Fund the reasonable costs and expenses actually incurred in connection with
16 providing notice to the Class, locating Class Members, soliciting claims, assisting with the
17 submission of claims, processing Proofs of Claim, administering and preparations for distributing the
18 Net Settlement Fund to Authorized Claimants, and paying escrow fees and costs, if any (“Notice and
19 Administration Expenses”).

20 **c. Taxes**

21 2.9 (a) The Parties agree to treat the Settlement Fund as being at all times a
22 “Qualified Settlement Fund” within the meaning of Treasury Regulation §1.468B-1. In addition, the
23 Escrow Agent shall timely make such elections as necessary or advisable to carry out the provisions
24 of this ¶2.9, including the “relation-back election” (as defined in Treasury Regulation §1.468B-1)
25 back to the earliest permitted date. Such elections shall be made in compliance with the procedures
26 and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to
27 timely and properly prepare and deliver the necessary documentation for signature by all necessary
28 parties, and thereafter to cause the appropriate filing to occur.

1 (b) For the purpose of §1.468B of the Internal Revenue Code of 1986, as
2 amended, and the regulations promulgated thereunder, the “administrator” shall be the Escrow
3 Agent. The Escrow Agent shall timely and properly file all informational and other tax returns
4 necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns
5 described in Treasury Regulation §1.468B-2(k)). Such returns (as well as the election described in
6 ¶2.9(a) hereof) shall be consistent with this ¶2.9 and in all events shall reflect that all Taxes
7 (including any estimated Taxes, interest, or penalties) on the income earned by the Settlement Fund
8 shall be paid out of the Settlement Fund as provided in ¶2.9(c) hereof.

9 (c) All (a) Taxes (including any estimated Taxes, interest, or penalties) arising
10 with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that
11 may be imposed upon the Released Defendant Parties or their counsel with respect to any income
12 earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a
13 “Qualified Settlement Fund” for federal or state income tax purposes, and (b) Tax Expenses,
14 including expenses and costs incurred in connection with the operation and implementation of this
15 ¶2.9 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and
16 distribution costs and expenses relating to filing (or failing to file) the returns described in this ¶2.9),
17 shall be paid out of the Settlement Fund; in all events the Released Defendant Parties and their
18 counsel shall have no liability or responsibility for the Taxes or the Tax Expenses. Further, Taxes
19 and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement
20 Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order
21 from the Court, and the Escrow Agent shall be obligated (notwithstanding anything herein to the
22 contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such
23 amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well
24 as any amounts that may be required to be withheld under Treasury Regulation §1.468B-2(l)(2));
25 neither the Released Defendant Parties nor their counsel are responsible nor shall they have any
26 liability therefor. The Settling Parties hereto agree to cooperate with the Escrow Agent, each other,
27 and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions
28 of this ¶2.9.

1 **d. Termination of Settlement**

2 2.10 In the event the Stipulation is not approved or is terminated, canceled, or fails to
3 become effective for any reason, including, without limitation, in the event the Stipulation is not
4 approved or Judgment is reversed or vacated following any appeal taken therefrom, the Settlement
5 Fund (including accrued interest), less expenses actually incurred or due and owing for Notice and
6 Administration Expenses, Taxes or Tax Expenses pursuant to ¶¶2.8 or 2.9, shall be refunded
7 pursuant to ¶¶6.2 and 7.4 and written instructions from Defendants' Counsel to the party, parties or
8 insurers that paid the Settlement Amount within twenty-one (21) calendar days from the date of the
9 notice from Defendants' Counsel pursuant to ¶7.4.

10 **3. Preliminary Approval Order and Settlement Hearing**

11 3.1 Promptly after execution of this Stipulation, Lead Counsel shall submit the
12 Stipulation together with its exhibits (the "Exhibits") to the Court and shall apply for entry of an
13 order (the "Preliminary Approval Order"), requesting, *inter alia*, the preliminary approval of the
14 Settlement set forth in the Stipulation, certification of the Class and appointment of Lead Counsel as
15 counsel for the Class for settlement purposes only, and approval for the mailing of the Notice and
16 Proof of Claim form and publication of the Summary Notice, in the forms of Exhibits A-1 through
17 A-3, respectively, attached hereto. The Notice shall contain the general terms of the Settlement set
18 forth in the Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense
19 Application, and the date of the Settlement Hearing.

20 3.2 Lead Counsel shall request that, after notice is given to the Class, the Court hold the
21 Settlement Hearing and approve the Settlement of the Action as set forth herein. At or after the
22 Settlement Hearing, Lead Counsel also shall request that the Court approve the proposed Plan of
23 Allocation and the Fee and Expense Application.

24 **4. Releases**

25 4.1 Upon the Effective Date, Lead Plaintiff and each of the Class Members (who have not
26 validly opted out of the Class), on behalf of themselves, and their respective former and present
27 officers, directors, employees, agents, affiliates, parents, subsidiaries, insurers, reinsurers, heirs,
28 executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be

1 deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever
2 released, relinquished, waived, and discharged against the Released Defendant Parties (whether or
3 not such Class Members execute and deliver the Proof of Claim) any and all Released Claims
4 (including, without limitation, Unknown Claims).

5 4.2 Upon the Effective Date, Lead Plaintiff and each of the Class Members (who have not
6 validly opted out of the Class) shall be permanently barred and enjoined from the institution,
7 maintenance, prosecution, or enforcement against any Released Defendant Party, in any state or
8 federal court or arbitral forum, or in the court of any foreign jurisdiction, of any and all Released
9 Claims (including, without limitation, Unknown Claims). The Court shall retain exclusive
10 jurisdiction to interpret and enforce the permanent injunction described in this paragraph.

11 4.3 The Proof of Claim to be executed by Class Members shall release all Released
12 Claims against the Released Defendant Parties and shall be substantially in the form contained in
13 Exhibit A-2 incorporated herein; provided, however, that the failure of a Class Member to submit
14 such Proof of Claim shall have no effect on the provisions of the foregoing ¶¶4.1 and 4.2, inclusive,
15 which shall remain in full force and effect as to each of the Class Members (who have not validly
16 opted out of the Class) irrespective of any lack of submission of a Proof of Claim.

17 4.4 Upon the Effective Date, each of the Released Defendant Parties, on behalf of
18 themselves, and their respective former and present officers, directors, employees, agents, affiliates,
19 parents, subsidiaries, insurers, reinsurers, heirs, executors, administrators, predecessors, successors,
20 and assigns in their capacities as such, shall be deemed to have, and by operation of the Judgment
21 shall have, fully, finally, and forever released, relinquished, and discharged the Released Plaintiff
22 Parties, including Lead Counsel, from all Released Defendants' Claims (including, without
23 limitation, Unknown Claims).

24 **5. Administration and Calculation of Claims, Final Awards, and**
25 **Supervision and Distribution of the Settlement Fund**

26 5.1 The Claims Administrator, subject to such supervision and direction of the Court as
27 may be necessary or as circumstances may require, shall provide notice of the Settlement to the
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1 Class, shall administer and calculate the claims submitted by Class Members, and shall oversee
2 distribution of the Net Settlement Fund to Authorized Claimants.

3 5.2 Within ten (10) calendar days after the Court enters the Preliminary Approval Order,
4 Zoom shall provide Lead Counsel or the Claims Administrator, without any charge to Lead Plaintiff
5 or the Class, record shareholder lists, as appropriate for providing notice to the Class. The Parties
6 shall determine an appropriate electronic format for provision of this information.

7 5.3 In accordance with the schedule set forth in the Preliminary Approval Order, Lead
8 Counsel will cause the Notice and Proof of Claim, substantially in the forms of Exhibits A-1 and A-2
9 incorporated herein, to be emailed or mailed where email addresses are not available, by the Claims
10 Administrator to all shareholders of record, or nominees. The Notice and Proof of Claim shall also
11 be posted on the Settlement website. In accordance with the schedule set forth in the Preliminary
12 Approval Order, the Summary Notice, substantially in the forms of Exhibit A-3 incorporated herein,
13 will also be published once in the national edition of *The Wall Street Journal* and once over a
14 national newswire service. The cost of providing such notice shall be paid out of the Settlement
15 Fund.

16 5.4 The Settlement Fund shall be applied as follows:

17 (a) to pay all Notice and Administration Expenses;
18 (b) to pay all Taxes and Tax Expenses described in ¶2.9 hereof;
19 (c) to pay Lead Counsel's attorneys' fees and expenses and any award to Lead
20 Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4) (the "Fee and Expense Award"), if and to the extent
21 allowed by the Court; and

22 (d) after the Effective Date, to distribute the Net Settlement Fund to Authorized
23 Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

24 5.5 Upon the Effective Date and thereafter, and in accordance with the terms of the
25 Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as may
26 be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to
27 Authorized Claimants, subject to and in accordance with ¶¶5.6-5.9 below.

1 5.6 Each Person claiming to be an Authorized Claimant shall be required to submit to the
2 Claims Administrator a completed Proof of Claim, substantially in the forms of Exhibit A-2
3 incorporated herein, postmarked by no later than ninety (90) calendar days after the Notice Date (as
4 defined in the Preliminary Order), or such other time as may be set by the Court (the “Bar Date”),
5 signed under penalty of perjury and supported by such documents as are specified in the Proof of
6 Claim and as are reasonably available to such Person.

7 5.7 Except as otherwise ordered by the Court, all Class Members who fail to submit a
8 Proof of Claim by the Bar Date, or such other period as may be ordered by the Court, or who submit
9 a Proof of Claim that is rejected, shall be forever barred from receiving any payments pursuant to the
10 Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound
11 by the provisions of the Stipulation, the releases contained herein, and the Judgment.
12 Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the obligation) to
13 accept late-submitted claims for processing so long as the distribution of the Net Settlement Fund to
14 Authorized Claimants is not materially delayed thereby.

15 5.8 The Claims Administrator shall calculate the claims of Authorized Claimants in
16 accordance with the Plan of Allocation set forth in the Notice and approved by the Court. Following
17 the Effective Date, the Claims Administrator shall send to each Authorized Claimant his, her, or its
18 *pro rata* share of the Net Settlement Fund, as long as the Authorized Claimant will receive at least
19 \$10.00.

20 5.9 Defendants shall not have a reversionary interest in the Net Settlement Fund. If there
21 is any balance remaining in the Net Settlement Fund after a reasonable amount of time following the
22 date of the initial distribution of the Net Settlement Fund, Lead Counsel shall, if feasible, reallocate
23 such balance among Authorized Claimants who negotiated the checks sent to them in the initial
24 distribution and who would receive at least \$10.00 in an equitable and economical fashion. These
25 reallocations shall be repeated until the balance remaining in the Net Settlement Fund is *de minimis*
26 and such remaining balance shall then be donated to the Investor Protection Trust.

27 5.10 The Released Defendant Parties shall have no responsibility for, interest in, or
28 liability whatsoever with respect to the processing, review, determination or calculation of any

1 claims, the distribution of the Net Settlement Fund, the Plan of Allocation, the payment or
2 withholding of Taxes, or any losses incurred in connection therewith.

3 5.11 Defendants shall take no position with respect to the Plan of Allocation or any other
4 such plan as may be approved by the Court.

5 5.12 It is understood and agreed by the Settling Parties that any proposed Plan of
6 Allocation of the Net Settlement Fund, including, but not limited to, any adjustments to an
7 Authorized Claimant's claim set forth therein, is not a part of the Stipulation and is to be considered
8 by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy
9 of the Settlement set forth in the Stipulation, and any order or proceeding relating to the Plan of
10 Allocation shall not operate to terminate or cancel the Stipulation or affect the finality of the Court's
11 Judgment approving the Stipulation and the Settlement set forth therein, or any other orders entered
12 pursuant to the Stipulation. Class Members and Defendants shall be bound by the terms of this
13 Stipulation, irrespective of whether the Court disapproves or modifies the Plan of Allocation.

14 5.13 No Person shall have any claim against Lead Plaintiff, the Class, Lead Counsel,
15 Released Defendant Parties, Defendants' Counsel, or the Claims Administrator based on
16 distributions of the Net Settlement Fund made substantially in accordance with the Settlement, the
17 Stipulation, and the Plan of Allocation, or otherwise as further ordered by the Court.

18 **6. Lead Counsel's Attorneys' Fees and Expenses**

19 6.1 Lead Counsel may submit an application or applications (the "Fee and Expense
20 Application") for: (a) an award of attorneys' fees; (b) expenses or charges incurred in connection
21 with prosecuting the Action; plus (c) any interest on such attorneys' fees and expenses at the same
22 rate and for the same periods as earned by the Settlement Fund (until paid) as may be awarded by the
23 Court. Any and all such fees, expenses and costs awarded by the Court shall be payable solely out of
24 the Settlement Fund. An application for fees and expenses may include an amount to the Lead
25 Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4) in connection with his representation of the Class.
26 Defendants shall take no position on the Fee and Expense Application.

27 6.2 The attorneys' fees and expenses, as awarded by the Court, shall be paid to Lead
28 Counsel from the Settlement Fund, as ordered, immediately upon entry of the Court's order

1 awarding such fees and expenses. This provision shall apply notwithstanding timely objection to,
 2 potential for appeal from, or collateral attack on, the Settlement or the award of fees and expenses.
 3 Any such awards shall be paid solely by the Settlement Fund. In the event that the Judgment or the
 4 order awarding such fees and expenses paid to Lead Counsel pursuant to ¶6.1 and this ¶6.2 is
 5 reversed or modified, or if the Settlement is cancelled or terminated for any reason, then Lead
 6 Counsel shall, in an amount consistent with such reversal, modification, termination or cancellation,
 7 refund such fees or expenses to the Settlement Fund pursuant to ¶2.10, plus the interest earned
 8 thereon, within twenty-one (21) calendar days from receiving notice from Defendants' Counsel or
 9 from a court of competent jurisdiction. Lead Counsel, as a condition of receiving such fees or
 10 expenses on behalf of himself and each partner and/or shareholder of it, agrees that it and its partners
 11 and/or shareholders are subject to the jurisdiction of the Court for the purpose of enforcing the
 12 provisions of this paragraph.

13 6.3 The procedure for and the allowance or disallowance by the Court of the Fee and
 14 Expense Application, or award to Lead Plaintiff, with all amounts to be paid out of the Settlement
 15 Fund, are not part of the Settlement set forth in the Stipulation, and any order or proceeding relating
 16 to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or
 17 modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the
 18 finality of the Judgment approving the Stipulation and the Settlement of the Action.

19 6.4 Defendants shall not have any responsibility for any payment of attorneys' fees and
 20 expenses to Lead Counsel or any Class Member's counsel or any amount to Lead Plaintiff apart
 21 from payment of the Settlement Amount pursuant to ¶2.1.

22 **7. Conditions of Settlement, Effect of Disapproval, Cancellation, or**
 23 **Termination**

24 7.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of
 25 the following events:

- 26 (a) execution of the Stipulation and such other documents as may be required to
- 27 obtain final Court approval of the Stipulation in a form satisfactory to the Parties;
- 28 (b) the Settlement Amount has been deposited into the Escrow Account;

1 (c) the Court has entered the Preliminary Approval Order, as required by ¶3.1
2 hereof;

3 (d) Defendants have not exercised their option to terminate the Stipulation
4 pursuant to ¶7.3 hereof;

5 (e) the Court has entered the Judgment that, *inter alia*, dismisses with prejudice
6 the Action, as to the Lead Plaintiff and other Class Members, and as against each of the Defendants,
7 as set forth above; and

8 (f) the Judgment has become Final, as defined in ¶1.12 hereof.

