

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 2, 2023

CV SCIENCES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

000-54677
(Commission File Number)

80-0944970
(I.R.S. Employer Identification No.)

9530 Padgett Street, Suite 107
San Diego, California 92126
(Address of principal executive offices)

(866) 290-2157
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
N/A		

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure

On March 2, 2023, CV Sciences, Inc. (the “Company”) issued a press release announcing the proposed settlement of certain stockholder derivative actions previously filed against the Company and certain other named defendants, as discussed in additional detail in Item 8.01, below. The press release is furnished as Exhibit 99.3 to this Current Report on Form 8-K (this “Report”).

The information set forth under Item 7.01 of this Report, including Exhibit 99.3 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.3, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing, except as expressly set forth by specific reference in such a filing. This Report will not be deemed an admission as to the materiality of any information in this Report that is required to be disclosed solely by Regulation FD.

Item 8.01 Other Events

On February 7, 2023, the U.S. District, District Nevada entered an order (the “Order”) granting preliminary approval of the proposed settlement of the following stockholder derivative action, in accordance with a Stipulation of Settlement dated April 19, 2022 (the “Stipulation”): (i) Lamont v. Mona, Jr., et al., Case No. 2-15-cv-00481 (D. Nev.). The terms of the proposed settlement are subject to final court approval, the hearing date for which is May 15, 2023 at 2:30 p.m. before The Honorable Richard F. Boulware, II in Courtroom 7C of the United States District Court for the District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101.

The settlement, if approved by the court, will resolve all claims that were or could have been asserted in the foregoing litigation. The Company and other named defendants denied, and continue to deny, any liability or wrongdoing in connection with the allegations contained in the foregoing lawsuits. The proposed settlement agreement contemplates the implementation by the Company of certain corporate reforms within 60 days of final approval. The Company currently anticipates that plaintiff’s counsel will file a motion seeking an award of attorney’s fees.

Pursuant to the Order granting preliminary approval, the Company is publishing the Notice of Settlement (the “Notice”) and the Stipulation to its website at <https://ir.cvsciences.com/governance-docs> for review by investors. The contents of the Company’s website shall not be deemed to be incorporated by reference into this Report.

The foregoing descriptions of the Stipulation and Notice do not purport to be complete and are qualified in their entirety by reference to the full text of the Stipulation and Notice, which are filed as Exhibits 99.1 and 99.2, respectively, to this Report and incorporated herein by reference.

Forward-Looking Statements

This Report, including the exhibits attached hereto, contain forward-looking statements. Investors are cautioned that statements in this Report regarding: (i) the Stipulation, (ii) the settlement process, (iii) the impact of such settlement, including related activities, approvals and payments, and (iv) other statements that are not historical facts, constitute forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. Actual outcomes and results may differ materially from what is expressed in these forward-looking statements.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 [Stipulation and Agreement of Settlement, dated June 1, 2022](#)
- 99.2 [Notice of Proposed Settlement, dated February 7, 2023](#)
- 99.3 [Press Release, dated March 2, 2023](#)
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 2, 2023

CV SCIENCES, INC.

By: /s/ Joseph Dowling
Joseph Dowling
Chief Executive Officer

1
2
3
4
5
6
7
8
9
10
11
12
13
14

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

OTILDA LAMONT, Derivatively on
Behalf of CANNAVEST CORP.,

Plaintiff,

v.

MICHAEL MONA, JR., BART P.
MACKAY, and LARRY RASKIN,

Defendants,

and

CANNAVEST CORP., now known as
CV Sciences, Inc.

Nominal Defendant.

Case No. 2:15-cv-00481

**STIPULATION AND
AGREEMENT OF SETTLEMENT**

15 This Stipulation and Agreement of Settlement dated as of April 18, 2022 (the
16 “**Stipulation**”) is made and entered into by and among the following Parties: (i)
17 plaintiff in the above-captioned derivative action (“**Derivative Action**”), Otilda
18 Lamont (“**Plaintiff**”); and (ii) nominal defendant CV Sciences, Inc., f/k/a CannaVest
19 Corp. (“**CV Sciences**” or “the **Company**”); and Michael Mona Jr., Bart P. MacKay,
20 and, (collectively “**Defendants**” and with Plaintiff, the “**Parties**”), by and through
21 their counsel.¹ Subject to the approval of the Court, the Stipulation is intended by the
22 Parties to fully, finally and forever resolve, discharge, and settle the Derivative Action
23 and the Released Claims (defined below), upon and subject to the terms and
24 conditions hereof.

25 **I. FACTUAL AND PROCEDURAL BACKGROUND**

26 On March 17, 2015, former plaintiff Michael Ruth commenced an action

27

28

¹ Defendant Larry Raskin was previously dismissed by the Court in response to Defendants' Motion to Dismiss.

1 against Defendants in the U.S. District Court for the District of Nevada, styled *Ruth*
2 *v. Mona, Jr., et al.*, Case No. 2:15-cv-00481 (D. Nev.), asserting claims derivatively
3 on behalf of CV Sciences (the "**Ruth Action**").

4 On July 20, 2015, former plaintiff Michael Ruth and plaintiff Otilda Lamont
5 ("Plaintiff Lamont") filed an amended shareholder derivative complaint in the Ruth
6 Action adding Plaintiff Lamont to the action and asserting claims against Defendants
7 in the U.S. District Court for the District of Nevada.

8 On May 30, 2018, former plaintiff Michael Ruth and plaintiff Otilda Lamont
9 filed a second amended shareholder derivative complaint in the **Ruth Action**. On
10 September 20, 2019, Defendants' filed a Motion to Dismiss this second amended
11 shareholder derivative complaint.

12 On December 11, 2020, the Court presided over a hearing on Defendants'
13 Motion to Dismiss this second amended shareholder derivative complaint. The Court
14 denied Defendants' Motion to Dismiss, except as to Defendant Raskin (granting
15 Plaintiff leave to amend in the event of discovered evidence) and as to standing. At
16 this hearing Plaintiff's Counsel represented that plaintiff Michael Ruth sold his CV
17 Sciences shares, and as a result would be voluntarily dismissed. Regarding Plaintiff
18 Lamont, the Court ordered Plaintiff to file a third amended shareholder derivative
19 complaint to clarify her continuous shareholding.

20 In her third amended shareholder derivative complaint ("**Lamont Action**")
21 Plaintiff Lamont alleged that Defendants breached their fiduciary duties by personally
22 making and/or causing the Company to make to the investing public a series of
23 materially false and misleading statements regarding the Company's accounting for
24 its acquisition of certain assets of Phytosphere Systems, LLC and further failed to
25 properly identify and report certain related party transactions.

26 Specifically, the Plaintiff alleged that the Defendants made and/or caused the
27 Company to make false and misleading representations regarding: (1) the value of the
28 PhytoSphere acquisition; and (2) CV Sciences' financial position and results of

1 operations. Specifically, Defendants allegedly misrepresented and materially
2 overstated the value of the PhytoSphere transaction and the amount of its intangible
3 assets and goodwill acquired thereby. Defendants further allegedly overstated the
4 amount of CV Sciences' revenues for the first quarter 2013 and misrepresented the
5 source of CV Sciences' revenues for the first three quarters 2013 by failing to disclose
6 that 100% of CV Sciences' revenues during the first three quarters of 2013 were
7 generated from sales to MJNA, an alleged related party. Additionally, Defendants
8 allegedly failed to disclose that a person under felony indictment for fraud, Defendant
9 Llamas, was allegedly participating, behind the scenes, in the management of the
10 Company. Finally, Defendants allegedly misrepresented that CV Sciences' financial
11 statements complied with generally accepted accounting principles ("GAAP").

