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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

ANDRZEJ TOCZEK, derivatively on
behalf of PAYSIGN, INC.,

Plaintiff,

vs.

MARK R. NEWCOMER, MARK
ATTINGER, DANIEL H. SPENCE,
JOAN M. HERMAN, DAN R. HENRY,
BRUCE A. MINA, DENNIS TRIPLETT,
and QUINN WILLIAMS,

Defendants,

and

PAYSIGN, INC.,

Nominal Defendant.

Case No. 2:20-cv-01722-JCM-NJK

EXHIBIT D

**SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT
OF STOCKHOLDER DERIVATIVE ACTIONS**

1 TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF
2 PAYSIGN, INC. (“PAYSIGN” OR THE “COMPANY”) COMMON
3 STOCK AS OF NOVEMBER 25, 2024.

4 PLEASE READ THIS SUMMARY NOTICE CAREFULLY AND IN ITS
5 ENTIRETY AS YOUR RIGHTS MAY BE AFFECTED BY
6 PROCEEDINGS IN THE LITIGATION.

7 YOU ARE HEREBY NOTIFIED that the following stockholder derivative actions
8 (the “Derivative Actions”), are being settled on the terms set forth in a Stipulation
9 and Agreement of Settlement dated November 25, 2024 (the “Stipulation”): (i) the
10 above-captioned consolidated action, titled *Toczek v. Newcomer et al.*, Case No. 2:20-
11 cv-01722-JCM-NJK; (ii) *Blanchette v. Paysign, Inc. et al.*, Case No. 2:23-cv-01632-
12 JCM-BNW (D. Nev.); and (iii) *Jeewa v. Newcomer, et al.*, Case No. 2:23-cv-02129-
13 RFB-EJY (D. Nev.).

14 The Derivative Actions allege that, *inter alia*, between March 12, 2019 through
15 September 17, 2020, at least, the Individual Defendants breached their fiduciary
16 duties by issuing and/or causing the Company to issue materially false and
17 misleading statements (including by soliciting a materially false and misleading
18 proxy statement allegedly in violation of Section 14(a) of the Securities Exchange
19 Act of 1934) and by failing to disclose material facts to the public regarding, among
20 other things, that: (1) the Company failed to design, implement, and maintain
21 effective IT general controls, specifically pertaining to user access and the
22 Company’s systems change management; (2) the Company failed to maintain
23 effective disclosure controls and internal controls over its financial reporting; and
24 (3) due to the foregoing, the Company would be forced to delay filing its 2019 10-K
25 and holding its 2019 year-end earnings call. The Derivative Actions also allege that
26 the Individual Defendants breached their fiduciary duties by failing to correct and/or
27 causing the Company to fail to correct these false and misleading statements and
28 omissions of material fact to the investing public, while four of the Individual
Defendants engaged in lucrative insider sales, netting combined proceeds of over
\$5.7 million. The Derivative Actions allege that, as a result of the foregoing, the
Company experienced reputational and financial harm. Defendants have denied and
continue to deny each and all of the claims and allegations of wrongdoing asserted in
the Derivative Actions.

Pursuant to the terms of the Settlement, Paysign agrees to implement and
maintain certain corporate governance reforms that are outlined in Exhibit A to the
Stipulation (the “Reforms”). The Reforms shall be maintained for five (5) years.

1 Paysign acknowledges and agrees that the filing, pendency, and settlement of the
2 Derivative Actions was the cause of the Company's decision to adopt, implement,
3 and maintain the Reforms. Paysign also acknowledges and agrees that the Reforms
4 confer substantial benefits to Paysign and its shareholders.

5 After negotiating the principal terms of the Settlement, counsel for the Parties,
6 with the assistance of the Mediator, negotiated the attorneys' fees and expenses to be
7 paid to Plaintiffs' Counsel, subject to Court approval (the "Fee and Expense
8 Amount"). In light of the substantial benefits conferred upon the Company and its
9 stockholders, Defendants' insurers shall pay to Plaintiffs' Counsel \$607,500.00 for
10 their attorneys' fees and expenses, subject to Court approval. Defendants also agreed
11 not to object to the request for the Court to approve Service Awards of up to two
12 thousand dollars (\$2,000.00) for each of the four Plaintiffs, to be paid from the Fee
13 and Expense Amount.

14 On November 14, 2025 at 1:00 p.m., a hearing (the "Settlement Hearing") will
15 be held before the Honorable Richard F. Boulware at the United States District Court
16 for the District of Nevada, Las Vegas Division, 333 Las Vegas Boulevard South, Las
17 Vegas, Nevada 89101, for the purpose of determining whether the Settlement should
18 be approved as fair, reasonable, and adequate and whether the Court should approve
19 the agreed-to Fee and Expense Amount and the Service Awards for Plaintiffs.
20 ***Because this is not a class action, except as otherwise provided for in the***
21 ***Stipulation with respect to the Plaintiffs, no Current Paysign Stockholder has the***
22 ***right to receive any individual compensation as a result of the Settlement.***

23 This Summary Notice provides a condensed overview of certain provisions of
24 the Stipulation and the full Notice of Pendency and Proposed Settlement of
25 Stockholder Derivative Actions (the "Notice"). It is not a complete statement of the
26 events of the Derivative Actions or the terms set forth in the Stipulation. This
27 summary should be read in conjunction with, and is qualified in its entirety by
28 reference to, the text of the Stipulation. For additional information about the claims
asserted in the Derivative Actions, and the terms of the proposed Settlement, you
may inspect the full Notice and the Stipulation and its exhibits and other papers at
the Clerk's office in the Court at any time during regular business hours. In addition,
copies of the Stipulation and its exhibits and the Notice are available on the Investor
Relations page of the Company's website, www.paysign.com.

26 The Court may, in its discretion, change the date, time, or format of the
27 Settlement Hearing without further notice to you. If you intend to attend the
28 Settlement Hearing, please consult the Court's calendar or Investor Relations page

1 of the Company's website, www.paysign.com, for any change in the date, time, or
2 format of the Settlement Hearing.

3 Inquiries about the Derivative Actions or the Settlement may be made to:
4 Timothy Brown, The Brown Law Firm, P.C., 767 Third Avenue, Suite 2501, New
5 York, NY 10017, Telephone: (516) 922-5427, Email: tbrown@thebrownlawfirm.net.

6 You may enter an appearance before the Court, at your own expense,
7 individually or through counsel of your choice. If you want to object at the Settlement
8 Hearing, you must be a Current Paysign Stockholder and you must first comply with
9 the procedures for objecting that are set forth in the Notice. **Any objection to any
10 aspect of the Settlement must be filed with the Clerk of the Court and sent to
11 Plaintiffs' Counsel and Defendants' Counsel no later than October 24, 2025 (21
12 days before the Settlement Hearing)**, in accordance with the procedures set forth
13 in the Stipulation and the Notice. Any Current Paysign Stockholder who fails to
14 object in accordance with such procedures will be bound by the Order and Final
Judgment of the Court granting final approval to the Settlement and the releases of
claims therein, and shall be deemed to have waived the right to object (including the
right to appeal) and forever shall be barred, in this proceeding or in any other
proceeding, from raising such objection.

15 **PLEASE DO NOT CALL THE COURT OR DEFENDANTS WITH**
16 **QUESTIONS ABOUT THE SETTLEMENT.**

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