9 7.2 Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all
10 remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely and
11 forever extinguished. If all of the conditions specified in ¶7.1 hereof are not met, then the
12 Stipulation shall be canceled and terminated subject to ¶7.4 hereof unless Lead Counsel and
13 Defendants' Counsel mutually agree in writing to proceed with the Settlement.

14 7.3 If, prior to the Settlement Hearing, Persons who otherwise would be members of the
15 Class have timely and validly requested exclusion from the Class in accordance with the provisions
16 of the Preliminary Approval Order and the Notice given pursuant thereto, and if those Persons
17 collectively meet the criteria set forth in a separate Supplemental Agreement Regarding Requests for
18 Exclusion ("Supplemental Agreement") executed between Lead Plaintiff and Defendants, then
19 Defendants shall have the option to terminate this Stipulation and Settlement in accordance with the
20 procedures set forth in the Supplemental Agreement. The Supplemental Agreement will not be filed
21 with the Court unless and until a dispute between Lead Plaintiff and Defendants concerning its
22 interpretation or application arises.

23 7.4 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or
24 be canceled, or shall not become effective for any reason, within twenty-one (21) calendar days after
25 written notification of such event is sent by Defendants' Counsel to the Escrow Agent, the
26 Settlement Fund (including accrued interest), less expenses which have either been incurred or
27 disbursed pursuant to ¶¶2.8 or 2.9 hereof, shall be refunded pursuant to written instructions from
28 Defendants' Counsel to the party, parties or insurers that paid the Settlement Amount. At the request

of Defendants' Counsel, the Escrow Agent or its designee shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any expenses incurred in connection with such application(s) for refund, at the written direction of Defendants' Counsel to the party, parties or insurers that paid the Settlement Amount.

7.5 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Parties shall be restored to their respective positions in the Action as of July 17, 2023. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶ 1.1-1.39, 2.8-2.9, 7.2, and 8.3 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in this Action or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*, and the Parties shall be deemed to return to their status as of July 17, 2023. No order of the Court or modification or reversal on appeal of any such order of the Court concerning the Plan of Allocation or the amount of any attorneys' fees and expenses, interest, or other payment awarded by the Court to Lead Counsel shall constitute grounds for cancellation or termination of the Stipulation.

8. Miscellaneous Provisions

8.1 The Parties (a) acknowledge that it is their intent to consummate this Stipulation; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation expeditiously.

8.2 The Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Action. The Settlement shall not be deemed an admission by any Party or any of the Released Parties as to the merits of any claim or defense. The Parties and their counsel agree that they shall not assert any claims of any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the institution, prosecution, defense or settlement of the Action, and the Judgment shall contain a finding that all Parties and their counsel complied with the requirements of Rule 11 with respect to the institution, prosecution, defense, and resolution of the Action. The Parties agree that the amount paid to the Settlement Fund and the other terms of the Settlement were

1 negotiated in good faith at arm's length by the Settling Parties and reflect a settlement that was
2 reached voluntarily after consultation with competent legal counsel. The Parties reserve their right
3 to rebut, in a manner that such party determines to be appropriate, any contention made in any public
4 forum regarding the Action, including that the Action was brought or defended in bad faith or
5 without a reasonable basis.

6 8.3 Neither the Stipulation nor the Settlement contained herein, nor any act performed or
7 document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be
8 deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim,
9 or of any wrongdoing or liability of the Released Defendant Parties; or (b) is or may be deemed to be
10 or may be used as an admission of, or evidence of, any fault or omission of any of the Released
11 Defendant Parties; or (c) is or may be deemed to be or may be used as an admission or evidence that
12 any claims asserted by Lead Plaintiff were not valid or that the amount recoverable was not greater
13 than the Settlement Amount, in any civil, criminal, or administrative proceeding in any court,
14 administrative agency, or other tribunal. The Released Defendant Parties may file the Stipulation
15 and/or the Judgment in any action that may be brought against them in order to support a defense or
16 counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement,
17 judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar
18 defense or counterclaim.

19 8.4 Whether or not the Stipulation is approved by the Court and whether or not the
20 Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use their
21 best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents
22 signed and proceedings in connection with the Stipulation confidential.

23 8.5 All agreements made and orders entered during the course of the Action relating to
24 the confidentiality of documents and information shall survive this Stipulation.

25 8.6 All of the Exhibits to the Stipulation are material and integral parts hereof and are
26 fully incorporated herein by this reference.

27 8.7 The Stipulation may be amended or modified only by a written instrument signed by
28 or on behalf of all Parties or their respective successors-in-interest.

1 8.8 No waiver of any term or provision of this Stipulation, or of any breach or default
2 hereof or hereunder, shall be valid or effective unless in writing and signed by or on behalf of all
3 Parties or their respective successors-in-interest. No waiver of any term or provision of this
4 Stipulation, or of any breach or default hereof or hereunder, shall be construed as a waiver of the
5 same or any other term or provision or of any previous or subsequent breach thereof.

6 8.9 The Stipulation and the Exhibits incorporated herein(together with the Supplemental
7 Agreement referred to in ¶7.3) hereto constitute the entire agreement among the Settling Parties and
8 no representations, warranties, or inducements have been made to any Party concerning the
9 Stipulation or its Exhibits other than the representations, warranties, and covenants contained and
10 memorialized in such documents. Except as otherwise provided herein each Party shall bear its own
11 costs.

12 8.10 The Settlement is not conditioned upon the settlement or approval of settlement of
13 any derivative lawsuits or other lawsuits. Nor shall the Settlement be conditional upon the obtaining
14 of any judicial approval of any releases between or among Defendants and/or any third parties.

15 8.11 This Stipulation shall be construed and interpreted to effectuate the intent of the
16 Parties, which is to resolve completely those claims and disputes, including in the Action, and as
17 more fully described herein. If any provision of this Stipulation shall be determined to be invalid,
18 void, or illegal, such provision shall be construed and amended in a manner that would permit its
19 enforcement, but in no event shall such provision affect, impair, or invalidate any other provision
20 hereof.

21 8.12 Neither the Class Members nor Defendants shall be bound by the Stipulation if the
22 Court modifies material terms thereof; provided, however, that it shall not be a basis for Class
23 Members to terminate the Settlement if the Court modifies any proposed Plan of Allocation or
24 criteria for allocation of the Net Settlement Fund amongst Authorized Claimants, or the Plan of
25 Allocation is modified on appeal. Nor shall it be a basis to terminate the Stipulation if the Court
26 disapproves of or modifies the terms of this Stipulation with respect to attorneys' fees or expenses or
27 the distribution of the Net Settlement Fund. Notwithstanding any such modification of the terms or
28 Plan of Allocation or the Stipulation with respect to attorneys' fees or expenses, Defendants and

1 Defendants' insurers shall be entitled to all benefits of the Settlement and shall not, under any
2 circumstances, be called upon to contribute additional funds in addition to the Settlement Fund.

3 8.13 Lead Counsel, on behalf of the Class, is expressly authorized by Lead Plaintiff to take
4 all appropriate action required or permitted to be taken by the Class pursuant to the Stipulation to
5 effectuate its terms and also is expressly authorized to enter into any modifications or amendments to
6 the Stipulation on behalf of the Class which it deems appropriate.

7 8.14 Each counsel or other Person executing the Stipulation or any of its Exhibits on
8 behalf of any Settling Party hereby warrants that such Person has the full authority to do so.

9 8.15 All notices, requests, demands, claims, and other communications hereunder shall be
10 in writing and shall be deemed duly given: (i) when delivered personally to the recipient; (ii) one (1)
11 business day after being sent to the recipient by UPS (charges prepaid); or (iii) five (5) business days
12 after being mailed to the recipient by certified or registered mail, return receipt requested and
13 postage prepaid, and addressed to the intended recipient as set forth below:

14 If to Lead Plaintiff or to Lead Counsel:

15 Ellen Gusikoff Stewart
16 Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
17 San Diego, CA 92101

18 If to Defendants or to Defendants' Counsel:

19 Patrick Gibbs
20 Cooley LLP
3175 Hanover Street
Palo Alto, CA 94304

21 8.16 The Stipulation may be executed in one or more counterparts. All executed
22 counterparts and each of them shall be deemed to be one and the same instrument. A complete set of
23 executed counterparts shall be filed with the Court.

24 8.17 The Stipulation shall be binding upon, and inure to the benefit of, the heirs,
25 successors, and assigns of the Settling Parties hereto.

26 8.18 The Court shall retain jurisdiction with respect to implementation and enforcement of
27 the terms of the Stipulation, and all Settling Parties hereto submit to the jurisdiction of the Court for
28 purposes of implementing and enforcing the Settlement embodied in the Stipulation.

8.21 This Stipulation shall not be construed more strictly against one party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations between the Settling Parties and the Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

IN WITNESS WHEREOF, the Settling Parties have caused this Stipulation to be executed,
by their duly authorized attorneys, on July 17, 2023.

ROBBINS GELLER RUDMAN
& DOWD LLP
SHAWN A. WILLIAMS

SHAWN A.

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EXHIBIT A

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11 Lead Counsel for Lead Plaintiff

12 UNITED STATES DISTRICT COURT
13
14 NORTHERN DISTRICT OF CALIFORNIA
15
16 SAN FRANCISCO DIVISION

16 In re ZOOM SECURITIES LITIGATION	)	Case No. 3:20-cv-02353-JD
_____)	
17 This Document Relates To:	)	[PROPOSED] ORDER PRELIMINARILY
	)	APPROVING SETTLEMENT AND
18 ALL ACTIONS.	)	PROVIDING FOR NOTICE
_____	)	EXHIBIT A

1 WHEREAS, an action is pending before this Court entitled *In re Zoom Securities Litigation*,
2 No. 3:20-cv-02353-JD (the “Action” or the “Litigation”);

3 WHEREAS, the parties having made application, pursuant to Federal Rule of Civil
4 Procedure 23(e), for an order preliminarily approving the settlement of this Litigation, in accordance
5 with a Stipulation of Settlement dated July 17, 2023 (the “Stipulation”), which, together with the
6 Exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement of the Action
7 and for dismissal of the Action with prejudice upon the terms and conditions set forth therein; and
8 the Court having read and considered the Stipulation and the Exhibits annexed thereto; and

9 WHEREAS, unless otherwise defined, all terms used herein have the same meanings as set
10 forth in the Stipulation.

11 NOW, THEREFORE, IT IS HEREBY ORDERED:

12 1. After a preliminary review, the Settlement appears to be fair, reasonable, and
13 adequate. The Settlement: (a) resulted from arm’s-length negotiations overseen by an experienced
14 mediator; (b) eliminates the risks to the Parties of continued litigation; (c) does not provide
15 preferential treatment to Lead Plaintiff or to segments of the Class; (d) does not provide excessive
16 compensation to Lead Counsel; and (e) appears to fall within the range of possible approval and is
17 therefore sufficiently fair, reasonable, and adequate to warrant providing notice of the Settlement to
18 the Class. Accordingly, the Court does hereby preliminarily approve the Stipulation and the
19 Settlement set forth therein, subject to further consideration at the Settlement Hearing described
20 below.
21

22 2. A hearing (the “Settlement Hearing”) shall be held before this Court on _____,
23 2025, at _:_:___m., at the United States District Court for the Northern District of California, Phillip
24 Burton Federal Building & United States Courthouse, Courtroom 11, 19th Floor, 450 Golden Gate
25 Avenue, San Francisco, CA 94102, for the following purposes:
26
27
28

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

(b) to finally determine whether Judgment as provided under the Stipulation should be entered, dismissing the Action on the merits and with prejudice, and to determine whether the release by the Class of the Released Defendant Parties as set forth in the Stipulation should be ordered, along with a permanent injunction barring efforts to prosecute any Released Claims or Released Defendants' Claims extinguished by the Settlement;

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

(d) to consider the application of Lead Counsel for an award of attorneys' fees and expenses;

(e) to consider an award to Lead Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4);

(f) to consider Class Members' responses to the Settlement, Plan of Allocation, or application for fees and expenses; and

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

3. The Court may adjourn the Settlement Hearing without further notice to the members of the Class, and reserves the right to approve the Settlement with such modifications as may be agreed upon or consented to by the Parties and without further notice to the Class where to do so would not impair Class Members' rights under Rule 23 of the Federal Rules of Civil Procedure and due process of law. The Court further reserves the right to enter Judgment approving the Settlement and dismissing the Complaint, on the merits and with prejudice, regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses.

4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby certifies, for the sole purpose of effectuating the Settlement, a Class defined as follows:

1 All Persons that purchased or otherwise acquired Zoom common stock or call
2 options on Zoom common stock or sold put options on Zoom common stock (“Zoom
3 Securities”) between April 18, 2019, and April 6, 2020, inclusive. Excluded from the
4 Class are Defendants and their families, the officers and directors of Zoom during the
5 Class Period, members of their immediate families, and their legal representatives,
6 heirs, successors or assigns, and any firm, trust, corporation, partnership, or other
7 entity in which any Defendant has or had a controlling interest. Also excluded from
8 the Class will be any Person who timely and validly seeks exclusion from the Class.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of the
Settlement only, Adam M. Butt is appointed as representative of the Class, and Lead Counsel
Robbins Geller Rudman & Dowd LLP is appointed as Class Counsel for the Class.

6. With respect to the Class, this Court finds, for purposes of effectuating the Settlement
only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of
Civil Procedure have been satisfied in that: (a) the members of the Class are so numerous that
joinder of all Class Members in the Action is impracticable; (b) there are questions of law and fact
common to the Class; (c) the claims of the Lead Plaintiff are typical of the claims of the Class; (d)
the Lead Plaintiff and Lead Counsel have fairly and adequately represented and protected the
interests of all Class Members; (e) the questions of law and fact common to the Class predominate
over any questions affecting only individual members of the Class; and (f) a class action is superior
to other available methods for the fair and efficient adjudication of the controversy, considering:
(i) the interests of the members of the Class in individually controlling the prosecution of the
separate actions; (ii) the extent and nature of any litigation concerning the controversy already
commenced by members of the Class; (iii) the desirability or undesirability of concentrating the
litigation of these claims in this particular forum; and (iv) the difficulties likely to be encountered in
the management of the Action.

7. The Court approves, as to form and content, the Notice of Pendency and Proposed
Settlement of Class Action (the “Notice”), the Proof of Claim and Release Form (the “Proof of
Claim”), and the Summary Notice of Proposed Settlement of Class Action (“Summary Notice”)

1 annexed hereto as Exhibits 1, 2, and 3, respectively, and finds that the distribution and publishing of
2 the Summary Notice, substantially in the manner and form set forth in ¶¶10-11 of this Order, meet
3 the requirements of Federal Rule of Civil Procedure 23 and due process, and is the best notice
4 practicable under the circumstances and shall constitute due and sufficient notice to all Persons
5 entitled thereto.
6

7 8. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby appointed to
8 supervise and administer the notice procedure as well as the processing of claims as more fully set
9 forth below.