12 As a result of the Defendants' alleged misconduct, CV Sciences, its Chief
13 Executive Officer, and three other members of the Board at the time of the allegedly
14 false statements, were all named as defendants (among others) in a federal securities
15 fraud class action lawsuit filed in the United States District Court for the Southern
16 District of New York, *In re CannaVest Corp. Securities Litigation, 14-cv-2900 (PG)*
17 *(S.D.N.Y.)* (the "Securities Class Action"). Plaintiff Lamont alleged that because of
18 the need to undertake internal investigations, the need to implement adequate internal
19 controls over its financial reporting, the losses from the waste of corporate assets, and
20 the losses due to the unjust enrichment of the Defendants who benefitted from the
21 wrongdoing alleged herein, the Company suffered reputational and financial damage.

22 Plaintiff Lamont also alleged that in light of the Defendants' misconduct, the
23 substantial likelihood of the directors' liability in the Derivative Action, and the
24 substantial likelihood of each of the Defendants' liability in the Securities Class
25 Action, a majority of the Company's Board could not consider a demand to

26 commence litigation against themselves on behalf of the Company with the requisite
27 level of disinterestedness and independence.

28

1 On October 29, 2021, Plaintiff took the deposition of Joseph Dowling, CV
2 Sciences' current Chief Executive Officer ("CEO") since May 31, 2018, and the
3 Company's Chief Financial Officer ("CFO") from June 16, 2014 to March 15, 2019.
4 Mr. Dowling was also appointed to its board of directors on May 31, 2018. Mr.
5 Dowling joined the Company after the allegedly wrongful conduct described herein
6 was publicly revealed. He testified that after he joined the Company corporate
7 governance documents and policies were adopted that were not previously in place,
8 and that at the time he joined the Company, there were very few, if any, corporate
9 governance policies, procedures that were in place.

10 He testified that time, did not have the typical committees of the board of
11 directors that you would expect to be in place, and nor did we have charters for those
12 committees, including for the audit committee, the compensation committee, and the
13 nominations of governance committee. He also testified that the Company did not
14 have a very robust system of internal controls when he started there.

15 Mr. Dowling also testified about the 2013 valuation report by Vantage Point
16 that the fair market value for PhytoSPHERE by Vantage Point was just over \$8
17 million and that he agreed with their valuation of the PhytoSPHERE assets and does
18 not dispute its analysis. Mr. Dowling also testified about the 2014 ASC 805 valuation
19 report completed by Vantage Point. Regarding this report, Mr. Dowling agreed with
20 its analysis which identifies the total allocated to tangible and intangible assets of
21 PhytoSPHERE as just over \$8 million and agreed with its conclusion.

22 Mr. Dowling also testified about the SEC complaint against CV Sciences and
23 Mr. Mona, Jr., which was commenced while he was CFO of the Company. Mr.
24 Dowling acknowledged on June 6th, 2018, there was a sanctions order that was
25 accepted by Mr. Mona and a settlement on the same date which related to the subject

26 matter of Plaintiff's action.

27 After the Court's ruling on Defendants' Motion to Dismiss and completion of

28 certain discovery (discussed *supra*, the Parties engaged in extensive settlement

1 negotiations and were able to reach agreement on the substantive terms of the
2 settlement of the Derivative Action. The Parties memorialized their agreement as to
3 the substantive terms of the proposed settlement in a Settlement Term Sheet on
4 _____.

5 Thereafter, the Parties commenced negotiations as to a proposed Fee and
6 Expense Award to Plaintiff's Counsel. Both Parties agreed to and settled upon a
7 proposed Fee and Expense Award of \$ _____.

8 The resolution of Plaintiff's claim for an award of fees and expenses is not the
9 subject of any agreement between the Parties other than what is set forth in this
10 Stipulation.

11 Although Plaintiff believes her claims have merit, she recognizes the expense
12 and length of continued proceedings necessary to prosecute such claims through trial
13 and subsequent appeals. Plaintiff's Counsel also has taken into account the costs and
14 risks inherent in proceeding further with litigation. Therefore, Plaintiff and Plaintiff's
15 Counsel believe that the Settlement, on the terms and conditions set forth herein, is
16 fair, reasonable, adequate and in the best interests of CV Sciences and its
17 shareholders.

18 Defendants deny each and every claim and contention alleged by Plaintiff in
19 the Derivative Action. Defendants expressly deny all charges of wrongdoing or
20 liability against them arising out of any of the conduct, statements, acts or omissions
21 alleged in the Derivative Action and deny any and all allegations that Plaintiff, CV
22 Sciences, or CV Sciences' shareholders suffered recoverable damages or are entitled
23 to equitable relief as a result of any action or inaction by the Defendants. The
24 Defendants firmly believe the Derivative Action to be without merit and further assert
25 that, at all relevant times, they acted in good faith, with due care, and in a manner they

26 reasonably believed to be in the best interests of CV Sciences and its shareholders.

27 Nonetheless, Defendants believe it is in CV Sciences' and their best interests

28 that the Derivative Action be fully and finally settled in the manner and upon the terms

1 and conditions set forth in this Stipulation because, among other things, further
2 conduct of the Derivative Action could be protracted and expensive, and could further
3 distract the Board, management and workforce from their jobs. Further, Defendants
4 acknowledge that the Settlement set forth in the Stipulation confers a material
5 corporate benefit upon CV Sciences, and is fair, reasonable, adequate, and in the best
6 interests of CV Sciences and its shareholders.

7 NOW, THEREFORE, IT IS STIPULATED AND AGREED, by and among
8 the parties hereto, through their undersigned counsel, as follows:

9 **II. CERTAIN DEFINITIONS**

10 1. To the extent not otherwise defined herein, as used in this Stipulation,
11 the following terms shall have the meanings specified below. In the event of any
12 inconsistency between any definition set forth below and any definition set forth in
13 any document attached as an exhibit to the Stipulation, the definition set forth below
14 shall control.

- 15 a. **“Derivative Action”** means the above-captioned action.
- 16 b. **“CV Sciences Shareholder”** means any Person with a direct or
17 beneficial interest in CV Sciences common stock.
- 18 c. **“Court”** means the U.S. District Court for the District of Nevada.
- 19 d. **“Defendants”** means Michael Mona Jr., Bart P. MacKay, and
20 Larry Raskin.
- 21 e. **“Defendants’ Counsel”** means Procopio, Cory, Hargreaves &
22 Savitch LLP.
- 23 f. **“Effective Date”** means the first date by which all of the events
24 and conditions specified in Paragraph VIII.13 of this Stipulation have occurred.
- 25 g. **“Execution Date”** means the date that this Stipulation has been
26 signed by all the signatories hereto through their counsel.

27 h. **“Final”** means, with respect to any order of court, including,
28 without limitation, the Final Judgment, that such order represents a final and binding

1 determination of all issues within its scope and is not subject to further review on
2 appeal or otherwise. Without limitation, an order becomes “Final” when: (a) no
3 appeal has been filed and the prescribed time for commencing any appeal has expired;
4 or (b) an appeal has been filed and either (i) the appeal has been dismissed and the
5 prescribed time, if any, for commencing any further appeal has expired, or (ii) the
6 order has been affirmed in its entirety and the prescribed time, if any, for commencing
7 any further appeal has expired. For purposes of this Paragraph, an “appeal” includes
8 appeals as of right, discretionary appeals, interlocutory appeals, proceedings
9 involving writs of certiorari or mandamus, and any other proceedings seeking review,
10 alteration, amendment or appeal of a court’s order.

11 i. **“Final Judgment”** means the judgment to be entered by the
12 Court, substantially in the form attached as Exhibit C hereto.