10 9. Zoom shall provide, or cause to be provided, to Lead Counsel or the Claims
11 Administrator, at no cost to Lead Plaintiff, the Settlement Fund, Lead Counsel or the Claims
12 Administrator, within ten (10) calendar days after the Court enters this Order, documentation or data
13 in the possession of Zoom or its present or former stock transfer agents sufficient to identify to the
14 extent available the record holders of Zoom Securities during Class Period, and their last known
15 addresses, email addresses (if available), or other similar information. The Parties shall determine an
16 appropriate electronic format for provision of this information.
17

18 10. As detailed in paragraphs 7-13 of the Declaration of Peter Crudo Regarding Notice
19 and Administration, attached hereto as Exhibit 4, Lead Counsel, through the Claims Administrator,
20 shall commence dissemination of the Summary Notice, substantially in the form annexed hereto,
21 within twenty-one (21) calendar days after the Court signs this Order (the “Notice Date”), by email
22 or first-class mail to all Class Members who can be identified with reasonable effort.
23 Contemporaneously with the emailing or mailing of the Summary Notice, the Claims Administrator
24 shall cause the Notice and Proof of Claim, substantially in the forms attached hereto, to be posted on
25 the Settlement website at www.ZoomSecuritiesSettlement.com, from which copies of the documents
26 can be downloaded. For all Summary Notices returned as undeliverable, the Claims Administrator
27
28

1 shall use its best efforts to locate updated addresses or email addresses. No later than seven (7)
2 calendar days after the Notice Date, the Claims Administrator shall cause the Summary Notice to be
3 published once over a national newswire service.

4 11. No later than seven (7) calendar days after the Notice Date, Lead Counsel and the
5 Claims Administrator shall also implement the online notice plan detailed in the Declaration of Carla
6 Peak Regarding Settlement Notice Plan, attached as Exhibit 5 hereto.

7 12. At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel shall
8 serve on Defendants' Counsel and file with the Court proof, by affidavit or declaration, of such
9 emailing, mailing, and publishing.

10 13. Nominees who purchased, acquired, or sold Zoom Securities for the beneficial
11 ownership of Class Members during the Class Period shall: (a) within seven (7) calendar days of
12 receipt of the Summary Notice request from the Claims Administrator sufficient copies of the
13 Summary Notice to forward to all such beneficial owners and within seven (7) calendar days of
14 receipt of the Summary Notice forward it to all such beneficial owners; or (b) within seven (7)
15 calendar days of receipt of the Summary Notice, send a list of the names and email addresses or
16 physical addresses where an email address is unavailable, of all such beneficial owners to the Claims
17 Administrator in which event the Claims Administrator shall promptly email or mail the Summary
18 Notice to such beneficial owners. Lead Counsel shall, if requested, reimburse banks, brokerage
19 houses or other nominees solely for their reasonable out-of-pocket expenses incurred in providing
20 notice to beneficial owners who are Class Members out of the Settlement Fund, which expenses
21 would not have been incurred except for the sending of such notice, subject to further order of this
22 Court with respect to any dispute concerning such compensation.

23 14. The Court finds that the form and content of the notice program described herein and
24 the methods set forth herein, for notifying the Class of the Settlement and its terms and conditions,
25

1 the Fee and Expense Application, and the Plan of Allocation meet the requirements of Rule 23 of the
2 Federal Rules of Civil Procedure, the Private Securities Litigation Reform Act of 1995, and due
3 process, constitute the best notice practicable under the circumstances, and shall constitute due and
4 sufficient notice to all Persons entitled thereto.

5
6 15. In order to be entitled to participate in the recovery from the Settlement Fund after the
7 Effective Date, each Class Member shall take the following action and be subject to the following
8 conditions:

9 (a) A properly completed and executed Proof of Claim must be submitted to the
10 Claims Administrator, at the post office box or electronic mailbox indicated
11 in the Notice and Proof of Claim, postmarked no later than ninety (90)
12 calendar days from the Notice Date. Such deadline may be further extended
13 by Order of the Court. Each Proof of Claim shall be deemed to have been
14 submitted when legibly postmarked (if properly addressed and mailed by
15 first-class mail). Any Proof of Claim submitted in any other manner shall be
16 deemed to have been submitted when it was actually received by the Claims
17 Administrator at the address designated in the Notice.
18

19 (b) The Proof of Claim submitted by each Class Member must satisfy the
20 following conditions: (i) it must be properly filled out, signed, and submitted
21 in a timely manner in accordance with the provisions of the preceding
22 subparagraph; (ii) it must be accompanied by adequate supporting
23 documentation for the transactions reported therein, in the form of broker
24 confirmation slips, broker account statements, an authorized statement from
25 the broker containing the transactional information found in a broker
26 confirmation slip, or such other documentation as is deemed adequate by the
27
28

1 Claims Administrator or Lead Counsel; (iii) if the person executing the Proof
2 of Claim is acting in a representative capacity, a certification of his, her, its,
3 or their current authority to act on behalf of the Class Member must be
4 provided with the Proof of Claim; and (iv) the Proof of Claim must be
5 complete and contain no material deletions or modifications of any of the
6 printed matter contained therein and must be signed under penalty of perjury.

7
8 (c) Once the Claims Administrator has considered a timely submitted Proof of
9 Claim, it shall determine whether such claim is valid, deficient, or rejected.
10 For each claim determined to be either deficient or rejected, the Claims
11 Administrator shall send a deficiency letter or rejection letter as appropriate,
12 describing the basis on which the claim was so determined. Persons who
13 timely submit a Proof of Claim that is deficient or otherwise rejected shall be
14 afforded a reasonable time (at least twenty (20) calendar days) to cure such
15 deficiency if it shall appear that such deficiency may be cured.

16
17 (d) For the filing of and all determinations concerning their Proof of Claim, each
18 Class Member shall submit to the jurisdiction of the Court.

19 16. Any Class Member who does not timely submit a valid and timely Proof of Claim
20 within the time provided for shall be barred from sharing in the distribution of the proceeds of the
21 Settlement Fund, but will in all other respects be subject to and bound by the provisions of the
22 Stipulation and the Judgment, if entered. Notwithstanding the foregoing, Lead Counsel shall have
23 the discretion (but not an obligation) to accept late-submitted claims for processing by the Claims
24 Administrator so long as distribution of the Settlement Fund to Authorized Claimants is not
25 materially delayed thereby, but will bear no liability for failing to accept such late claims.
26

27 17. Any member of the Class may enter an appearance in the Action, at their own
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1 expense, individually or through counsel of their own choice. If they do not enter an appearance,
2 they will be represented by Lead Counsel.

3 18. All Class Members shall be bound by all determinations and judgments in this
4 Action, whether favorable or unfavorable, unless such persons request to be excluded, or “opt out,”
5 from the Class. A Class Member wishing to be excluded from the Class must submit to the Claims
6 Administrator a request for exclusion (“Request for Exclusion”), by first-class mail such that it is
7 postmarked no later than twenty-one (21) calendar days prior to the Settlement Hearing, or
8 _____, 2025, to the address listed in the Notice. A Request for Exclusion must be signed and
9 must legibly state: (a) the name, address, and telephone number of the Person requesting exclusion;
10 (b) the number and type of Zoom Securities that the Person requesting exclusion (i) owned as of the
11 opening of trading on April 18, 2019, and (ii) purchased, otherwise acquired and/or sold during the
12 Class Period, as well as the number of shares, dates and prices for each such purchase, other
13 acquisition, and sale; and (c) that the Person wishes to be excluded from the Class in *In re Zoom*
14 *Securities Litigation*, No. 3:20-cv-02353-JD. All Persons who submit valid and timely Requests for
15 Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation, shall
16 not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or
17 any Final judgment. Unless otherwise ordered by the Court, any Class Member who does not submit
18 a valid and timely written Request for Exclusion as provided by this paragraph shall be bound by the
19 Stipulation.
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21
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23 19. The Claims Administrator or Lead Counsel shall cause to be provided to Defendants’
24 Counsel copies of all Requests for Exclusion as expeditiously as possible, but in no event later than
25 five (5) business days of receipt thereof and in any event at least fourteen (14) calendar days before
26 the Settlement Hearing.

27 20. The Court will consider comments or objections to the Settlement, the Plan of
28

1 Allocation, or Lead Counsel's request for an award of attorneys' fees and expenses, only if such
2 comments or objections and any supporting papers are submitted to the Court either by mailing them
3 to the Clerk of the Court, United States District Court for the Northern District of California, 450
4 Golden Gate Avenue, San Francisco, CA 94102, or by filing them in person at any location of the
5 United States District Court for the Northern District of California. Such comments or objections
6 must be filed or postmarked at least twenty-one (21) calendar days prior to the Settlement Hearing,
7 or _____, 2025. Attendance at the Settlement Hearing is not necessary but any Person wishing
8 to be heard orally in opposition to the Settlement, the Plan of Allocation, or the application for
9 attorneys' fees and expenses is required to indicate in their written objection whether they intend to
10 appear at the Settlement Hearing. The notice of objection must include documentation establishing
11 the objecting Person's membership in the Class, including the number and type of Zoom Securities
12 that the objecting Person (i) owned as of the opening of trading on April 18, 2019, and
13 (ii) purchased, otherwise acquired and/or sold during the Class Period, as well as the dates and prices
14 for each such purchase, other acquisition or sale, and contain a statement of reasons for the
15 objection, including whether it applies only to the objector, to a specific subset of the Class, or to the
16 entire Class. The objection must identify all other class action settlements the objector and his, her
17 or its counsel has previously objected to in the prior five years, copies of any papers, briefs, or other
18 documents upon which the objection is based, and contain the objector's signature, even if
19 represented by counsel. Any member of the Class who does not make his, her or its objection in the
20 manner provided shall be deemed to have waived such objection and shall forever be foreclosed
21 from making any objection to the fairness or adequacy of the Settlement as set forth in the
22 Stipulation, to the Plan of Allocation, or to the award of attorneys' fees and expenses to Lead
23 Counsel unless otherwise ordered by the Court. Class Members do not need to appear at the
24 Settlement Hearing or take any other action to indicate their approval.
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1 21. All funds held by the Escrow Agent shall be deemed and considered to be *in custodia*
2 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such
3 funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

4 22. All opening briefs and supporting documents in support of the Settlement, the Plan of
5 Allocation, and/or any application by Lead Counsel for attorneys' fees and expenses including an
6 award to Lead Plaintiff pursuant to 15 U.S.C. §78u-4(a)(4) shall be filed and served no later than
7 sixty (60) calendar days prior to the objection and opt-out deadline, or _____, 2025. Replies
8 to any objections shall be filed and served at least seven (7) calendar days prior to the Settlement
9 Hearing, or _____, 2025.

10 23. The Released Defendant Parties shall have no responsibility for the Plan of Allocation
11 or any application for attorneys' fees or expenses submitted by Lead Counsel, and such matters will
12 be considered separately from the fairness, reasonableness, and adequacy of the Settlement. Any
13 order or proceeding relating to the Plan of Allocation or any application for attorneys' fees or
14 expenses, or any appeal from any order relating thereto or reversal or modification thereof, shall not
15 operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment
16 approving the Stipulation and the settlement of the Litigation.

17 24. At or after the Settlement Hearing, the Court shall determine whether the Plan of
18 Allocation proposed by Lead Counsel, and any application for attorneys' fees or payment of
19 expenses shall be approved.

20 25. All reasonable expenses incurred in identifying and notifying Class Members, as well
21 as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the
22 Court does not approve the Settlement, or the Settlement otherwise fails to become effective, neither
23 Lead Counsel, the Class, nor the Claims Administrator shall have any obligation to repay any
24 amounts actually and properly incurred or disbursed pursuant to ¶¶2.8 or 2.9 of the Stipulation.

1 26. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations
2 or proceedings connected with it, shall be construed as an admission or concession by the
3 Defendants of the truth of any of the allegations in the Action, or of any liability, fault, or
4 wrongdoing of any kind.

5 27. If the Stipulation and the Settlement set forth therein is not approved or consummated
6 for any reason whatsoever, the Stipulation and Settlement and all proceedings had in connection
7 therewith shall be without prejudice to the rights of the Settling Parties *status quo ante*.

8 28. All proceedings in the Action are stayed until further order of this Court, except as
9 may be necessary to implement the Settlement or comply with the terms of the Stipulation. Pending
10 final determination of whether the proposed Settlement should be approved, neither the Lead
11 Plaintiff, nor any Class Member, directly or indirectly, representatively, or in any other capacity,
12 shall commence or prosecute against any of the Released Defendant Parties, any action or
13 proceeding in any court or tribunal asserting any of the Released Claims.

14 29. The Court's orders entered during this Action relating to the confidentiality of
15 information shall survive this Settlement.

16 30. The Court may approve the Settlement, with such modifications as may be agreed to
17 by the Settling Parties, if appropriate, without further notice to the Class.

18 IT IS SO ORDERED.

19 DATED: _____

20 _____
21 THE HONORABLE JAMES DONATO
22 UNITED STATES DISTRICT JUDGE
23
24
25
26
27
28

EXHIBIT A-1

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 SHAWN A. WILLIAMS (213113)
Post Montgomery Center
3 One Montgomery Street, Suite 1800
San Francisco, CA 94104
4 Telephone: 415/288-4545
415/288-4534 (fax)
5 shawnw@rgrdlaw.com
– and –

6 ELLEN GUSIKOFF STEWART (144892)
PATTON L. JOHNSON (320631)
7 HEATHER G. GEIGER (322937)
655 West Broadway, Suite 1900
8 San Diego, CA 92101-8498
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9 619/231-7423 (fax)
elleng@rgrdlaw.com
10 pjohanson@rgrdlaw.com
hgeiger@rgrdlaw.com

11 Lead Counsel for Lead Plaintiff

12 UNITED STATES DISTRICT COURT
13
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

16 In re ZOOM SECURITIES LITIGATION	)	Case No. 3:20-cv-02353-JD
_____)	
17 This Document Relates To:	)	NOTICE OF PENDENCY AND PROPOSED
	)	SETTLEMENT OF CLASS ACTION
18 ALL ACTIONS.	)	EXHIBIT A-1
_____)	

TO: ALL PERSONS THAT PURCHASED OR OTHERWISE ACQUIRED ZOOM VIDEO COMMUNICATIONS, INC. (“ZOOM”) COMMON STOCK OR CALL OPTIONS ON ZOOM COMMON STOCK OR SOLD PUT OPTIONS ON ZOOM COMMON STOCK (“ZOOM SECURITIES”) BETWEEN APRIL 18, 2019 AND APRIL 6, 2020, INCLUSIVE, AND ARE NOT OTHERWISE EXCLUDED FROM THE CLASS (THE “CLASS”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE _____, 2025.**

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been provided to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Northern District of California (the “Court”). The purpose of this Notice is to inform you of the pendency of this class action (the “Action”) between Lead Plaintiff and Defendants Zoom and Eric S. Yuan and the proposed \$150,000,000 settlement reached therein (the “Settlement”) and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as well as counsel’s application for fees and expenses. This Notice describes what steps you may take in relation to the Settlement and this class action.¹

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action as to any of the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the pendency and proposed Settlement of the Action and of your rights in connection therewith.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A PROOF OF CLAIM FORM	The only way to be eligible to receive a payment from the Settlement. Proof of Claim forms must be postmarked or submitted online on or before _____, 2025.
EXCLUDE YOURSELF	Get no payment. This is the only option that <i>potentially</i> allows you to ever be part of any other lawsuit against the Defendants or any other Released Defendant Parties about the legal claims being resolved by this Settlement. Should you elect to exclude yourself from the Class you should understand that Defendants and the other Released Defendant Parties will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including, without limitation, the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose. Exclusions must be postmarked on or before _____, 2025.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated July 17, 2023 (the “Settlement Agreement” or “Stipulation”), which is available on the website www.ZoomSecuritiesSettlement.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

OBJECT	Write to the Court about why you do not like the Settlement, the Plan of Allocation, and/or the request for attorneys' fees and expenses. You will still be a Member of the Class. Objections must be filed or postmarked no later than _____, 2025. If you submit a written objection, you may (but do not have to) attend the hearing.
GO TO THE HEARING ON _____, 2025	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be filed or postmarked no later than _____, 2025.
DO NOTHING	Receive no payment. You will, however, still be a Member of the Class, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Defendant Parties about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

SUMMARY OF THIS NOTICE**Statement of Class Recovery**

Pursuant to the Settlement described herein, a \$150 million settlement fund has been established. Based on Lead Plaintiff's estimate of the number of Zoom shares eligible to recover under the Settlement, the average distribution per common share under the Plan of Allocation is approximately \$3.08 and the average distribution per underlying share with respect to a damaged options contract is \$0.125 before deduction of any taxes on the income earned on the Settlement Amount thereof, notice and administration costs, and the attorneys' fees and expenses as determined by the Court. **Class Members should note, however, that these are only estimates.** A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's allowed claim amount as compared to the total allowed claims of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than these estimated average amounts. See Plan of Allocation set forth and discussed at pages ____ below for more information on the calculation of your claim.

Statement of Potential Outcome of Case

The Parties disagree on both liability and damages and do not agree on the amount of damages that would be recoverable if the Class prevailed on each claim alleged. Defendants deny that they are liable to the Class and deny that the Class has suffered any damages. The issues on which the parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the prices of Zoom Securities were allegedly artificially inflated (if at all) during the Class Period; (4) the amount, if any, by which the prices of Zoom Securities were allegedly artificially inflated (if at all) during the Class Period; (5) the effect of various market forces on the prices of Zoom Securities at various times during the Class Period; (6) the extent to which external factors influenced the prices of Zoom Securities at various times during the Class Period; (7) the extent to which the various matters that Lead Plaintiff alleged were materially false or misleading influenced (if at all) the prices of Zoom Securities at various times during the Class Period; and (8) the extent to which the various allegedly adverse material facts that Lead Plaintiff alleged were omitted influenced (if at all) the prices of Zoom Securities at various times during the Class Period.

EX A-1 - NOTICE OF PENDENCY AND PROPOSED SETTLEMENT

OF CLASS ACTION - 3:20-cv-02353-JD

4918-5061-4826.v1

Statement of Attorneys' Fees and Expenses Sought

Since the action's inception, Lead Counsel has expended considerable time and effort in the prosecution of this Action on a wholly contingent basis and has advanced the expenses of the Action in the expectation that if it was successful in obtaining a recovery for the Class, it would be paid from such recovery. Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed eighteen and three-quarters percent (18.75%) of the Settlement Amount, plus expenses not to exceed \$400,000, plus interest earned thereon. In addition, Lead Plaintiff may request an award in connection with his representation of the Class. If the amounts requested are approved by the Court, the average cost per Zoom common share will be approximately \$0.58 and average cost per underlying share with respect to a damaged option contract will be approximately \$0.02.

Further Information

For further information regarding the Action, this Notice or to review the Stipulation, please contact the Claims Administrator toll-free at 888-710-2846 or visit the website www.ZoomSecuritiesSettlement.com.

You may also contact a representative of counsel for the Class: Greg Wood, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 800-449-4900, settlementinfo@rgrdlaw.com.

Please Do Not Call the Court or Defendants with Questions About the Settlement.

Reasons for the Settlement

Lead Plaintiff's principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued Action. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial, and likely appeals, a process that could last several years into the future. For the Defendants, who have denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and burdens inherent in any Action, especially in complex cases such as this Action. Defendants have concluded that further conduct of this Action could be protracted and distracting.

BASIC INFORMATION

1. Why did I get this Notice package?

This Notice is being provided to you pursuant to an Order of a U.S. District Court because you or someone in your family or an investment account for which you serve as custodian may have purchased or acquired Zoom common stock or call options on Zoom common stock or sold put options on Zoom common stock between April 18, 2019 through and including April 6, 2020 (the "Class Period").

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights in connection with the Settlement, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the Action is the United States District Court for the Northern District of California, and the case is known as *In re Zoom Securities Litigation*, No. 3:20-cv-02353-JD. The case has been assigned to the Honorable James Donato. The individual

1 representing the Class is the Lead Plaintiff, and the company and individual he sued and who have
2 now settled are called the Defendants.

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

4 The initial complaint was filed in the Action on April 7, 2020. On November 4, 2020, the
5 Court appointed Adam M. Butt as Lead Plaintiff and approved his selection of Robbins Geller
6 Rudman & Dowd LLP as Lead Counsel.

7 Lead Plaintiff filed the Consolidated Class Action Complaint for Violation of the Federal
8 Securities Laws on December 23, 2020, alleging violations of §§10(b) and 20(a) of the Securities
9 Exchange Act of 1934 against Defendants and Kelly Steckelberg (the "Complaint"). Lead Plaintiff
10 alleges that Defendants made materially false and misleading statements about the security
11 capabilities of Zoom Meetings, including that Zoom Meetings was encrypted end-to-end. Lead
12 Plaintiff alleges that Persons who purchased or otherwise acquired Zoom Securities during the
13 Class Period suffered economic losses when the prices of Zoom Securities declined as a result of
14 alleged corrective disclosures that revealed that Zoom Meetings was not encrypted end-to-end, nor
15 would it be, for some time.

16 Defendants and Ms. Steckelberg filed their motion to dismiss the Complaint on May 20,
17 2021. Lead Plaintiff filed his opposition on July 9, 2021, and Defendants and Ms. Steckelberg
18 filed their reply on August 9, 2021. On February 16, 2022, the Court entered an order granting in
19 part and denying in part the motion to dismiss which, among other things, dismissed Ms.
20 Steckelberg from the Action. Defendants moved for leave to file a motion for partial
21 reconsideration on March 14, 2022, and Lead Plaintiff filed an opposition on Defendants' request
22 on March 29, 2022. Defendants answered the Complaint on April 22, 2022. On March 8, 2023,
23 the Court denied Defendants' motion for partial reconsideration.

24 On May 23, 2022, the Parties participated in a confidential mediation with the Hon. Layn
25 Phillips (Ret.), an experienced mediator. The mediation was preceded by the submission and
26 exchange of mediation statements by the Parties. The Parties engaged in good-faith negotiations,
27 but did not reach a settlement and the Action continued.

28 On March 23, 2023, the Parties conducted their Rule 26(f) conference, after which
discovery commenced in the Action. In response to Lead Plaintiff's discovery requests,
Defendants have produced over 135,000 pages of documents to Lead Plaintiff, and third parties
have produced over 800 pages of documents.

On April 6, 2023, the Court entered a Case Management Scheduling Order, which set the
event deadlines, including fact and expert discovery cutoffs and the initial trial schedule for the
Action.

Throughout the litigation, Judge Phillips continued to engage with the Parties about
potential Settlement of the Action. On July 11, 2023, Judge Phillips made a mediator's proposal
to resolve the Action, which was accepted by the Parties. The proposal contemplated reached an
agreement to resolve the Action, subject to the negotiation of mutually acceptable terms of a
settlement agreement. The agreement-in-principle included, among other things, the Parties'
agreement to settle the Action in return for a cash payment of \$150 million for the benefit of the
Class, subject to the negotiation of the terms of a Stipulation of Settlement and approval by the
Court. The Stipulation (together with the Exhibits thereto) reflects the final and binding
agreement, and a compromise of all matters that are in dispute, between the Parties.

Defendants deny each and all of the claims and contentions of wrongdoing alleged by Lead
Plaintiff in the Action, as well as any and all allegations of fault, liability, wrongdoing, or damages
whatsoever arising out of any of the conduct, statements, acts, or omissions that have been alleged,

EX A-1 - NOTICE OF PENDENCY AND PROPOSED SETTLEMENT

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or that could have been alleged, in the Action. Defendants contend that they did not make any materially false or misleading statements, that they disclosed all material information required to be disclosed by the federal securities laws, and that any alleged misstatements or omissions were not made with the requisite intent or knowledge of wrongdoing. Defendants also contend that any losses allegedly suffered by Members of the Class were not caused by any allegedly false or misleading statements by them and/or were caused by intervening events. Defendants continue to believe that the claims asserted against them in the Action are without merit. Defendants also maintain that they have meritorious defenses to all claims that were raised or could have been raised in the Action.

3. Why is there a settlement?

The Court has not decided in favor of Defendants or the Lead Plaintiff. Instead, both sides agreed to the Settlement to avoid the distraction, costs, and risks of further Action, and Lead Plaintiff agreed to the Settlement in order to ensure that Class Members will receive compensation.

WHO IS IN THE SETTLEMENT

4. How do I know if I am a Member of the Class?

The Court directed that everyone who fits this description is a Class Member: all Persons that purchased or otherwise acquired Zoom common stock or call options on Zoom common stock or sold put options on Zoom common stock from April 18, 2019 through April 6, 2020, inclusive, except those Persons and entities that are excluded.

Excluded from the Class are: Defendants and their families, the officers and directors of Zoom during the Class Period, members of their immediate families, and their legal representatives, heirs, successors or assigns, and any firm, trust, corporation, partnership, or other entity in which any Defendant has or had a controlling interest. Also excluded from the Class are those Persons who timely and validly exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

Please Note: Receipt of this Notice or the Summary Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim and the required supporting documentation as set forth therein postmarked or submitted online at www.ZoomSecuritiesSettlement.com on or before _____, 2025.

5. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 888-710-2846, or you can fill out and return the Proof of Claim, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Claims (defined below) and dismissal of the Action, Defendants have agreed to pay (or cause to be paid) \$150 million in cash to be distributed after taxes, tax expenses, notice and claims administration expenses, and approved fees and expenses to Class Members who send in a valid Proof of Claim

form pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

7. How much will my payment be?

Your share of the Net Settlement Fund will depend on several things, including the total value of Zoom Securities represented by the valid Proof of Claim forms that Class Members send in, compared to the value of your claim, all as calculated under the Plan of Allocation discussed below.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

8. How can I get a payment?

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim form. A Proof of Claim may be downloaded at www.ZoomSecuritiesSettlement.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and **mail or submit it online so that it is postmarked or received no later than _____, 2025**. The Proof of Claim form may be submitted online at www.ZoomSecuritiesSettlement.com.

9. When would I get my payment?

The Court will hold a Settlement Hearing on _____, 2025, at _____ .m., to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

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

Unless you timely and validly exclude yourself, you are staying in the Class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or their “Related Persons” (as defined below) about the “Released Claims” (as defined below) in this case. It also means that all of the Court’s orders will apply to you and legally bind you. If you remain a Class Member, and if the Settlement is approved, you will give up all Released Claims, including “Unknown Claims” (as defined below), against the “Released Defendant Parties” (as defined below):

- “Related Persons” means, with respect to Zoom, each and all of its present or former parents, subsidiaries, affiliates, successors and assigns, and each and all of the present or former officers, directors, employees, employers, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, agents, spouses, associates, and assigns of each or any of them or any trust of which Zoom is the settlor or which is for the benefit of any Defendant and any entity in which Zoom has a controlling interest. With respect to the Mr. Yuan and Ms. Steckelberg, “Related Persons” means each and all of their present or former affiliates, successors and assigns, attorneys, accountants, financial advisors, commercial bank lenders, insurers, reinsurers, investment bankers, representatives, general and limited partners and partnerships, heirs, executors, administrators, agents, spouses, associates, and assigns of each or any of them or any trust of which Mr. Yuan or Ms. Steckelberg is the settlor or

1 which is for the benefit of Mr. Yuan or Ms. Steckelberg and any entity in which
2 either has a controlling interest.

- 3 • “Released Claims” any and all claims, rights, liabilities, and causes of action of
4 every nature and description, including both known claims and Unknown Claims
5 (as defined below), whether contingent or absolute, asserted or unasserted, mature
6 or unmature, discoverable or undiscoverable, liquidated or unliquidated, accrued or
7 unaccrued, including those that are concealed or hidden, regardless of legal or
8 equitable theory, that both (i) arise out of, are based upon, or are related in any way
9 to the allegations, acts, facts, matters, occurrences, disclosures, filings, statements,
10 representations, or omissions that were or could have been alleged by Lead Plaintiff
11 and all other Class Members in the Action whether arising under federal, state,
12 local, common or foreign law, or any other law, rule, or regulation, whether class
13 or individual in nature, and (ii) concern, arise out of, are based upon, or relate to
14 the purchase or other acquisition of Zoom Securities during the Class Period.
15 Notwithstanding the foregoing, “Released Claims” does not include claims relating
16 to the enforcement of the Settlement or claims that could be brought in any ERISA
17 or derivative action based on similar allegations.
- 18 • “Released Defendants’ Claims” means any and all claims and causes of action of
19 every nature and description whatsoever, including both known claims and
20 Unknown Claims, whether arising under federal, state, common or foreign law, or
21 any other law, that Defendants could have asserted against any of the Released
22 Plaintiff Parties, including Lead Counsel and Class Members, that arise out of or
23 relate in any way to the institution, prosecution, or settlement of the claims in the
24 Action, except for claims relating to the enforcement of the Settlement.
- 25 • “Released Defendant Party” or “Released Defendant Parties” means each and all
26 of the Defendants and the Former Defendant, and each of all of their Related
27 Persons.
- 28 • “Unknown Claims” means any and all Released Claims that Lead Plaintiff or any
other Class Member does not know or suspect to exist in his, her, or its favor at the
time of the release of the Released Defendant Parties, and any and all Released
Defendants’ Claims that any Defendant does not know or suspect to exist in his, her
or its favor, which if known by him, her or it, might have affected his, her or its
decision to enter into this Settlement, execute this Stipulation, and agree to all the
various releases set forth herein, or might have affected his, her or its decision not
to object to this Settlement or not exclude himself, herself or himself from the Class.
Unknown Claims include, without limitation, those claims in which some or all of
the facts composing the claim may be unsuspected, undisclosed, concealed, or
hidden. With respect to any and all Released Claims and Released Defendants’
Claims, the Released Parties stipulate and agree that, upon the Effective Date, Lead
Plaintiff and Class Members (as regards the Released Claims) and the Defendants
(as regards the Released Defendants’ Claims) shall expressly waive and relinquish,
and each Class Member shall be deemed to have and by operation of law and of the
Judgment shall have, expressly waived and relinquished, to the fullest extent
permitted by law, any and all provisions, rights and benefits conferred by California

Civil Code §1542, or any law of any state or territory of the United States, or principle of common law or of international or foreign law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542, which provides:

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

EXCLUDING YOURSELF FROM THE CLASS

If you do not want to participate in this Settlement, and you want to keep the right to potentially sue the Defendants and the other Released Defendant Parties, on your own, about the claims being released by the Settlement, then you must take steps to remove yourself from the Settlement. This is called excluding yourself – or is sometimes referred to as “opting out.” If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in this Action, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

11. How do I get out of the Class and the proposed Settlement?

To exclude yourself from the Class and the Settlement, you must send a letter by First-Class Mail stating that you “request exclusion from the Class in the *Zoom Securities Settlement*.” Your letter must include your purchases or acquisitions of Zoom Securities during the Class Period, including the dates and the number of Zoom common shares or call options on Zoom common shares you purchased or acquired and/or the date(s) and number of put options on Zoom common shares you sold. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **postmarked no later than _____, 2025** to:

Zoom Securities Settlement
Claims Administrator
c/o Gilardi & Co. LLC
ATTN: EXCLUSIONS
P.O. Box 5100
Larkspur, CA 94977-5100

If you ask to be excluded, you will not get any payment from the Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue the Defendants and the other Released Defendant Parties about the Released Claims in the future.