13 j. **“Immediate Family”** means spouse, domestic partner, parents,
14 grandparents, children and grandchildren.

15 k. **“Parties”** means Plaintiff, CV Sciences, and the Defendants.

16 l. **“Person”** means any individual, bank, corporation, limited
17 liability company, professional corporation, partnership, limited partnership, limited
18 liability partnership, association, joint stock company, estate, legal representative,
19 trust, unincorporated association, government or any political subdivision or agency
20 thereof, and any other business or legal entity together with the spouses, heirs,
21 predecessors, successors, representatives, or assigns of any of the foregoing.

22 m. **“Plaintiff”** means Otilda Lamont.

23 n. **“Plaintiff’s Counsel”** means Gainey McKenna & Egleston, and
24 Matthew L. Sharp, LTD.

25 o. **“Released Claims”** means any and all claims, rights, demands,

26 causes of action or liabilities of any kind, nature and character whatsoever (including,
27 but not limited to, any claims for damages, interest, attorneys' fees, expert or
28 consulting fees, and any other costs, expenses or liability whatsoever), whether based

1 on federal, state, local, statutory or common law, or any other law, rule or regulation,
2 whether foreign or domestic, whether fixed or contingent, accrued or unaccrued,
3 liquidated or unliquidated, at law or in equity, matured or unmatured, whether known
4 or unknown including, without limitation, Unknown Claims (as defined below)
5 (collectively “**Claims**”) against any of the Released Persons that have been, could
6 have been, or could in the future be, asserted in the Derivative Action or in any other
7 derivative action in any other forum or proceeding by any Person (including but not
8 limited to Plaintiff) derivatively on behalf of CV Sciences, or by CV Sciences itself
9 against any of the Released Persons that arise out of or are related, directly or
10 indirectly, in any way to:

11 (a) any of the facts, matters, occurrences, actions, practices, conduct, events,
12 transactions, statements, disclosures, representations,
13 misrepresentations, omissions, or failures to act that were involved, set
14 forth, referred to, asserted, alleged, or that could have been alleged in the
15 Derivative Actions including, but not limited to, claims for securities law
16 violations, breach of fiduciary duty, abuse of control, mismanagement,
17 gross mismanagement, waste of corporate assets, unjust enrichment,
18 contribution and indemnification, money damages, disgorgement, any
19 and all demands, actions, damages, claims, rights or causes of action, or
20 liabilities whatsoever; or

21 (b) that would have been barred by res judicata had the Derivative Action
22 been fully litigated to a final judgment, *provided that* Released Claims
23 shall not include claims to enforce the Settlement. Notwithstanding the
24 foregoing, “Released Claims” also does not include the claims asserted
25 in the Securities Class Action, *In re Cannavest Corp. Securities*

26 *Lingston*, 14-cv-2900 (PG) (S.D.N.Y.).

27 p. **“Released Persons”** means (a) CV Sciences and the Defendants,

28 as well as any person, partnership, bank, firm, corporation, limited liability company,

1 trust or other entity or organization in which CV Sciences or any Defendant has a
2 controlling interest or which is or was related to or affiliated with any of them; and
3 (b) with respect to each of the Persons in subsection (a), their respective past, present
4 or future directors and officers, including but not limited to Michael Mona Jr., Bart P.
5 MacKay, and Larry Raskin; and their respective past, present or future employees,
6 insurers, reinsurers, attorneys, agents, partners, principals, advisors, investment
7 advisors, auditors, accountants, trustees, underwriters, investment bankers,
8 subsidiaries, parents, successors, predecessors, heirs, Immediate Family, and anyone
9 acting or purporting to act for or on behalf of any of them or their successors.

10 q. **“Settlement”** means the settlement embodied in this Stipulation.

11 r. **“Settlement Counsel”** means Gainey McKenna & Egleston,
12 counsel for Plaintiff Lamont.

13 s. **“Unknown Claims”** means any Released Claims that Plaintiff,
14 CV Sciences or any CV Sciences Shareholder (claiming in the right of, or on behalf
15 of, CV Sciences) does not know or suspect to exist in his, her or its favor at the time
16 of the release of the Released Persons which, if known by him, her or it, might have
17 affected his, her or its settlement with and release of the Released Persons, or might
18 have affected his, her or its decision not to object to this Settlement. Unknown Claims
19 include those claims in which some or all of the facts comprising the claim may be
20 suspected, or even undisclosed or hidden. With respect to any and all Released
21 Claims, Plaintiff and CV Sciences stipulate and agree that, upon the Effective Date,
22 they shall expressly waive, and every CV Sciences Shareholder shall be deemed to
23 have, and by operation of the Final Judgment shall have, expressly waived the
24 provisions, rights, and benefits of California Civil Code § 1542, which provides:

25 **A general release does not extend to claims which the creditor**

or releasing party does not know or suspect to exist in his or

26

27

28

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.

1 Plaintiff and CV Sciences shall expressly waive, and every CV Sciences Shareholder
2 shall be deemed to have, and by operation of the Final Judgment shall have, expressly
3 waived any and all provisions, rights, and benefits conferred by any law of any state
4 or territory of the United States, or principle of common law or foreign law, which is
5 similar, comparable or equivalent in effect to California Civil Code § 1542.

6 Plaintiff, CV Sciences, and any CV Sciences Shareholder may hereafter
7 discover facts in addition to or different from those which he, she or it now knows or
8 believes to be true with respect to the subject matter of the Released Claims, but
9 Plaintiff and CV Sciences shall expressly have, and every CV Sciences Shareholder
10 shall be deemed to have, and by operation of the Final Judgment shall have, fully,
11 finally, and forever settled and released any and all Released Claims, known or
12 unknown, suspected or unsuspected, contingent or non-contingent, whether or not
13 concealed or hidden, which now exist, or heretofore have existed, upon any theory of
14 law or equity now existing or coming into existence in the future, including, but not
15 limited to, conduct which is negligent, reckless, intentional, with or without malice,
16 or a breach of any duty, law or rule, without regard to the subsequent discovery or
17 existence of such different or additional facts. Plaintiff and CV Sciences
18 acknowledge, and every CV Sciences Shareholder shall be deemed by operation of
19 the Final Judgment to have acknowledged, that the foregoing waivers were separately
20 bargained for and a key element of the Settlement.

21 **III. CORPORATE GOVERNANCE CHANGES**

22 2. Within sixty (60) days of the Court's entering the Final Judgment, CV
23 Sciences' Board of Directors ("Board") shall adopt resolutions and amend Board
24 Committee Charters to the extent necessary to adhere to the corporate governance
25 reforms set forth in Exhibit A hereto and incorporated by reference herein
26 ("Reforms")

27 3. CV Sciences acknowledges and agrees that the filing, pendency and
28 settlement of the Derivative Action was a contributing factor of the Company's

1 decision to adopt and implement the Reforms.

2 4. CV Sciences also acknowledges and agrees that the Reforms confer a
3 material corporate benefit to CV Sciences and CV Sciences' shareholders.

4 **IV. PROCEDURE FOR IMPLEMENTING THE SETTLEMENT**

5 5. Promptly after the Execution Date, Settlement Counsel shall submit the
6 Stipulation together with its Exhibits to the Court, and shall make an application,
7 which shall be unopposed by CV Sciences and Defendants, for entry of an order
8 substantially in the form and content of Exhibit B attached hereto (the "**Preliminary**
9 **Approval Order**"). The application shall request, *inter alia*, the preliminary approval
10 of the Settlement set forth in the Stipulation, approval of notice to CV Sciences
11 Shareholders in the form attached as Exhibit B-1 hereto ("**Notice**"), as well as a date
12 for a hearing at which the Court will decide whether to grant final approval of the
13 Settlement ("**Final Hearing**"). The Notice shall include the general terms of the
14 proposed Settlement set forth in the Stipulation, contact information for Plaintiff's
15 Counsel, and the date of the Final Hearing, and shall note that a copy of the Stipulation
16 of Settlement is posted on the Company's website.

17 6. Subject to Court approval, within twenty (20) calendar days of the
18 Court's entry of the Preliminary Approval Order, CV Sciences shall, with all costs
19 borne by CV Sciences' insurers, (1) publish the notice of settlement in *Investor's*
20 *Business Daily* or *GlobeNewswire*; and (2) include the notice of settlement and
21 stipulation of settlement on the Company's website. The Parties believe the content
22 and manner of such procedure constitutes adequate and reasonable notice to CV
23 Sciences Shareholders pursuant to applicable law.

24 **V. ATTORNEYS' FEES**

25 7. The Parties reached agreement on a proposed Fee and Expense Award
26 of \$xx as payment to Plaintiff's Counsel for the benefits achieved on behalf of CV

27 Sciences in the Derivative Action (the “**Fee and Expense Award**”) payable by the
28 Company’s insurers.

1 8. CV Sciences and Defendants will not oppose an application by Plaintiff
2 for a Service Awards of up to \$3,500.00, which shall be paid from the Fee and
3 Expense Award (the “Service Awards”).

4 9. In the event the Parties agree to attorneys’ fees and expenses awarded to
5 Plaintiff’s Counsel, the Court shall be deposited into an escrow account designated
6 by Plaintiff’s Counsel within thirty (30) days after the date that the Court enters the
7 Preliminary Approval Order substantially in the form attached hereto as Exhibit B.
8 The funds deposited into Plaintiff’s Counsel’s escrow account may not be distributed
9 until the Court enters a Final Judgment. Settlement Counsel will allocate the Fee and
10 Expense Award amongst Plaintiff’s Counsel in a manner in which they have
11 agreed. If, and when, as a result of any appeal and/or further proceedings on remand,
12 or successful collateral attack or otherwise, the Fee and Expense Award is overturned,
13 reduced or does not become Final for any reason, or if the Settlement is terminated,
14 not approved by the Court, or otherwise does not become effective pursuant to
15 Paragraph 13 hereof, then, within thirty (30) days after receiving notice from
16 Defendants’ Counsel or from a court of appropriate jurisdiction of such event,
17 Plaintiff’s Counsel shall refund to CV Sciences’ insurers in an amount consistent with
18 such reversal or modification, the Fee and Expense Award paid to them.

19 10. In the event that the Parties are unable to reach an agreement regarding
20 attorneys’ fees and expenses awarded Plaintiff’s Counsel, Plaintiff may make a
21 motion to the Court seeking an award of attorneys’ fees and expenses for the benefits
22 achieved on behalf of CV Sciences on the Derivative Action. Defendants and the CV
23 Sciences reserve the right to oppose any such motion.

24 **VI. FINAL JUDGMENT APPROVING THE SETTLEMENT**

25 11. At the Final Hearing, Settlement Counsel shall request entry of the Final

26 Judgment, substantially in the form attached hereto as Exhibit C.

27 **VII. RELEASES**

28 12. Upon the Effective Date, Plaintiff, CV Sciences and all current and

1 former CV Sciences Shareholders, on behalf of themselves, and each of their
2 respective personal representatives, Immediate Family, trustees, heirs, executors,
3 administrators, parent entities, associates, affiliates, predecessors, successors and
4 assigns, and any other Person claiming (now or in the future) to be acting on behalf
5 of any of them, shall be deemed to have, and by operation of the Final Judgment shall
6 have, fully, finally, and forever released, relinquished, settled and discharged all
7 Released Claims against the Released Persons and shall be permanently barred and
8 enjoined from instituting, commencing, participating in, continuing, maintaining,
9 asserting or prosecuting any Released Claim against any of the Released Persons, or
10 assisting any Person in instituting, commencing, participating in, continuing,
11 maintaining, asserting or prosecuting any Released Claim against any of the Released
12 Persons. Nothing herein shall in any way impair or restrict the rights of any of the
13 Parties to enforce the terms of this Stipulation.

14 13. Upon the Effective Date, the Released Persons shall be deemed to have,
15 and by operation of the Final Judgment shall have, fully, finally, and forever released,
16 relinquished, and discharged Plaintiff and Plaintiff's Counsel from all claims
17 (including Unknown Claims), arising out of, relating to, or in connection with the
18 defense, institution, prosecution, assertion, settlement, or resolution of the Released
19 Claims. Nothing herein shall in any way impair or restrict the rights of any of the
20 Parties to enforce the terms of this Stipulation.

21 **VIII. CONDITIONS OF SETTLEMENT; EFFECT OF DISAPPROVAL,**
22 **CANCELLATION OR TERMINATION**

23 14. The Effective Date of this Stipulation, and the Settlement incorporated
24 herein, shall be the date on which all of the following conditions of settlement shall
25 have occurred:

a) final approval by the Court of the Settlement following notice to

26 a) final approval by the Court of the Settlement, following notice to
27 CV Sciences Shareholders and the Final Hearing;
28

1 b) entry by the Court of the Final Judgment in all material respects
2 in the form set forth in Exhibit C, and the Final Judgment becoming Final, or, in the
3 event that the Court enters a judgment in a form other than that provided above
4 (**“Alternative Judgment”**) and neither Plaintiff on the one hand, nor the Defendants
5 on the other, elect to terminate this Settlement, the date that such Alternative
6 Judgment becomes Final; and

7 c) if the circumstances described in Paragraph 15 occurs, the
8 expiration of the time for Plaintiff on the one hand, or the Defendants on the other, to
9 exercise the termination rights provided in the applicable Paragraph(s) without the
10 termination rights being exercised.

11 15. Plaintiff on the one hand, and Defendants on the other, shall each have
12 the right to terminate the Settlement, and thereby this Stipulation, by providing written
13 notice of their election to do so (**“Termination Notice”**) to all other Parties hereto
14 within thirty (30) calendar days of:

15 (a) the Court’s declining to enter the Preliminary Approval Order in
16 any respect that the terminating Party reasonably and in good faith believes is
17 materially adverse to it;

18 (b) the Court refusing to approve the Settlement as set forth in this
19 Stipulation in any respect that the terminating Party reasonably and in good faith
20 believes is materially adverse to it;

21 (c) the Court’s declining to enter the Final Judgment in any respect
22 that the terminating Party reasonably and in good faith believes is materially adverse
23 to it;

24 (d) the date upon which the Final Judgment is modified or reversed
25 by the Court, the Ninth Circuit Court of Appeals or the U.S. Supreme Court in any

26 | respect that the terminating Party reasonably and in good faith believes is materially
27 | adverse to it; or
28 | (e) the date upon which an Alternative Judgment is modified or

1 reversed by the Court, the Ninth Circuit Court of Appeals or the Supreme Court in
2 any respect that the terminating Party reasonably and in good faith believes is
3 materially adverse to it.

4 Notwithstanding anything above, Plaintiff may not terminate the Settlement
5 based on the amount of attorneys' fees and/or expenses awarded by the Court.

6 16. In the absence of any of the events enumerated in Paragraph 15 above,
7 no Party shall have the right to terminate the Stipulation for any reason.