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

No. Unless you exclude yourself, you give up any rights you may potentially have to sue the Defendants and the other Released Defendant Parties for any and all Released Claims. If you have a pending lawsuit against the Released Defendant Parties, speak to your lawyer in that case immediately. You must exclude yourself from the Class in this Action to continue your own lawsuit. Remember, the exclusion deadline is _____, 2025.

13. If I exclude myself, can I get money from the proposed Settlement?

No. If you exclude yourself, you should not send in a Proof of Claim to ask for any money. But you may have the right to potentially sue or be part of a different lawsuit against the Defendants and the other Released Defendant Parties.

THE LAWYERS REPRESENTING YOU**14. Do I have a lawyer in this case?**

The Court ordered that the law firm of Robbins Geller Rudman & Dowd LLP represents the Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed eighteen and three quarter percent (18.75%) of the Settlement Amount and for expenses, costs and charges in an amount not to exceed \$400,000 in connection with prosecuting the Action, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. Lead Plaintiff may seek up to \$48,750 for his time and expenses incurred in representing the Class pursuant to 15 U.S.C. §78u-4(a)(4). Such sums as may be approved by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT

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

16. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you can comment on or object to the proposed Settlement, the proposed Plan of Allocation and/or Lead Counsel's fee and expense application. You can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object. You can write to the Court setting out your comment or objection. The Court will consider your views. All written objections and supporting papers must: (i) clearly identify the case name and number (*In re Zoom Sec. Litig.*, No. 3:20-cv-02353-JD); (ii) be submitted to the Court either by mailing them to the Clerk of the Court, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, or by filing them in person at any location of the United States District Court for the Northern District of California; and (iii) be filed or postmarked on or before _____, 2025. Include your name, address, telephone number, and your signature (even if you are represented by counsel), including the number and type of Zoom Securities you: (a) owned as of the opening of trading on April 18, 2019; and (b) purchased, otherwise acquired and/or sold during the Class Period, as well as the dates and prices for each such purchase, other acquisition or sale, and state with specificity your comments or the reasons why you object to the proposed Settlement, Plan of Allocation and/or fee and expense application, including any legal and evidentiary support for such objection. Any objection must state whether it applies only to the objector, to a specific subset of the Class, or to the entire Class. You must also identify all other class action settlements in which you or your counsel have filed objections in the past five years. You must also include copies of documents demonstrating all of your purchase(s), acquisitions and/or sale(s) of Zoom Securities during the Class Period.

17. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object **only** if you stay in the Class.

Excluding yourself is telling the Court that you do not want to recover money from the Settlement and do not want to release any claims you think you may have against Defendants and their Related Persons. If you exclude yourself, you cannot object to the Settlement because it does not affect you.

THE COURT'S SETTLEMENT HEARING

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

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

The Court will hold a Settlement Hearing at : **.m., on , 2025**, in the Courtroom of the Honorable James Donato, at the United States District Court for the Northern District of California, Phillip Burton Federal Building & United States Courthouse, Courtroom 11, 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much Lead Counsel will be paid and how much Lead Plaintiff will be awarded pursuant to 15 U.S.C. §78u-4(a)(4). After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel or the Settlement website, www.ZoomSecuritiesSettlement.com, beforehand to be sure that the date and/or time has not changed.

19. Do I have to come to the hearing?

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

20. May I speak at the hearing?

If you object to the Settlement, the Plan of Allocation, and/or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 16 above) a statement saying that it is your "Notice of Intention to Appear in the *Zoom Securities Settlement*." Persons who intend to object to the Settlement, the Plan of Allocation, and/or any awards to Lead Counsel or Lead Plaintiff and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **filed or postmarked no later than , 2025**.

1 You cannot speak at the hearing if you exclude yourself from the Class.

2 **IF YOU DO NOTHING**

3 **21. What happens if I do nothing?**

4 If you do nothing, you will not receive any money from this Settlement. In addition, unless
5 you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of
6 any other lawsuit against Defendants and their Related Persons about the Released Claims in this
7 case.

8 **GETTING MORE INFORMATION**

9 **22. How do I get more information?**

10 This Notice contains only a summary of the terms of the proposed Settlement. For even
11 more detailed information concerning the matters involved in this Action, you can obtain answers
12 to common questions regarding the proposed Settlement by contacting the Claims Administrator
13 toll-free at 888-710-2846. Reference is also made to the Settlement Agreement, to the pleadings
14 in support of the Settlement, to the Orders entered by the Court and to the other Settlement related
15 papers filed in the Action, which are posted on the Settlement website at
16 www.ZoomSecuritiesSettlement.com. You may also access the Court docket in this case, for a
17 fee, through the Court's Public Access to Court Electronic Records (PACER) system at
18 <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United
19 States District Court for the Northern District of California, 450 Golden Gate Avenue, San
20 Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court
21 holidays.

22 **PLAN OF ALLOCATION OF NET SETTLEMENT
FUND AMONG CLASS MEMBERS**

23 The Settlement Amount of \$150 million together with any interest earned thereon is the
24 "Settlement Fund." The Settlement Fund, less all taxes, tax expenses, notice and claims
25 administration expenses, and approved fees and expenses (the "Net Settlement Fund") shall be
26 distributed to Class Members who submit timely and valid Proof of Claim forms to the Claims
27 Administrator ("Authorized Claimants"). The Plan of Allocation provides that you will be eligible
28 to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on
all of your transactions in Zoom Securities during the Class Period.

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Class Members based on their respective alleged economic losses resulting from the securities law violations alleged in the Action.

The Plan of Allocation is intended to compensate investors who purchased or otherwise acquired Zoom common stock or call options on Zoom common stock, and/or sold put options on Zoom common stock between April 18, 2019 and April 6, 2020, inclusive, and have held through the issuance of at least one corrective disclosure. In this case, Lead Plaintiff alleges that Defendants made false statements and omitted material facts during the Class Period, which had the effect of artificially inflating the prices of Zoom common stock and call options on Zoom common stock, and deflating the price of put options on Zoom common stock. Lead Plaintiff alleges that corrective disclosures were made on April 2, 2020 and April 6, 2020.

The Plan of Allocation is not a formal damage analysis. The Recognized Loss is not intended to estimate the amount a Class Member may have been able to recover after a trial, nor

1 to estimate the amount you will receive. It is a formula for allocating the Net Settlement Fund
 2 among all Authorized Claimants. The allocation below is based on the following inflation per
 3 common share amounts for Class Period share purchases and sales as well as the statutory PSLRA
 90-day look-back amount of \$184.99 per Zoom common share.² Furthermore, if any of the
 formulas set forth below yield an amount less than \$0.00, the claim per share shall be \$0.00.

4 The Plan of Allocation was developed in consultation with Lead Plaintiff's damages
 5 consultant. In developing the Plan of Allocation, Lead Plaintiff's damages consultant calculated
 6 the estimated amount of alleged artificial inflation in the prices of each of the Zoom Securities that
 7 was allegedly proximately caused by Defendants' alleged materially false and misleading
 8 statements and omissions. In calculating the estimated impact allegedly caused by those
 misrepresentations and omissions, Lead Plaintiff's damages consultant considered the price
 changes in Zoom Securities in reaction to the public disclosures that allegedly corrected the alleged
 misrepresentation or omissions, adjusting the price change for factors that were attributable to
 market or industry forces.

9 In order to have recoverable damages under the federal securities laws, disclosures of the
 10 alleged misrepresentations and/or omissions must be a cause of the decline in the price of the
 security. In this Action, Lead Plaintiff alleges that corrective information allegedly impacting the
 11 price of Zoom Securities and determined to result in potentially recoverable damages (the
 "corrective disclosure") was released to the market on April 2, 2020 and April 6, 2020. In order
 12 to have a "Recognized Loss Amount" under the Plan of Allocation, Zoom common stock or call
 options on Zoom common stock must have been purchased or acquired during the Class Period
 and held through the issuance of at least one corrective disclosure. Put options on Zoom common
 13 stock must have been written (sold) during the Class Period and held through at least one corrective
 disclosure.

14 As detailed below, the Net Settlement Fund will be allocated on a *pro rata* basis according
 15 to recognized claims for class member damages. The Net Settlement Fund will be allocated to
 Authorized Claimants as follows: (a) at least 97.5% of the Net Settlement Fund will be allocated
 16 collectively to Zoom common stock; and (b) no more than 2.5% of the Net Settlement Fund will
 be allocated to options on Zoom common stock.

17 Based on the formulas stated below, a "Recognized Loss Amount" will be calculated for
 18 each purchase or acquisition of Zoom common stock or call option on Zoom common stock and/or
 sale of put options on Zoom common stock during the Class Period that is listed on the Claim
 Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates
 19 to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

20
 21
 22
 23 ² "In any private action arising under this Act in which the plaintiff seeks to establish
 24 damages by reference to the market price of a security, the award of damages to the plaintiff shall
 25 not exceed the difference between the purchase or sale price paid or received, as appropriate, by
 the plaintiff for the subject security and the mean trading price of that security during the 90-day
 period beginning on the date on which the information correcting the misstatement or omission
 26 that is the basis for the action is disseminated to the market." Consistent with §28(D)(e)(1) of the
 Exchange Act, Recognized Loss Amounts for Zoom common stock are reduced to an appropriate
 extent by taking into account the closing prices of Zoom common stock during the 90-day look-
 27 back period. The mean (average) closing price for Zoom common stock during this 90-day look-
 back period was \$184.99 per share as shown in Table 2.

Transactions in Zoom Common Stock

For each share of Zoom common stock purchased or otherwise acquired from April 18, 2019 through April 5, 2020, and:

- (a) sold prior to April 2, 2020, the Recognized Loss Amount will be \$0.00;
- (b) sold from April 2, 2020 through April 5, 2020, the Recognized Loss Amount will be the lesser of: (i) the decline in inflation during the holding period (as presented in Table 1 below), and (ii) the purchase price minus the sale price;
- (c) sold from April 6, 2020 through and including the close of trading on July 2, 2020, the Recognized Loss Amount will be the least of: (i) the decline in inflation during the holding period (as presented in Table 1 below), (ii) the purchase price minus the sale, or (iii) the purchase price minus the average closing price between April 6, 2020 and the date of sale as stated in Table 2 below; and
- (d) held as the close of trading on July 2, 2020, the Recognized Loss Amount will be the lesser of: (i) the decline in inflation during the holding period (as presented in Table 1 below), or (ii) the purchase price minus \$184.99, the average closing price for Zoom common stock between April 6, 2020 and July 2, 2020 (the last entry in Table 2 below).

For each share of Zoom common stock purchased or otherwise acquired on April 6, 2020, the Recognized Loss Amount will be \$0.00.

Transactions in Zoom Option Contracts

For call options on Zoom common stock purchased or otherwise acquired during the Class Period,³ and:

- (a) closed (through sale, exercise, or expiration) before April 2, 2020, the Recognized Loss Amount is \$0.00;
- (b) closed (through sale, exercise, or expiration) without being held through at least one of the corrective disclosures, the Recognized Loss Amount is \$0.00;
- (c) held through at least one of the corrective disclosures, the Recognized Loss Amount is the difference between the price paid for the call option less the proceeds received upon the sale, exercise, or expiration of the call option contract; or

³ To participate in the Settlement Claimants must provide adequate documentation to establish that each call option and put option purchased or sold remained open through at least one of the disclosures identified above. With respect to shares of Zoom common stock purchased or sold through the exercise of an option, the purchase/sale date of the Zoom common stock is the exercise date of the option, and the purchase/sale price of the Zoom common stock is the exercise price of the option.

1 (d) held as of the close of trading on July 2, 2020, the Recognized Loss Amount is the
2 difference between (i) the price paid for the call option and (ii) the Call Option Intrinsic Value of
the option on July 2, 2020.⁴

3 For call options on Zoom common stock purchased or otherwise acquired on April 6, 2020,
4 the Recognized Loss Amount will be \$0.00.

5 For call options on Zoom common stock written or otherwise sold, the Recognized Loss
Amount is zero.

6 For put options on Zoom common stock written or otherwise sold during the Class Period,
7 and:

8 (a) closed (via re-purchase, assignment, or expiration) before April 2, 2020,
Recognized Loss Amount is \$0.00;

9 (b) closed (via re-purchase, assignment, or expiration) without being held through at
10 least one of the corrective disclosures, the Recognized Loss Amount is zero;

11 (c) held through at least one of the corrective disclosures, the Recognized Loss Amount
12 is the difference between the amount(s) paid upon re-purchase, assignment, or expiration of the
put option contract less the initial proceeds received upon the sale of the put option contract; or

13 (d) held as of the close of trading on July 2, 2020, the Recognized Loss Amount is the
14 difference between (a) the Put Option Intrinsic Value of the option on July 2, 2020,⁵ and (b) the
initial proceeds received from the sale of the put option contract.

15 For put options on Zoom common stock written (sold) on April 6, 2020, the Recognized
16 Loss amount will be zero.

17 For put options on Zoom common stock purchased or otherwise acquired, the Recognized
18 Loss Amount is zero.

19 For Class Members who held Zoom Securities at the beginning of the Class Period or made
multiple purchases, acquisitions or sales during the Class Period, the First-In, First-Out ("FIFO")
20 method will be applied to such holdings, purchases, acquisitions and sales for purposes of
calculating a claim. Under the FIFO method, sales of Zoom Securities during the Class Period
21 will be matched, in chronological order, first against Zoom Securities held at the beginning of the
Class Period. The remaining sales of Zoom Securities during the Class Period will then be
22 matched, in chronological order, against Zoom Securities purchased or acquired during the Class
Period.

23 _____
24 ⁴ The Call Option Intrinsic Value on July 2, 2020 is equal to 100 multiplied by the difference
25 between \$261.74 and the option exercise strike price (where \$261.74 is the closing price of Zoom
common stock on July 2, 2020). If the Call Option Intrinsic Value calculates to a negative number
or zero based on this formula, that Call Option Intrinsic Value will be zero.

26 ⁵ The Put Option Intrinsic Value of July 2, 2020 is equal to 100 multiplied by the difference
27 between the option exercise/ strike price and \$261.74 (where \$261.74 is the closing price of Zoom
common stock on July 2, 2020). If the Put Option Intrinsic Value calculates to a negative number
28 or zero based on the formula, that Put Option Intrinsic Value will be zero.