8 17. If the Settlement is terminated by Plaintiff or Defendants (a
9 "**Termination**"): (a) the Settlement shall be without force and effect upon the rights
10 of the Parties, and none of its terms (other than this Paragraph, Paragraph 9, Paragraph
11 19, Paragraph 28 and Paragraph 29) shall be effective or enforceable; (b) the Parties
12 shall revert to their litigation positions immediately prior to the Execution Date and
13 no claims, rights or defenses, whether legal or equitable, of any of the Parties hereto
14 that existed prior to executing this Stipulation shall be diminished or prejudiced in
15 any way; and (c) within thirty (30) days from the date of such Termination, Plaintiff's
16 Counsel shall return to CV Sciences' insurers any and all sums paid pursuant to
17 Paragraph 9 above. The termination rights set forth herein are not intended to limit
18 or impair the Parties' rights under the law of contracts of the State of Nevada with
19 respect to any breach of this Settlement.

20 **IX. NO ADMISSIONS**

21 18. The Parties intend the Settlement as described herein to be a final and
22 complete resolution of all disputes between them with respect to the Derivative Action
23 and to compromise claims that are contested. Entry into this Settlement shall not be
24 deemed an admission by any party hereto as to the merits of any claim or defense or
25 any allegation made in the Derivative Action.

26 19. This Stipulation, whether or not it is consummated and whether or not

26 17. This stipulation, whether or not it is consummated and whether or not
27 it is terminated, any of its provisions, any negotiations, proceedings or agreements
28 relating to the Stipulation and the Settlement, all matters arising in connection with

1 such negotiations, proceedings or agreements, and all acts performed or documents
2 executed pursuant to or in furtherance of this Stipulation:

3 a) shall not be offered or received against any of the Released
4 Persons as evidence of a presumption, concession, or admission of any kind;

5 b) shall not be offered or received against any of the Released
6 Persons as evidence of an admission by any of those Released Persons with respect
7 to the truth of any fact alleged in the Derivative Action or the validity of any Released
8 Claim, or the deficiency of any defense that has been or could have been asserted, or
9 of any liability, negligence, fault, or wrongdoing of the Released Persons;

10 c) shall not be offered or received against the Released Persons as
11 evidence of any fault, misrepresentation, omission or other actionable conduct with
12 respect to any statement or written document approved or made by any of the
13 Released Persons;

14 d) shall not be offered or received against the Released Persons as
15 evidence of any liability, negligence, fault or wrongdoing, or in any way referred to
16 for any other reason as against any of the Released Persons, in any other civil, criminal
17 or administrative action or proceeding, other than such proceedings as may be
18 necessary to effectuate the provisions of this Stipulation; provided, however, that if
19 this Stipulation is approved by the Court, the Released Persons may refer to it to
20 effectuate the release of Released Claims and other liability protections granted them
21 hereunder;

22 e) shall not be construed against any of the Released Persons as an
23 admission or concession that the consideration to be given hereunder represents the
24 amount that could be or would have been recovered after trial;

25 f) shall not be construed as or received in evidence as an admission,

26 | concession or presumption against Plaintiff or Plaintiff's Counsel that any of their
27 | claims are without merit, or that any defenses asserted by the Defendants have any
28 | merit; and

1 g) shall not, in the event of a Termination, be used by any Party for
2 any purpose in any trial in the Derivative Action.

3 Any Party may file or introduce this Stipulation and/or the Final Judgment in
4 any action or proceeding that may be brought to enforce the terms of this Stipulation
5 and/or the Final Judgment, or any action or proceeding related to rights or claims of
6 Defendants relating to indemnification and/or advancement in connection with the
7 Derivative Action.

8 **X. MISCELLANEOUS PROVISIONS**

9 20. The Parties: (a) acknowledge that it is their intent to consummate the
10 Settlement; and (b) agree to cooperate to the extent reasonably necessary to effectuate
11 and implement all terms and conditions of the Stipulation and to exercise their best
12 efforts to accomplish the foregoing terms and conditions of the Stipulation.

13 21. The Stipulation may be amended or modified only by a written
14 instrument signed by or on behalf of all Parties or their respective successors-in-
15 interest. The Parties reserve the right, upon the agreement of all of them and subject
16 to the Court's approval, to make any reasonable extensions of time or modifications
17 to the Exhibits that might be necessary to carry out any of the provisions of this
18 Stipulation.

19 22. The Stipulation, including its Exhibits, constitutes the entire agreement
20 among the parties hereto and no representations, warranties, or inducements have
21 been made to any party concerning the Stipulation other than the representations,
22 warranties, and covenants contained and memorialized in such documents. Any and
23 all prior or contemporaneous discussions, negotiations, agreements, commitments,
24 and understandings related thereto are superseded hereby. It is understood by the
25 Parties that, except for the matters expressly represented herein, the facts or law with
26 respect to which this Stipulation is entered into may turn out to be other than. or

27 different from, the facts now known to each party or believed by such party to be true;
28 each party therefore expressly assumes the risk of the facts or law turning out to be so

1 different, and agrees that this Stipulation shall be in all respects effective and not
2 subject to termination by reason of any such different facts or law. Except as otherwise
3 provided herein, each Party shall bear its own costs.

4 23. The Stipulation may be executed in one or more counterparts. All
5 executed counterparts and each of them shall be deemed to be one and the same
6 instrument. A complete set of executed counterparts shall be filed with the Court. The
7 Parties agree that facsimile or scanned signatures shall have the same force and effect
8 as original signatures.

9 24. The Stipulation shall be binding upon, and inure to the benefit of, the
10 heirs, executors, administrators, trustees, successors and assigns of the Parties,
11 including any corporation or other entity into or with which any party merges,
12 consolidates, or reorganizes.

13 25. The Court shall retain jurisdiction with respect to implementation and
14 enforcement of the terms of the Stipulation, and all Parties and their counsel hereto
15 submit to the jurisdiction of the Court for purposes of implementing and enforcing
16 the Settlement embodied in the Stipulation.

17 26. Nothing in this Stipulation, Settlement, or the negotiations or
18 proceedings relating to the foregoing is intended to or shall be deemed to constitute a
19 waiver of any applicable privilege or immunity, including, without limitation, the
20 attorney-client privilege or the work-product privilege, and all information
21 transmitted between Plaintiff's Counsel and Defendants' Counsel in connection with
22 this Settlement shall be inadmissible in any proceeding in any federal or state court
23 or other tribunal or otherwise, in accordance with Rule 408 of the Federal Rules of
24 Evidence as if such Rule applied in all respects in any such proceeding or tribunal.

25 27. This Stipulation and the Settlement contemplated by it, and all disputes

26 arising out of or relating to the Stipulation and Settlement, shall be construed and
27 enforced in accordance with, and governed by, the substantive laws and procedural
28 rules of the State of Nevada without giving effect to conflicts of law principles, except

1 to the extent that federal law requires that federal law governs. Any dispute relating
2 to this Stipulation or the Settlement shall be brought exclusively in the U.S. District
3 Court for the District of Nevada.

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

9 29. All agreements by, between or among the Parties, their counsel and their
10 other advisors as to the confidentiality of information exchanged between or among
11 them shall remain in full force and effect, and shall survive the execution and any
12 termination of this Stipulation and the final consummation of the Settlement, if finally
13 consummated.

14 30. In the event any proceedings by or on behalf of CV Sciences, whether
15 voluntary or involuntary, are initiated under any chapter of the U.S. Bankruptcy Code,
16 including any act of receivership, asset seizure, or similar federal or state law action
17 ("**Bankruptcy Proceedings**"), the Parties agree to use their reasonable best efforts to
18 obtain all necessary orders, consents, releases, and approvals for effectuation of the
19 Stipulation and Court approval of the Settlement in a timely and expeditious manner,
20 to the extent consistent with applicable law. If any Bankruptcy Proceedings by or on
21 behalf of CV Sciences are initiated prior to the payment of the Fee and Expense
22 Award, the Parties agree that all dates and deadlines in the Derivative Action, if any,
23 or any dates and deadlines associated with the appeal of the Derivative Action, if any,
24 will be extended for such periods of time as are necessary to attempt to obtain
25 necessary orders, consents, releases, and approvals from the bankruptcy court to carry

26 out the terms and conditions of this Settlement, to the extent consistent with applicable
27 law.

28 31. Except in the event of termination of this Settlement, Plaintiff, CV

1 Sciences and Defendants agree not to assert under Rule 11 of the Federal Rules of
2 Civil Procedure or any similar law, rule or regulation, that the Derivative Action was
3 brought or defended in bad faith or without a reasonable basis. The Parties agree that
4 the terms of this Settlement were negotiated at arms' length and in good faith by the
5 Parties and reflect a settlement that was reached voluntarily based upon adequate
6 information and after consultation with their respective experienced legal counsel.

7 32. Any written notice required pursuant to or in connection with this
8 Stipulation shall be addressed to the Parties' counsel as designated and identified
9 below and sent by both email and overnight mail.

10 33. The waiver by one Party of any breach of this Stipulation by any other
11 Party shall not be deemed a waiver of any other prior or subsequent breach of this
12 Stipulation.

13 34. The captions contained in this Stipulation are inserted only as a matter
14 of convenience and in no way define, limit, extend or describe the scope of the
15 Stipulation or the intent of any provision.

16 35. All of the Exhibits to this Stipulation are material and integral parts
17 hereof and are fully incorporated herein by this reference.

18
19
20
21
22
23
24
25


26

27

28

1 IN WITNESS WHEREOF, the parties hereto have caused this Stipulation to be
2 executed, by their duly authorized attorneys as of the date set forth below.

3 DATED: April 19, 2022

4 
5 _____

6 Gregory M. Egleston (*pro hac vice*)
7 **GAINY McKENNA &**
8 **EGLESTON**
9 501 Fifth Avenue, 19th Floor
10 New York, NY 10017
11 Telephone: (212) 983-130
12 tjmckenna@gme-law.com

13 *Settlement Counsel for Plaintiff*
14 Matthew L. Sharp
15 **MATTHEW L. SHARP, LTD.**
16 419 Flint St.
17 Reno, NV 89501
18 Phone: (775) 324-1500
19 Email: matt@mattsharp.com

20 **LOCAL COUNSEL FOR**
21 **PLAINTIFF**

22 
23 _____

24 S. Todd Neal (Cal. Bar No. 174827 –Pro Hac
25 Vice)

26 Sean M. Sullivan (Cal. Bar No. 254372 –Pro
Hac Vice)

Eric A. Plourde (Cal. Bar No. 320451 –Pro
Hac Vice)

**Procopio, Cory, Hargreaves & Savitch
LLP**

525 B Street, Suite 2200 San Diego, CA

92101 Telephone: 619.238.1900

Facsimile: 619.235.0398

E-mail: todd.neal@procopio.com

E-mail: sean.sullivan@procopio.com

E-mail: eric.plourde@procopio.com

COUNSEL FOR DEFENDANTS

27

28

21

2023-2024

EXHIBIT A

CORPORATE GOVERNANCE TERM SHEET

CREDIT FOR PRIOR ACTIONS TAKEN BY CV SCIENCES, INC.

To the extent that (a) any changes, modifications, and improvements to CV Sciences, Inc., previously known as CannaVest Corp. (“CV Sciences” or the “Company”) corporate governance and business ethics practices, and (b) any changes to CV Sciences’ Board of Directors (“Board”) or management personnel were made by the Company following the initiation of the derivative action captioned *Lamont, et al. v. Mona, Jr., et al.*, No. 2:15-cv-00481 (U.S.D.C., District of Nevada) (the “Derivative Action”), the Board, acting by unanimous resolution, has determined and acknowledges that the filing and pendency of the action entitled *Lamont v. Mona, et al.*, Case No. Civil Action No.: 2:15-cv-00481-RFB-VCF (D. Nev.) (the “Derivative Action”) was a contributing factor thereto. CV Sciences further acknowledges and agrees that the filing, pendency and settlement of the Derivative Action contributed to the Company’s decision to adopt, implement and maintain the Reforms, and CV Sciences and its Board also acknowledge and agree that the Reforms confer a material corporate benefit upon CV Sciences and its stockholders.

CORPORATE GOVERNANCE REFORMS

Except as otherwise set forth herein, the Company shall implement changes, modifications, and improvements to CV Sciences’ corporate governance and business ethics practices (the “Reforms”) set forth below within sixty (60) days of final approval of the settlement of the Derivative Action.

CV Sciences shall maintain the Reforms for at least four (4) years following final settlement approval, except for modifications required by applicable law, regulation, or fiduciary duty. The Reforms may be amended or eliminated only if the independent members of the Board determine in a good faith exercise of their business judgment that the implementation or maintenance of the Reform(s) would be contrary to applicable laws or regulations, including the Board’s fiduciary duties. In such event, the independent directors, to the extent their fiduciary obligations allow based upon their good faith exercise of business judgment, shall adopt an amended or substitute reform that addresses the same goals, purposes and/or functions of the original Reform(s) as soon as practicable. Any changes made pursuant to this provision shall be published in the Company’s next regular quarterly filing with the Securities and Exchange Commission. Any modification of the Reforms shall be publicly reported by CV Sciences.

I. IMPROVEMENTS TO THE AUDIT COMMITTEE

CV Sciences shall adopt a resolution to amend the Audit Committee Charter. The Audit Committee Charter shall be amended to account for the Related Party Transactions Policy and its responsibilities thereunder. This resolution shall state:

“In addition to those obligations set forth herein, the Audit Committee shall satisfy all of its obligations as set forth under the Related Party Transaction Policy.”



II. CORPORATE GOVERNANCE GUIDELINES

Within ninety (90) days of final approval of the settlement of the Derivative Action, the Company's Nominations and Corporate Governance Committee shall develop, formalize, and recommend to the Board a set of corporate governance guidelines as required by its present charter. The Corporate Governance Guidelines shall be promptly finalized, approved, adopted, and published by the Board

III. THE RELATED PARTY TRANSACTION POLICY

Currently, CV Sciences has a formal written policy relating to related party transactions (the "Related-Party Transactions Policy").

The Related Party Transaction Policy shall be amended to add:

"To the extent they have not already done so, all Board members and executive officers shall submit to the Audit Committee and the Chief Financial Officer ("CFO") an up-to-date list of companies in which they are a director, an officer, and/or of which they own a controlling interest, and to will promptly update the list when any changes occur."

IV. BOARD APPROVAL OF M&A TRANSACTIONS EXCEEDING \$1,000,000

CV Sciences shall enact through resolution of the Bboard of Directors a new Internal Control requiring Board approval of all M&A transactions in excess of \$1,000,000 with the following language:

"Any merger or acquisition involving the Company which exceeds \$1,000,000 shall be approved by simple majority vote of disinterested directors prior to the Company engaging in such transaction."