1 A Class Member will be eligible to receive a distribution from the Net Settlement Fund
 2 only if a Class Member had a net overall loss, after all profits from transactions in all Zoom
 3 Securities described above during the Class Period are subtracted from all losses. However, the
 4 proceeds from sales of Zoom Securities that have been matched against Zoom Securities held at
 the beginning of the Class Period will not be used in the calculation of such net loss. No
 distributions will be made to Authorized Claimants who would otherwise receive a distribution of
 less than \$10.00.

5 If a claimant had a market gain with respect to their overall transactions in Zoom Securities
 6 during the Class Period, the value of the claimant's Recognized Claim will be zero. If a claimant
 7 suffered an overall market loss with respect to their overall transactions in Zoom Securities during
 8 the Class Period, but that market loss was less than the claimants' total Recognized Claim will be
 9 limited to the amount of the actual market loss. For purposes of determining whether a claimant
 10 had a market gain, or suffered a market loss, with respect to a Claimant's overall transactions of
 11 Zoom common stock and call options during the Class Period, the Claims Administrator will
 determine the difference between, the Claimant's (i) Total Purchase Amount⁶ and (ii) the sum of
 the Total Sales Proceeds⁷ and Holding Value.⁸ For purposes of determining whether a Claimant
 had a market gain, or suffered a market loss, with respect to that Class Member's overall
 transactions in Zoom put options during the Class Period, the Claims Administrator will determine
 the difference between the Claimant's (i) total Put Proceeds⁹ and (ii) the sum of the Total Covering
 Cost¹⁰ and Holding Value.¹¹ This difference will be deemed a Claimant's market gain or loss with
 respect to the Claimant's overall transactions in Zoom put options during the Class Period.

13 ⁶ The "Total Purchase Amount" is the total amount the Claimant paid (excluding
 14 commissions and other charges) for Zoom Securities purchased or otherwise acquired during the
 Class Period.

15 ⁷ The Claims Administrator will match any sales of Zoom common stock from the start of
 16 the Class period through and including the close of trading on April 5, 2020, first against the
 17 Claimant's opening position (the proceeds of those sales will not be considered for purposes of
 18 calculating market gains or losses). The total amount received (excluding commissions and other
 charges) for the remaining sales of Zoom common stock sold from the start of the Class Period
 through and including the close of trading on April 5, 2020 will be the "Total Sales Proceeds."

19 ⁸ The Claims Administrator will ascribe a "Holding Value" equal to (i) \$122.94 for each
 20 share of Zoom common stock purchased or acquired during the Class Period and still held as of
 21 the close of trading on April 5, 2020; (ii) the Call Option Intrinsic Value on April 6, 2020 for each
 22 call option purchased during the Class Period and still held as of the close of trading on April 5,
 2020. The Call Option Intrinsic Value on April 6, 2020 is equal to 100 multiplied by the difference
 between \$122.94 and the option exercise/strike price (where \$122.94 is the closing price of Zoom
 common stock on April 6, 2020). If the Call Option Intrinsic Value calculates to a negative number
 or zero based on this formula, that Call Option Intrinsic Value will be zero.

23 ⁹ The "Total Put Proceeds" is the total amount the Claimant received (excluding
 24 commissions and other charges) for writing put options on Zoom common stock during the Class
 Period.

25 ¹⁰ The "Total Covering Cost" is the total amount the claimant paid (excluding commissions
 26 and other charges) to close the written put option position.

27 ¹¹ The Claims Administrator will ascribe a "Holding Value" equal to the Put Option Intrinsic
 28 Value on April 6, 2020 for each put option written on sold during the Class Period and still held
 as of the close of trading on April 5, 2020. The Put Option Intrinsic Value on April 6, 2020 is
 equal to 100 multiplied by the difference between the option exercise/strike price and \$122.94

EX A-1 - NOTICE OF PENDENCY AND PROPOSED SETTLEMENT

OF CLASS ACTION - 3:20-cv-02353-JD

4918-5061-4826.v1

1 A purchase, acquisition or sale of Zoom Securities shall be deemed to have occurred on
 2 the “contract” or “trade” date as opposed to the “settlement” or “payment” date. All purchase,
 3 acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift,
 4 devise, or operation of law of Zoom Securities during the Class Period shall not be deemed a
 5 purchase, acquisition or sale of Zoom Securities for the calculation of a claimant’s recognized
 claim nor shall it be deemed an assignment of any claim relating to the purchase or acquisition of
 such share unless specifically provided in the instrument of gift or assignment. The receipt of
 Zoom Securities during the Class Period in exchange for securities of any other corporation or
 entity shall not be deemed a purchase or acquisition of Zoom Securities.

6 Distributions will be made to Authorized Claimants after all claims have been processed,
 7 after the Court has finally approved the Settlement, and after any appeals are resolved. If there is
 8 any balance remaining in the Net Settlement Fund after at least six (6) months from the initial date
 9 of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or
 10 otherwise), the Claims Administrator shall, if feasible, reallocate such balance among Authorized
 Claimants in an equitable and economic fashion. These redistributions shall be repeated until the
 balance remaining in the Net Settlement Fund is no longer economically feasible to distribute to
 Class Members. Thereafter, any balance that still remains in the Net Settlement Fund shall be
 donated to the Investor Protection Trust.

11 Please contact the Claims Administrator or Lead Counsel if you disagree with any
 12 determinations made by the Claims Administrator regarding your Proof of Claim. If you are
 13 dissatisfied with the determinations, you may ask the Court, which retains jurisdiction over all
 Class Members and the claims administration process, to decide the issue by submitting a written
 request.

14 The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class
 15 Member on equitable grounds.

16 Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all
 17 Authorized Claimants. Defendants, their respective counsel, and all other Released Defendant
 18 Parties will have no responsibility or liability whatsoever for the investment of the Settlement
 19 Fund, the distribution of the Net Settlement Fund, the Plan of Allocation, or the payment of any
 20 claim. No Person shall have any claim against Lead Plaintiff, Lead Counsel, the Claims
 21 Administrator, or other Person designated by Lead Counsel, Defendants, or Defendants’ Counsel
 based on distributions made substantially in accordance with the Stipulation and the Settlement
 contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who
 fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in
 distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise
 shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered
 and the releases given.

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 27 (where \$122.94 is the closing price of Zoom common stock on April 6, 2020). If the Put Option
 28 Intrinsic Value calculates to a negative number or zero based on the formula, that Put Option
 Intrinsic Value will be zero.

TABLE 1**Decline in Inflation Per Share by Date of Purchase and Date of Sale**

Purchase Date	Sale Date		
	4/18/2019- 4/1/2020	4/2/2020- 4/5/2020	Sold on or Retained Beyond 4/6/2020
4/18/2019-4/1/2020	\$0.00	\$8.97	\$17.33
4/2/2020-4/5/2020		\$0.00	\$8.36
Purchased on or Retained Beyond 4/6/2020			\$0.00

TABLE 2

Zoom Closing Price and Average Closing Price

Average Closing Price Between 6 April 2020 and			Average Closing Price Between 6 April 2020 and		
Date	Closing Price	Date Shown	Date	Closing Price	Date Shown
4/6/2020	\$122.94	\$122.94	5/20/2020	\$175.48	\$150.72
4/7/2020	\$113.75	\$118.35	5/21/2020	\$172.03	\$151.36
4/8/2020	\$117.81	\$118.17	5/22/2020	\$171.06	\$151.94
4/9/2020	\$124.51	\$119.75	5/26/2020	\$164.00	\$152.29
4/13/2020	\$135.92	\$122.99	5/27/2020	\$161.97	\$152.56
4/14/2020	\$141.89	\$126.14	5/28/2020	\$163.55	\$152.85
4/15/2020	\$151.56	\$129.77	5/29/2020	\$179.48	\$153.55
4/16/2020	\$150.26	\$132.33	6/1/2020	\$204.15	\$154.85
4/17/2020	\$150.06	\$134.30	6/2/2020	\$208.08	\$156.18
4/20/2020	\$148.99	\$135.77	6/3/2020	\$223.87	\$157.83
4/21/2020	\$143.27	\$136.45	6/4/2020	\$210.35	\$159.08
4/22/2020	\$150.25	\$137.60	6/5/2020	\$207.60	\$160.21
4/23/2020	\$169.09	\$140.02	6/8/2020	\$209.83	\$161.34
4/24/2020	\$158.80	\$141.36	6/9/2020	\$205.43	\$162.32
4/27/2020	\$164.60	\$142.91	6/10/2020	\$221.02	\$163.59
4/28/2020	\$156.72	\$143.78	6/11/2020	\$222.07	\$164.84
4/29/2020	\$146.48	\$143.94	6/12/2020	\$219.52	\$165.98
4/30/2020	\$135.17	\$143.45	6/15/2020	\$239.02	\$167.47
5/1/2020	\$138.56	\$143.19	6/16/2020	\$242.56	\$168.97
5/4/2020	\$143.44	\$143.20	6/17/2020	\$236.76	\$170.30
5/5/2020	\$144.82	\$143.28	6/18/2020	\$241.57	\$171.67
5/6/2020	\$149.59	\$143.57	6/19/2020	\$243.48	\$173.03
5/7/2020	\$157.80	\$144.19	6/22/2020	\$251.27	\$174.47
5/8/2020	\$155.40	\$144.65	6/23/2020	\$252.81	\$175.90
5/11/2020	\$166.48	\$145.53	6/24/2020	\$255.90	\$177.33
5/12/2020	\$161.04	\$146.12	6/25/2020	\$259.51	\$178.77
5/13/2020	\$167.14	\$146.90	6/26/2020	\$256.80	\$180.11
5/14/2020	\$167.91	\$147.65	6/29/2020	\$248.56	\$181.27
5/15/2020	\$174.83	\$148.59	6/30/2020	\$253.54	\$182.48
5/18/2020	\$164.69	\$149.13	7/1/2020	\$259.13	\$183.74
5/19/2020	\$173.68	\$149.92	7/2/2020	\$261.74	\$184.99

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased or acquired Zoom Securities during the Class Period for the beneficial interest of an individual or organization other than yourself, the Court has directed that, **WITHIN SEVEN (7) CALENDAR DAYS OF YOUR RECEIPT OF THE SUMMARY NOTICE**, you either (a) provide to the Claims Administrator the name and last known email or physical address of each person or organization for whom or which you purchased or acquired such Zoom Securities during such time period, or (b) request additional copies of the Summary Notice, which will be provided to you free of charge, and within seven (7) calendar days send via email or regular mail where an email address is not available, mail the Summary Notice directly to the beneficial owners of the Zoom Securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the email was sent or the mailing was made as directed and retain the names, email addresses or physical addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Reasonable out-of-pocket expenses actually incurred in connection with the foregoing includes up to \$0.03 for providing names, addresses and email addresses to the Claim Administrator per record; up to a maximum of \$0.03 per Summary Notice emailed or mailed by you, plus postage at the rate used by the Claims Administrator. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator at:

Zoom Securities Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 301133
Los Angeles, CA 90030-1133

DATED:

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EXHIBIT A-2

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 SHAWN A. WILLIAMS (213113)
Post Montgomery Center
3 One Montgomery Street, Suite 1800
San Francisco, CA 94104
4 Telephone: 415/288-4545
415/288-4534 (fax)
5 shawnw@rgrdlaw.com
– and –

6 ELLEN GUSIKOFF STEWART (144892)
PATTON L. JOHNSON (320631)
7 HEATHER G. GEIGER (322937)
655 West Broadway, Suite 1900
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9 619/231-7423 (fax)
elleng@rgrdlaw.com
10 pjohanson@rgrdlaw.com
hgeiger@rgrdlaw.com

11 Lead Counsel for Lead Plaintiff

12 UNITED STATES DISTRICT COURT
13
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

16 In re ZOOM SECURITIES LITIGATION	)	Case No. 3:20-cv-02353-JD
)	
17 This Document Relates To:	)	PROOF OF CLAIM AND RELEASE
)	
18 ALL ACTIONS.	)	EXHIBIT A-2
)	

I. GENERAL INSTRUCTIONS

1. To recover as a Member of the Class based on your claims in the action *In re Zoom Securities Litigation*, No. 3:20-cv-02353-JD (the “Action”), you must complete and, on page ___ hereof, sign this Proof of Claim and Release (“Claim Form”). If you fail to submit a properly addressed (as set forth in paragraph 3 below) Claim Form, postmarked or received by the date shown below, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed settlement of the Action (the “Settlement”).¹

2. Submission of this Claim Form, however, does not assure that you will share in the proceeds of the Settlement.

3. YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED CLAIM FORM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, NO LATER THAN _____, 2025, TO THE COURT-APPOINTED CLAIMS ADMINISTRATOR IN THIS CASE, AT THE FOLLOWING ADDRESS:

Zoom Securities Settlement
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 301133
Los Angeles, CA 90030-1133
Online Submissions: www.ZoomSecuritiesSettlement.com

Do not mail or deliver your Claim Form to the Court, the Parties to the Action, or their counsel. Submit your Claim Form only to the Claims Administrator at the address set forth above. If you are NOT a Member of the Class (as defined below and in the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”)), DO NOT submit a Claim Form.

¹ This Proof of Claim and Release incorporates by reference the definitions in the Stipulation of Settlement (“Stipulation”), which can be obtained at www.ZoomSecuritiesSettlement.com.

1 4. If you are a Member of the Class and you do not request exclusion, you will be
2 bound by the terms of any judgment entered in the Action, including the releases provided therein,
3 **WHETHER OR NOT YOU SUBMIT A CLAIM FORM.**

4 5. It is important that you completely read and understand the Notice that accompanies
5 this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the
6 Notice. The Notice describes the proposed Settlement, how the Class Members are affected by
7 the Settlement, and the manner in which the Net Settlement Fund will be distributed if the
8 Settlement and Plan of Allocation are approved by the Court. The Notice (as well as the
9 Stipulation) also contains the definitions of many of the defined terms (which are indicated by
10 initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you
11 will be certifying that you have read and that you understand the Notice, including the terms of the
12 releases described therein and provided for herein.
13
14

15 **II. CLAIMANT IDENTIFICATION**

16 You are a Member of the Class if you purchased or otherwise acquired Zoom Video
17 Communications, Inc. (“Zoom”) Securities during the period between April 18, 2019 and April 6,
18 2020, inclusive (the “Class Period”). Excluded from the Class are Defendants and their families,
19 the officers and directors of Zoom during the Class Period, members of their immediate families,
20 and their legal representatives, heirs, successors, or assigns, and any firm, trust, corporation,
21 partnership, or other entity in which any Defendant has or had a controlling interest. Also excluded
22 from the Class is any Person who would otherwise be a Member of the Class but who validly and
23 timely requests exclusion in accordance with the requirements set by the Court.

24 Use Part I of this Claim Form entitled “Claimant Identification” to identify each purchaser
25 or acquirer of record (“nominee”), if different from the beneficial purchaser or acquirer of the
26 Zoom Securities which forms the basis of this claim. **THIS CLAIM MUST BE FILED BY THE**
27 **ACTUAL BENEFICIAL PURCHASER(S) OR ACQUIRER(S) OR THE LEGAL**
28

1 REPRESENTATIVE OF SUCH PURCHASER(S) OR ACQUIRER(S) OF THE ZOOM
2 SECURITIES UPON WHICH THIS CLAIM IS BASED.

3 All joint purchasers or acquirers must sign this Claim Form. Executors, administrators,
4 guardians, conservators and trustees must complete and sign this Claim Form on behalf of persons
5 represented by them and their authority must accompany this Claim Form and their titles or
6 capacities must be stated. The last four digits of the Social Security number (or full taxpayer
7 identification number) and telephone number of the beneficial owner may be used in verifying the
8 claim. Failure to provide the foregoing information could delay verification of your claim or result
9 in rejection of the claim.