V. ADDITIONAL MATTERS

In addition to the corrective actions described above, CV Sciences shall immediately complete and/or otherwise agrees to the following:

- a. **Updating of All Governance Documents** – All Company Corporate Governance Documents shall be revised to include its date of adoption and (at least) its last revision date.
- b. **Publishing of Governance Documents** – The Company shall post on its website, the Related Party Transactions Policy and the Corporate Governance Policy with its other governance documents.
- c. **Board Resolution Required** – Any stipulation of settlement entered into by the parties shall reflect that the Board, acting by unanimous resolution, has determined that: (i) the settlement confers substantial benefits on CV Sciences and its



stockholders; (ii) Plaintiff's pursuit of the Derivative Action and subsequent resolution efforts were a contributing cause in CV Sciences' implementation of the reforms outlined herein; and (iii) the settlement is, in all respects, fair, reasonable, and in the best interests of the Company and its stockholders;

d. **Notice of Proposed Settlement** – The parties will propose that the reviewing court order notice of the proposed settlement to be given in the following manner: (i) publication of the notice of settlement in *Investor's Business Daily* or *GlobeNewswire*; and (ii) inclusion of the notice of settlement and stipulation of settlement on the Company's website. The Company shall pay for all costs associated with this notice program or any other form and manner of notice required by the reviewing court; and

e. **Attorneys' Fees and Expenses** – As part of the settlement, the Company and the Defendants agree to negotiate in good faith after the parties have agreed to all other material terms of the settlement for the purpose of agreeing on a reasonable amount of attorneys' fees and expenses to the Derivative Plaintiff's counsel and any terms related to payment of same.



EXHIBIT B

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

OTILDA LAMONT, Derivatively on
Behalf of CANNAVEST CORP.,

Plaintiff,

v.

MICHAEL MONA, JR., BART P.
MACKAY, and LARRY RASKIN,

Defendants,

and

CANNAVEST CORP., now known as
CV Sciences, Inc.

Nominal Defendant.

Case No.: 2:15-cv-00481-RFB

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

Presented to the court for preliminary approval is a settlement of all claims asserted against all Defendants in the above-captioned action. The terms of the Settlement are set out in a Stipulation of Settlement executed by counsel for the Parties as of April 19, 2022 (“Stipulation”). All capitalized terms used herein have the meanings set forth and defined in the Stipulation.

The Court, upon reviewing the Stipulation, declares that it is hereby ORDERED, ADJUDGED AND DECREED as follows:

1. CannaVest Corp. is now known as CV Sciences, Inc. (“CV Sciences”).
2. The Court has jurisdiction over the subject matter of the above-captioned action (“Derivative Action”), the Settlement, and over the Parties to the Stipulation.
3. The Court preliminarily finds that the proposed Settlement should be

28 approved as being fair, reasonable, adequate, and in the best interests of CV Sciences and its shareholders.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

4. In connection with preliminary approval of the proposed Settlement, the Court preliminarily finds, for purposes of the Settlement, that the Derivative Action was properly brought pursuant to Federal Rule of Civil Procedure 23.1 as a shareholder derivative action on behalf of CV Sciences, and that Plaintiff fairly and adequately represents the interests of CV Sciences shareholders in enforcing the rights of CV Sciences.

5. A hearing (“**Final Hearing**”) will be held on _____, 2022 at ___ a.m./p.m. before the Honorable Richard Franklin Boulware II in Courtroom ___ of the United States District Court for the District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101, pursuant to Federal Rule of Civil Procedure 23.1, to among other things: (i) determine whether the proposed Settlement is fair, reasonable and adequate and in the best interests of CV Sciences and CV Sciences shareholders; (ii) consider any objections to the Settlement submitted in accordance with the Notice; (iii) determine whether a Final Judgment substantially in the form attached as Exhibit C to the Stipulation should be entered, dismissing all claims in the Derivative Action with prejudice and releasing the Released Claims against the Released Persons; (iv) consider the payment to Plaintiff’s Counsel of attorneys’ fees and for the reimbursement of expenses (“Fee and Expense Award”); (v) consider the payment of a Service Award to Plaintiff to be paid from the Fee and Expense Award; and (vi) consider any other matters that may properly be brought before the Court in connection with the Settlement.

6. CV Sciences shall cause the notice of the proposed Settlement, in the form attached as Exhibit B-1 hereto (“**Notice**”), to set forth the date for the Final Hearing at which the Court will decide whether to grant final approval of the Settlement. The Notice shall also include the general terms of the proposed Settlement set forth in the Stipulation, contact information for Plaintiff’s Counsel, the date of the Final Hearing, and shall note that a copy of the Stipulation of Settlement is posted on the Company’s

and shall note that a copy of the Supuration or Settlement is posted on the Company's website.

1 7. Within twenty (20) calendar days of the entry of this Order, CV Sciences
2 shall, with all costs borne by CV Sciences' insurers, (i) publish the Notice of Settlement
3 in *Investor s Business Daily* or *GlobeNewswire*; and (ii) include the Notice of
4 settlement and stipulation of settlement on the Company's website. The Notice shall
5 be substantially in the form of the Notice attached as Exhibit B-1 to the Stipulation.
6 The Parties believe the content and manner of such procedure constitutes adequate and
7 reasonable notice to CV Sciences Shareholders pursuant to applicable law. Such notice
8 is hereby found to be reasonable and sufficient under the circumstances, to comply
9 with the provisions of Rule 23.1 of the Federal Rules of Civil Procedure and the
10 requirements of due process of the United States Constitution, and to constitute due
11 and sufficient notice to all Persons affected by the proposed Settlement and entitled to
12 participate in the Final Hearing. Non-material changes to the form of the Notice may
13 be made upon agreement by the Parties without further approval of the Court.

14 8. At least ten (10) days prior to the Final Hearing, counsel for CV Sciences
15 shall file proof by declaration of the posting and publication of the Notice, as set forth
16 in Paragraph 7 above.

17 9. Any CV Sciences Shareholder who wishes to object to the fairness,
18 reasonableness, or adequacy of the Settlement, to any term of the Stipulation, or to the
19 proposed Fee and Expense Award and Service Awards, may file an objection. An
20 objector must file with the Court a written statement of his, her or its objection(s): (a)
21 clearly indicating that objector's name, mailing address, daytime telephone number,
22 and e-mail address (if any); (b) stating that the objector is objecting to the proposed
23 Settlement and/or proposed Fee and Expense Award and Service Awards; (c)
24 specifying the reason(s), if any, for each such objection made, including any legal
25 support and/or evidence that such objector wishes to bring to the Court's attention or
26 introduce in support of such objection; and (d) identifying and supplying
27 documentation showing how many shares of CV Sciences common stock the objector

1 owned as of _____, when the objector purchased or otherwise acquired such
2 shares, and whether the objector still owns any such CV Sciences shares.

3 10. The objector must file such objections and supporting documentation with
4 the Clerk of the Court, U.S. District Court, District of Nevada, Sandra Day O'Connor
5 United States Courthouse, 333 Las Vegas Blvd South, Las Vegas, NV 89101 not later
6 than twenty-one (21) days prior to the Final Hearing, and, by the same date, copies of
7 all such papers must also be received by each of the following persons:

8 **Counsel for Plaintiff:**

9 Thomas J. McKenna

10 **GAINEY McKENNA & EGLESTON**

11 501 Fifth Avenue, 19th Floor

12 New York, NY 10017

13 **Counsel for Defendants and BBHC:**

14 S. Todd Neal

15 Sean M. Sullivan

16 Eric A. Plourde

17 **PROCOPIO, CORY, HARGREAVES & SAVITCH LLP**

18 525 B Street, Suite 2200

19 San Diego, CA 92101

20 An objector may file an objection on his, her or its own or through an attorney hired at
21 his, her or its own expense. If an objector hires an attorney to represent him, her or it
22 for the purposes of making such objection pursuant to this paragraph, the attorney must
23 effect service of a notice of appearance on the counsel listed above and file such notice
24 with the Court no later than twenty-one (21) days before the Final Hearing. Any CV
25 Sciences Shareholder who does not timely file and serve a written objection complying
26 with the terms of this paragraph shall be deemed to have waived, and shall be
27 foreclosed from raising, any objection to the Settlement, and any untimely objection
shall be barred. Any submissions by the Parties in support of final approval of the
Settlement shall be filed with the Court and served at least twenty-eight (28) days
before the Final Hearing, and any submissions by the Parties in opposition to objections

1 or in reply shall be filed with the Court no later than seven (7) days before the Final
2 Hearing.