10 If you are acting in a representative capacity on behalf of a Member of the Class (for
11 example, as an executor, administrator, trustee, or other representative), you must submit evidence
12 of your current authority to act on behalf of that Member of the Class. Such evidence would
13 include, for example, letters testamentary, letters of administration, or a copy of the trust
14 documents.

15 One Claim Form should be submitted for each separate legal entity. Separate Claim Forms
16 should be submitted for each separate legal entity (*e.g.*, a claim from joint owners should not
17 include separate transactions of just one of the joint owners, and an individual should not combine
18 his or her IRA transactions with transactions made solely in the individual's name). Conversely,
19 a single Claim Form should be submitted on behalf of one legal entity, including all transactions
20 made by that entity on one Claim Form, no matter how many separate accounts that entity has
21 (*e.g.*, a corporation with multiple brokerage accounts should include all transactions made in all
22 accounts on one Claim Form).

23 NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of
24 transactions may request to, or may be requested to, submit information regarding their
25 transactions in electronic files. All claimants MUST submit a manually signed paper Claim Form
26 listing all their transactions whether or not they also submit electronic copies. If you wish to file
27 your Claim Form electronically, you must contact the Claims Administrator at edata@gilardi.com
28 to obtain the mandatory file layout. Any file not in accordance with the required electronic filing

1 format will be subject to rejection. Only one Claim Form should be submitted for each legal entity
2 (*see* above) and the **complete** name of the beneficial owner(s) of the securities must be entered
3 where called for. No electronic files will be considered to have been properly submitted unless
4 the Claims Administrator issues to the claimant a written acknowledgement of receipt and
5 acceptance of electronically submitted data. Do not assume that your file has been received until
6 you receive this notification. If you do not receive such an email within 10 days of your submission
7 you should contact the electronic filing department at edata@gilardi.com to inquire about your file
8 and confirm it was received.

9 **III. CLAIM FORM**

10 Use Part II “Schedule of Transactions in Zoom Common Stock” and Part III “Schedule of
11 Transactions in Zoom Options” of this Claim Form to supply all required details of your
12 transaction(s) in Zoom Securities. If you need more space or additional schedules, attach separate
13 sheets giving all of the required information in substantially the same form. Sign and print or type
14 your name on each additional sheet.

15 On the schedules, provide all of the requested information with respect to **all** of your
16 holdings, purchases or acquisitions and **all** of your sales of Zoom Securities, whether such
17 transactions resulted in a profit or a loss. Failure to report all such transactions may result in the
18 rejection of your claim.

19 List these transactions separately and in chronological order, by trade date, beginning with
20 the earliest. You must accurately provide the month, day and year of each transaction you list.

21 For short-sale transactions, the date of covering a “short sale” is deemed to be the date of
22 purchase of Zoom common stock, and the date of a “short sale” is deemed to be the date of sale of
23 Zoom common stock.

24 For each transaction, you must provide, together with this Claim Form, copies of
25 stockbroker confirmation slips, stockbroker statements, or other documents adequately evidencing
26 your transactions in Zoom Securities. If any such documents are not in your possession, please
27 obtain a copy or equivalent documents from your broker because these documents are necessary
28 to prove and process your claim. Failure to provide this documentation could delay verification

1 of your claim or result in rejection of your claim. **THE PARTIES DO NOT HAVE**
2 **INFORMATION ABOUT YOUR TRANSACTIONS IN ZOOM SECURITIES.**

3 PLEASE NOTE: As set forth in the Plan of Allocation, each Authorized Claimant shall
4 receive his, her or its *pro rata* share of the Net Settlement Fund. If the prorated payment to any
5 Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and
6 no distribution will be made to that Authorized Claimant.

7 UNITED STATES DISTRICT COURT
8 NORTHERN DISTRICT OF CALIFORNIA

9 *In re Zoom Securities Litigation*

10 Civil Action No. 3:20-cv-02353-JD

11 PROOF OF CLAIM AND RELEASE

12 Must Be Postmarked (if mailed) or Received (if submitted online) No Later Than:

13 _____, 2025

14 Please Type or Print

15
16 **REMEMBER TO ATTACH COPIES OF BROKER CONFIRMATIONS OR**
17 **OTHER DOCUMENTATION OF YOUR TRANSACTIONS IN ZOOM SECURITIES.**
18 **FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION**
19 **OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.**

PART I: CLAIMANT IDENTIFICATION

Last Name M.I. First Name

Last Name (Co-Beneficial Owner) M.I. First Name (Co-Beneficial Owner)

☐ IRA ☐ Joint Tenancy ☐ Employee ☐ Individual ☐ Other (specify) _____

Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA

Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)

Account#/Fund# (Not Necessary for Individual Filers)

LAST 4 DIGITS OF SOCIAL SECURITY NUMBER or Taxpayer Identification Number

Telephone Number (Primary Daytime) Telephone Number (Alternate)

Email Address

MAILING INFORMATION

Address

Address

City State Zip Code

Foreign Province Foreign Postal Code Foreign Country Name/Abbreviation

PART II: SCHEDULE OF TRANSACTIONS IN ZOOM COMMON STOCK

A. Number of shares of Zoom common stock held at the close of trading on April 17, 2019: _____

Proof Enclosed?

☐ Y ☐ N

B. Purchases or acquisitions of Zoom common stock between April 18, 2019 and July 2, 2020, inclusive:²

Trade Date Month Day Year	Number of Shares Purchased or Acquired	Total Purchase or Acquisition Price
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

² Information requested about your purchases or acquisitions on April 7, 2020 through and including the close of trading on July 2, 2020 is needed only in order for the Claims Administrator to confirm that you have reported all relevant transactions. Purchases or acquisitions during this period are not eligible for a recovery because they were made outside the Class Period.

D. Number of shares of Zoom common stock held at the close of trading on April 6, 2020:

D. Number of shares of Zoom common stock held at the close of trading on April 6, 2020:

E. Number of shares of Zoom common stock held at the close of trading on July 2, 2020:

Proof Enclosed?

☐ Y

☐ N

EX A-2 - PROOF OF CLAIM AND RELEASE - 3:20-cv-02353-JD
4904-1170-7690.v1

PART III: SCHEDULE OF TRANSACTIONS IN ZOOM OPTIONS

PURCHASES/REPURCHASES

A. I made the following purchases/repurchases of options on Zoom common stock between April 18, 2019 and April 6, 2020, inclusive:

Date(s) of transaction (List Chronologically) (MM/DD/YY)	Number of option contracts acquired	Expiry Date (MM/YY)	Strike Price	Transaction price per option contract	[X]expired [A]ssigned [E]xercised	Assigned/Exercised Date
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N

SALES/WRITTEN

B. I sold/wrote the following options on Zoom common stock during the period between April 18, 2019 and April 6, 2020, inclusive.

Date(s) of transaction (List Chronologically) (MM/DD/YY)	Number of option contracts acquired	Expiry Date (MM/YY)	Strike Price	Transaction price per option contract	[X]expired [A]ssigned [E]xercised	Assigned/Exercised Date
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N
Option Type: Put Call					Proof of transaction enclosed?	Y N

1 **YOU MUST READ AND SIGN THE RELEASE ON PAGE _____. FAILURE TO**
2 **SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE**
3 **REJECTION OF YOUR CLAIM.**

4 **IV. SUBMISSION TO JURISDICTION OF COURT AND**
5 **ACKNOWLEDGMENTS**

6 I (We) submit this Proof of Claim and Release under the terms of the Stipulation described
7 in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the
8 Northern District of California with respect to my (our) claim as a Member of the Class and for
9 purposes of enforcing the releases set forth herein. I (We) further acknowledge that I am (we are)
10 bound by and subject to the terms of the Stipulation and any judgment that may be entered in the
11 Action, including the releases and the covenants set forth herein. I (We) agree to furnish additional
12 information to the Claims Administrator to support this claim if requested to do so. I (We) have
13 not submitted any other claim covering the same purchases, acquisitions or sale of Zoom Securities
14 during the Class Period and know of no other Person having done so on my (our) behalf.

15 **V. RELEASES**

16 1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully,
17 finally, and forever waive, compromise, settle, discharge, extinguish and release from the
18 “Released Claims” (as defined below”) each and all of the “Released Defendant Parties” (as
19 defined below).

20 2. “Released Claims” means any and all claims, rights, liabilities, and causes of action
21 of every nature and description, including both known claims and “Unknown Claims” (as defined
22 below), whether contingent or absolute, asserted or unasserted, mature or unmature, discoverable
23 or undiscoverable, liquidated or unliquidated, accrued or unaccrued, including those that are
24 concealed or hidden, regardless of legal or equitable theory, that both” (i) arise out of, are based
25 upon, or are related in any way to the allegations, acts, facts, matters, occurrences, disclosures,
26 filings, statements, representations, or omissions that were or could have been alleged by Lead
27
28

1 Plaintiff and all other Class Members in the Action whether arising under federal, state, local,
2 common or foreign law, or any other law, rule, or regulation, whether class or individual in nature,
3 and (ii) concern, arise out of, are based upon, or relate to the purchase or other acquisition of Zoom
4 securities during the Class Period. Notwithstanding the foregoing, “Released Claims” does not
5 include claims relating to the enforcement of the Settlement or claims that could be brought in any
6 ERISA or derivative action based on similar allegations.

7
8 3. “Released Defendant Parties” means each and all of the Defendants and the Former
9 Defendant, and each and all of their Related Persons.

10 4. “Released Defendants’ Claims” means all claims and causes of action of every
11 nature and description, including both known claims and Unknown Claims, whether arising under
12 federal, state, common or foreign law, or any other law, that Defendants could have asserted
13 against any of the “Released Plaintiff Parties” (as defined below), including Lead Counsel and
14 Class Members, that arise out of or relate in any way to the institution, prosecution, or settlement
15 of the claims in the Action, except for claims relating to the enforcement of the Settlement.

16
17 5. “Released Parties” means the Released Defendant Parties and the Released Plaintiff
18 Parties.

19 6. “Released Plaintiff Parties” means the Lead Plaintiff, each and every Class
20 Member, Lead Counsel, and each of their respective past or present trustees, officers, directors,
21 partners, employees, contractors, auditors, principals, agents, attorneys, predecessors, successors,
22 assigns, insurers, parents, subsidiaries, general or limited partners or partnerships, and limited
23 liability companies; and the spouses, members of the immediate families, representatives, and heirs
24 of any Released Plaintiff Party who is an individual, as well as any trust of which any Released
25 Plaintiff Party is the settlor or which is for the benefit of any of their immediate family members.
26
27
28

1 Released Plaintiff Parties does not include any Person who timely and validly seeks exclusion
2 from the Class.

3 7. “Unknown Claims” means any and all Released Claims that Lead Plaintiff or any
4 other Class Member does not know or suspect to exist in his, her, or its favor at the time of the
5 release of the Released Defendant Parties, and any and all Released Defendants’ Claims that any
6 Defendant does not know or suspect to exist in his, her or its favor, which if known by him, her,
7 or it, might have affected his, her, or its decision to enter into this Settlement, execute this
8 Stipulation, and agree to all the various releases set forth herein, or might have affected his, her,
9 or its decision not to object to this Settlement or not exclude himself, herself, or itself from the
10 Class. Unknown Claims include, without limitation, those claims in which some or all of the facts
11 composing the claim may be unsuspected, undisclosed, concealed, or hidden. With respect to any
12 and all Released Claims and Released Defendants’ Claims, the Released Parties stipulate and agree
13 that, upon the Effective Date, Lead Plaintiff and Class Members (as regards the Released Claims)
14 and the Defendants (as regards the Released Defendants’ Claims) shall expressly waive and
15 relinquish, and each Class Member shall be deemed to have and by operation of law and of the
16 Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law,
17 any and all provisions, rights and benefits conferred by California Civil Code §1542, or any law
18 of any state or territory of the United States, or principle of common law or of international or
19 foreign law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542, which provides:

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

24 8. These releases shall be of no force or effect unless and until the Court approves the
25 Stipulation and the Settlement becomes effective on the Effective Date.

26 9. I (We) hereby warrant and represent that I (we) have not assigned or transferred or
27 purported to assign or transfer, voluntarily or involuntarily, any claim or matter released pursuant
28 to this release or any other part or portion thereof.

10. I (We) hereby warrant and represent that I (we) have included information about all of my (our) purchases, acquisitions and sales of Zoom Securities during the Class Period and the number of Zoom common shares held by me (us) at the close of trading on April 17, 2019, April 6, 2020, and July 2, 2020.

I (We) declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this _____ day of _____ in _____
(Month/Year) (City/State/Country)

(Sign your name here)

(Sign your name here)

(Type or print your name here)

(Type or print your name here)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Please sign the above release and declaration. 2. If this Claim is being made on behalf of Joint Claimants, then both must sign. 3. Remember to attach copies of supporting documentation, if available. 4. Do not send originals of certificates. 5. Keep a copy of your claim form and all supporting documentation for your records. | <ol style="list-style-type: none"> 6. If you desire an acknowledgment of receipt of your claim form please send it Certified Mail, Return Receipt Requested. 7. If you move, please send your new address to the address below. 8. Do not use red pen or highlighter on the Proof of Claim and Release form or supporting documentation. |
|--|---|

1
2 **THIS CLAIM FORM MUST BE SUBMITTED ONLINE OR MAILED NO LATER**
3 **THAN ____ __, 2025, ADDRESSED AS FOLLOWS:**

4 *Zoom Securities Settlement*
5 Claims Administrator
6 c/o Gilardi & Co. LLC
7 P.O. Box 301133
8 Los Angeles, CA 90030-1133
9 www.ZoomSecuritiesSettlement.com
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EXHIBIT A-3

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 SHAWN A. WILLIAMS (213113)
Post Montgomery Center
3 One Montgomery Street, Suite 1800
San Francisco, CA 94104
4 Telephone: 415/288-4545
415/288-4534 (fax)
5 shawnw@rgrdlaw.com
– and –

6 ELLEN GUSIKOFF STEWART (144892)
PATTON L. JOHNSON (320631)
7 HEATHER G. GEIGER (322937)
655 West Broadway, Suite 1900
8 San Diego, CA 92101-8498
Telephone: 619/231-1058
9 619/231-7423 (fax)
elleng@rgrdlaw.com
10 pjohanson@rgrdlaw.com
hgeiger@rgrdlaw.com

11 Lead Counsel for Lead Plaintiff

12 UNITED STATES DISTRICT COURT
13
14 NORTHERN DISTRICT OF CALIFORNIA
15 SAN FRANCISCO DIVISION

16 In re ZOOM SECURITIES LITIGATION) Case No. 3:20-cv-02353-JD

17 This Document Relates To:

18 ALL ACTIONS.

) SUMMARY NOTICE OF PROPOSED
) SETTLEMENT OF CLASS ACTION

) EXHIBIT A-3
)

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED ZOOM VIDEO COMMUNICATIONS, INC. (“ZOOM”) COMMON STOCK OR CALL OPTIONS ON ZOOM COMMON STOCK OR SOLD PUT OPTIONS ON ZOOM COMMON STOCK (“ZOOM SECURITIES”) BETWEEN APRIL 18, 2019, AND APRIL 6, 2020, INCLUSIVE (“CLASS” OR “CLASS MEMBERS”)

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

YOU ARE HEREBY NOTIFIED that a hearing will be held on _____, 2025, at _:00 __m., before the Honorable James Donato at the United States District Court, Northern District of California, Phillip Burton Federal Building & United States Courthouse, Courtroom 11, 19th Floor, 450 Golden Gate Avenue, San Francisco, CA 94102, to determine whether: (1) the proposed settlement (the “Settlement”) of the above-captioned action as set forth in the Stipulation of Settlement (“Stipulation”)¹ for \$150,000,000 in cash should be approved by the Court as fair, reasonable, and adequate; (2) the Judgment as provided under the Stipulation should be entered dismissing the Action with prejudice; (3) to award Lead Counsel attorneys’ fees and expenses out of the Settlement Fund (as defined in the Notice of Pendency and Proposed Settlement of Class Action (“Notice”), which is discussed below) and to award Lead Plaintiff for his time and expenses pursuant to 15 U.S.C. §78u-4(a)(4) in connection with his representation of the Class, and, if so, in what amounts; and (4) the Plan of Allocation should be approved by the Court as fair, reasonable, and adequate.

IF YOU PURCHASED OR OTHERWISE ACQUIRED ZOOM SECURITIES BETWEEN APRIL 18, 2019, AND APRIL 6, 2020, INCLUSIVE, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS ACTION.

To share in the distribution of the Settlement Fund, you must establish your rights by submitting a Proof of Claim and Release form (“Proof of Claim”) by mail (**postmarked no later than _____, 2025**) or electronically (**no later than _____, 2025**). Your failure to submit your Proof of Claim by _____, 2025, will subject your claim to rejection and preclude you from receiving any of the recovery in connection with the Settlement of this Action. If you

¹ The Stipulation can be viewed and/or obtained at www.ZoomSecuritiesSettlement.com.

1 purchased or acquired Zoom Securities between April 18, 2019 and April 6, 2020, inclusive, and
2 do not request exclusion from the Class, you will be bound by the Settlement and any judgment
3 and release entered in the Action, including, but not limited to, the Judgment, whether or not you
4 submit a Proof of Claim.

5 You may review the Notice, which more completely describes the Settlement and your
6 rights thereunder (including your right to object to the Settlement), access the Proof of Claim, and
7 find the Stipulation (which, among other things, contains definitions for the defined terms used in
8 this Summary Notice) and other Settlement documents, online at
9 www.ZoomSecuritiesSettlement.com, or by writing to:

10 *Zoom Securities Settlement*
11 c/o Gilardi & Co. LLC
12 P.O. Box 301133
13 Los Angeles, CA 90030-1133

14 Inquiries should NOT be directed to Defendants, the Court, or the Clerk of the Court.

15 Inquiries, other than requests for the Notice or for a Proof of Claim, may be made to Lead
16 Counsel:

17 ROBBINS GELLER RUDMAN & DOWD LLP
18 Ellen Gusikoff Stewart
19 655 West Broadway, Suite 1900
20 San Diego, CA 92101
21 Telephone: 800/449-4900
22 settlementinfo@rgrdlaw.com

23 IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A
24 REQUEST FOR EXCLUSION SUCH THAT IT IS **POSTMARKED BY _____, 2025**, IN
25 THE MANNER AND FORM EXPLAINED IN THE NOTICE. ALL CLASS MEMBERS WILL
26 BE BOUND BY THE SETTLEMENT EVEN IF THEY DO NOT SUBMIT A TIMELY PROOF
27 OF CLAIM.

28 IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE
SETTLEMENT, THE PLAN OF ALLOCATION, THE REQUEST BY LEAD COUNSEL FOR
AN AWARD OF ATTORNEYS' FEES NOT TO EXCEED 18.75% OF THE SETTLEMENT
AMOUNT AND EXPENSES NOT TO EXCEED \$400,000 AND AN AWARD TO LEAD
PLAINTIFF NOT TO EXCEED \$48,750 IN CONNECTION WITH HIS REPRESENTATION

1 OF THE CLASS. ANY OBJECTIONS MUST BE FILED WITH THE COURT **BY** _____,
2 **2025**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

3 DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

EXHIBIT B

1 ROBBINS GELLER RUDMAN
& DOWD LLP
2 SHAWN A. WILLIAMS (213113)
Post Montgomery Center
3 One Montgomery Street, Suite 1800
San Francisco, CA 94104
4 Telephone: 415/288-4545
415/288-4534 (fax)
5 shawnw@rgrdlaw.com
– and –

6 ELLEN GUSIKOFF STEWART (144892)
PATTON L. JOHNSON (320631)
7 HEATHER G. GEIGER (322937)
655 West Broadway, Suite 1900
8 San Diego, CA 92101-8498
Telephone: 619/231-1058
9 619/231-7423 (fax)
elleng@rgrdlaw.com
10 pjohanson@rgrdlaw.com
hgeiger@rgrdlaw.com

11 Lead Counsel for Lead Plaintiff

12 UNITED STATES DISTRICT COURT
13
14 NORTHERN DISTRICT OF CALIFORNIA
15
16 SAN FRANCISCO DIVISION

16 In re ZOOM SECURITIES LITIGATION	)	Case No. 3:20-cv-02353-JD
_____)	
17 This Document Relates To:	)	[PROPOSED] FINAL JUDGMENT AND
	)	ORDER OF DISMISSAL WITH PREJUDICE
18 ALL ACTIONS.	)	EXHIBIT B
_____)	

1 This matter came before the Court for hearing pursuant to the Order of this Court, dated
2 _____, on the application of the Settling Parties for approval of the Settlement set forth in
3 the Stipulation of Settlement dated July 17, 2023 (the “Stipulation”). Due and adequate notice
4 having been given to the Class as required in the Order, the Court having considered all papers filed
5 and proceedings held herein and otherwise being fully informed in the premises and good cause
6 appearing therefore, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

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

10 2. This Court has jurisdiction over the subject matter of the Action and over all parties to
11 the Action, including all members of the Class.

12 3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby affirms
13 its determinations in the Preliminary Approval Order, which certified, for purposes of effectuating
14 the Settlement, a Class defined as all Persons that purchased or otherwise acquired Zoom securities
15 between April 18, 2019, and April 6, 2020, inclusive. Excluded from the Class are Defendants and
16 their families, the officers and directors of Zoom during the Class Period, members of their
17 immediate families, and their legal representatives, heirs, successors or assigns, and any firm, trust,
18 corporation, partnership or other entity in which any Defendant has or had a controlling interest.
19 Also excluded from the Class is any Person who timely and validly sought exclusion from the Class,
20 as identified in Exhibit A hereto.

21 4. With respect to the Class, this Court finds for the purposes of effectuating the
22 Settlement that: (a) the members of the Class are so numerous that joinder of all Class Members in
23 the Action is impracticable; (b) there are questions of law and fact common to the Class; (c) the
24 claims of the Lead Plaintiff are typical of the claims of the Class; (d) Lead Plaintiff and Lead
25 Counsel have fairly and adequately represented and protected the interests of the Class Members; (e)

1 the questions of law and fact common to the Class predominate over any questions affecting only
2 individual members of the Class; and (f) a class action is superior to other available methods for the
3 fair and efficient adjudication of the controversy, considering: (i) the interests of the members of the
4 Class in individually controlling the prosecution of the separate actions; (ii) the extent and nature of
5 any litigation concerning the controversy already commenced by members of the Class; (iii) the
6 desirability or undesirability of concentrating the litigation of these claims in this particular forum;
7 and (iv) the difficulties likely to be encountered in the management of the Action.

9 5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court certifies Adam
10 M. Butt as the representative of the Class. Lead Counsel is also certified as counsel to the class
11 representative and the Class in the Action.

12 6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby
13 approves the Settlement set forth in the Stipulation and finds that:
14

15 (a) in light of the benefits to the Class and the complexity and expense of further
16 litigation, the Stipulation and the Settlement contained therein are, in all respects, fair, reasonable
17 and adequate;

18 (b) there was no collusion in connection with the Stipulation;

19 (c) Lead Plaintiff and Lead Counsel have adequately represented the Class;

20 (d) the Stipulation was the product of informed, arm's-length negotiations among
21 competent, able counsel;

22 (e) the relief provided for the Class is adequate, having taken into account (i) the
23 costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of
24 distributing relief to the Class, including the method of processing Class Member's claims; (iii) the
25 terms of any proposed award of attorneys' fees, including timing of payment; and (iv) any agreement
26 required to be identified under Federal Rule of Civil Procedure 23(e)(3);

27 (f) the proposed Plan of Allocation treats Class Members equitably relative to
28 each other; and

1 (g) the record is sufficiently developed and complete to have enabled Lead
2 Plaintiff and Defendants to have adequately evaluated and considered their positions.

3 7. Accordingly, the Court authorizes and directs implementation and performance of all
4 the terms and provisions of the Stipulation, as well as the terms and provisions hereof. Except as to
5 any individual claim of those Persons who have validly and timely requested exclusion from the
6 Class (identified in Exhibit A hereto), the Action and all claims contained therein are dismissed with
7 prejudice as to the Lead Plaintiff, and the other Class Members and as against each and all of the
8 Released Defendant Parties. The Settling Parties are to bear their own costs except as otherwise
9 provided in the Stipulation.
10

11 8. No Person shall have any claim against the Lead Plaintiff, Lead Counsel, or the
12 Claims Administrator, or any other Person designated by Lead Counsel based on determinations or
13 distributions made substantially in accordance with the Stipulation and the Settlement contained
14 therein, the Plan of Allocation, or further order(s) of the Court.
15

16 9. Upon the Effective Date, Lead Plaintiff, and each of the Class Members, shall be
17 deemed to have, and by operation of this Judgment shall have, fully, finally and forever waived,
18 released, discharged, and dismissed each and every one of the Released Claims (including, without
19 limitation, Unknown Claims) against each and every one of the Released Defendant Parties with
20 prejudice on the merits, whether or not the Lead Plaintiff, or such Class Member executes and
21 delivers the Proof of Claim and whether or not the Lead Plaintiff, or each of the Class Members ever
22 seeks or obtains any distribution from the Settlement Fund. Claims to enforce the terms of the
23 Stipulation are not released.
24

25 10. Upon the Effective Date, the Defendants and each and every Released Defendant
26 Party shall be deemed to have, and by operation of this Judgment shall have, fully, finally and
27 forever waived, released, discharged, and dismissed the Released Plaintiff Parties from all Released
28

1 Defendants' Claims (including, without limitation, Unknown Claims). Claims to enforce the terms
2 of the Stipulation are not released.

3 11. Upon the Effective Date, the Lead Plaintiff, all Class Members, and anyone claiming
4 through or on behalf of any of them are forever barred and enjoined from commencing, instituting,
5 asserting or continuing to prosecute any action or proceeding in any court of law or equity,
6 arbitration tribunal, administration forum or other forum of any kind any of the Released Claims
7 (including, without limitation, Unknown Claims) against any of the Released Defendant Parties.
8

9 12. The distribution of the Summary Notice, Notice, and Proof of Claim Form, and
10 publication of the Summary Notice as provided for in the Preliminary Approval Order constituted
11 the best notice practicable under the circumstances, including individual notice to Class Members
12 who could be identified through reasonable effort. The notice provided was the best notice
13 practicable under the circumstances of those proceedings and of the matters set forth therein,
14 including the proposed Settlement set forth in the Stipulation, to all Persons entitled to such notice,
15 and said notice fully satisfied the requirements of Federal Rule of Civil Procedure 23, due process
16 and any other applicable law, including the Private Securities Litigation Reform Act of 1995. No
17 Class Member is relieved from the terms of the Settlement, including the releases provided for
18 therein, based upon the contention or proof that such Class Member failed to receive actual or
19 adequate notice. A full opportunity has been offered to the Class Members to object to the proposed
20 Settlement and to participate in the hearing thereon. The Court further finds that the notice
21 provisions of the Class Action Fairness Act, 28 U.S.C. §1715, were fully discharged and that the
22 statutory waiting period has elapsed. Thus, it is hereby determined that all members of the Class are
23 bound by this Judgment, except those persons listed on Exhibit A to this Judgment.
24
25

26 13. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding
27 any attorneys' fee and expense application shall in no way disturb or affect this Judgment and shall
28

1 be considered separate from this Judgment. Any order or proceeding relating to the Plan of
2 Allocation or any order entered regarding any attorneys' fee and expense application, or any appeal
3 from any order relating thereto or reversal or modification thereof, shall not affect or delay the
4 finality of the Final Judgment in this Action.

5
6 14. Neither this Judgment, the Stipulation nor the Settlement contained therein, nor any
7 act performed or document executed pursuant to or in furtherance of the Stipulation or the
8 Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the
9 validity of any Released Claim or of any wrongdoing or liability of the Released Defendant Parties;
10 or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or
11 omission of any of the Released Defendant Parties; or (c) is or may be deemed to be or may be used
12 as an admission or evidence that any claims asserted by Lead Plaintiff were not valid or that the
13 amount recoverable was not greater than the Settlement Amount in any civil, criminal or
14 administrative proceeding in any court, administrative agency or other tribunal. The Released
15 Defendant Parties may file the Stipulation and/or this Judgment in any other action that may be
16 brought against them in order to support a defense or counterclaim based on principles of *res*
17 *judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other
18 theory of claim preclusion or issue preclusion or similar defense or counterclaim.
19

20
21 15. The Court finds that Defendants have satisfied their financial obligation under the
22 Stipulation by paying or causing to be paid \$150,000,000.00 to the Settlement Fund, in accordance
23 with ¶2.1 of the Stipulation.

24 16. Without affecting the finality of this Judgment in any way, this Court hereby retains
25 continuing jurisdiction over: (a) implementation of the Settlement and any award or distribution of
26 the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c)
27
28

1 hearing and determining applications for attorneys' fees and expenses in the Action; and (d) all
2 parties hereto for the purpose of construing, enforcing, and administering the Settlement.

3 17. The Court finds that during the course of the Action, the Settling Parties and their
4 respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11
5 in connection with the institution, prosecution, defense, and settlement of the Action.
6

7 18. In the event that the Settlement does not become effective in accordance with the
8 terms of the Stipulation, or the Effective Date does not occur, or in the event that the Settlement
9 Fund, or any portion thereof, is returned to the Defendants or their insurers, then this Judgment shall
10 be rendered null and void to the extent provided by and in accordance with the Stipulation and shall
11 be vacated; and in such event, all orders entered and releases delivered in connection herewith shall
12 be null and void to the extent provided by and in accordance with the Stipulation.
13

14 19. The Settling Parties shall bear their own costs and expenses except as otherwise
15 provided in the Stipulation or in this Judgment.

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

18 21. The Court directs immediate entry of this Judgment by the Clerk of the Court.

19 22. The Court's orders entered during this Action relating to the confidentiality of
20 information shall survive this Settlement.
21

22 IT IS SO ORDERED.

23 DATED: _____

THE HONORABLE JAMES DONATO
UNITED STATES DISTRICT JUDGE