3 11. Any objector who files and serves a timely, written objection in
4 accordance with the instructions above and herein, may appear at the Final Hearing
5 either in person or through counsel retained at the objector's expense. Objectors need
6 not attend the Final Hearing, however, in order to have their objections considered by
7 the Court. Timely objectors or their attorneys intending to appear at the Final Hearing
8 are required to indicate in their written objection (or in a separate writing submitted to
9 the counsel listed in the preceding paragraph no later than twenty-one (21) days prior
10 to the Final Hearing) that they intend to appear at the Final Hearing and identify any
11 witnesses they may call to testify and exhibits they intend to introduce into evidence at
12 the Final Hearing. Objectors or their attorneys intending to appear at the Final Hearing
13 must also, no later than twenty-one (21) days prior to the Final Hearing, file with the
14 Court, and serve upon counsel listed in the above paragraph, a notice of intention to
15 appear, setting forth the name and address of anyone intending to appear. Any objector
16 who does not timely file and serve a notice of intention to appear in accordance with
17 this paragraph shall not be permitted to appear at the Final Hearing, except for good
18 cause shown.

19 12. Defendants' Counsel and Plaintiff's Counsel shall promptly furnish all
20 Parties with copies of any and all objections and notices of intention to appear that
21 come into their possession.

22 13. Pending final determination of whether the Settlement should be
23 approved, Plaintiff and all other CV Sciences Shareholders, and anyone who acts or
24 purports to act on their behalf, shall not institute, prosecute, participate in, or assist in
25 the institution, prosecution, or assertion of, any Released Claim against any of the
26 Released Persons.

27 14. This Order shall become null and void, and shall be without prejudice to

17. This Order shall become null and void, and shall be without prejudice to the rights of the Parties if the Settlement is terminated in accordance with the

1 Stipulation. In such event, paragraphs 14 and 16 of the Stipulation shall govern the
2 rights of the Parties.

3 15. This Order shall not be construed or used as an admission, concession, or
4 presumption by or against any of the Released Persons of any fault, wrongdoing,
5 breach, or liability or as a waiver by any Party of any arguments, defenses, or claims
6 he, she, or it may have in the event that the Stipulation is terminated, nor shall it be
7 used in any manner prohibited by paragraphs 17 and 18 of the Stipulation. In the event
8 this Order becomes of no force or effect, it shall not be construed or used as an
9 admission, concession, or presumption by or against the Released Persons or the
10 Plaintiff.

11 16. All proceedings in this action are stayed until further order of the Court,
12 except as may be necessary to implement the Settlement or comply with the terms of
13 the Stipulation and this Order. This Court retains exclusive jurisdiction over the
14 Derivative Action to consider all further matters arising out of or connected with the
15 Settlement.

16 17. The Court reserves the right to approve the Stipulation and the Settlement
17 with modifications agreed to by the Parties and without further notice to any CV
18 Sciences Shareholders. The Court further reserves the right to adjourn the date of the
19 Final Hearing or modify any other dates set forth herein without further notice to CV
20 Sciences Shareholders and retains jurisdiction to consider all further matters related to
21 the Derivative Actions or the Settlement. The Court may decide to hold the Final
22 Hearing telephonically or via video without further notice to CV Sciences
23 shareholders. Any CV Sciences shareholder (or his, her or its counsel) who wishes to
24 appear at the Final Hearing should consult the Court's calendar and/or the CV
25 Sciences' corporate website for any change in date, time or format of the Final Hearing.
26
27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

SO ORDERED this ____ day of _____, 2022.

The Honorable Richard F. Boulware
United States District Court Judge

EXHIBIT B-1

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

OTILDA LAMONT, Derivatively on Behalf
of CANNAVEST CORP.,

Plaintiff,

v.

MICHAEL MONA, JR., BART P. MACKAY, and
LARRY RASKIN,

Defendants,

and

CANNAVEST CORP., now known as CV
Sciences, Inc.

Nominal Defendant

Case No. 2:15-cv-00481-RFB

**NOTICE OF SHAREHOLDER
DERIVATIVE ACTION, PROPOSED
SETTLEMENT AND SETTLEMENT
HEARING**

TO: ALL PERSONS WHO OWNED CANNAVEST CORP., NOW KNOWN AS CV SCIENCES, INC. ("CV SCIENCES"), COMMON STOCK AS OF APRIL 1, 2022.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF A SHAREHOLDER DERIVATIVE ACTION AND CLAIMS ASSERTED ON BEHALF OF BBHC (THE "ACTION").

IF THE COURT APPROVES THE SETTLEMENT AND DISMISSAL OF THE ACTION, SHAREHOLDERS OF CV SCIENCES AND CV SCIENCES WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED SETTLEMENT AND FROM PURSUING THE RELEASED CLAIMS.

THESE ACTIONS ARE NOT "CLASS ACTIONS." THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY PAYMENT.

On April 19, 2022, CV Sciences, Inc., formerly known as CannaVest Corp. ("CV Sciences"), in its capacity as a nominal defendant, entered into a Stipulation of Settlement (the

“Stipulation”) in the above-captioned shareholder derivative action¹ filed in the U.S. District Court for the District of Nevada, styled *Lamont v. Mona, Jr., et al.*, Case No. 2:15-cv-00481 (D. Nev.) (the “Derivative Action”), against certain current and former directors and officers of CV Sciences, and against CV Sciences as a nominal defendant. The Stipulation executed by counsel for the Settling Parties on April 19, 2022 and the settlement contemplated therein (the “Settlement”), including dismissal of all claims with prejudice in the Derivative Action, is subject to approval by the U.S. District Court for the District of Nevada (the “Court”). The proposed Settlement requires CV Sciences to adopt certain additional corporate governance reforms, as outlined in Exhibit A to the Stipulation, subject to Court approval. The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party or Released Person as to the merits of any claim, allegation or defense.

This notice is a summary of the Settlement only and does not describe all of the details of the Stipulation. For full details of the matters discussed in this notice, please see the full Stipulation by visiting CV Sciences’ website at _____, or contact Plaintiff’s Counsel at the address listed below. All capitali ed terms used in this notice, unless otherwise defined herein, are defined as set forth in the Stipulation.

Summary

The Derivative Action alleged that the Defendants willfully or recklessly made and/or caused the Company to make false or misleading representations regarding: (1) the value of the PhytoSphere acquisition; and (2) CV Sciences’ financial position and results of operations. As a result of the foregoing, the Plaintiff alleged that Defendants had breached their fiduciary duties to the Company and to its shareholders. Defendants deny each and every claim and contention alleged by Plaintiff and also expressly deny all charges of wrongdoing or liability arising out of the allegations in the Actions

After the Court’s denial of Defendants’ Motion to Dismiss in substantial part and discovery proceedings undertaken, the Parties engaged in extensive settlement negotiations. The Parties memoriali ed their agreement as to the substantive terms of the proposed settlement in a Settlement Term Sheet on January 13, 2022.

In recognition of the benefits achieved on behalf of CV Sciences in the Derivative Action, the Parties shall attempt to negotiate in good faith and with the assistance of a mediator if necessary an agreed amount of attorneys’ fees and expenses (the “Fee and Expense Award”) to be proposed to the Court prior to the Final Hearing as payment to Plaintiff’s Counsel for the benefits achieved on behalf of CV Sciences. If the Parties are unable to reach agreement, Plaintiff may make a motion to the Court seeking an award of attorneys’ fees and expenses for the benefits achieved on behalf of CV Sciences in the Derivative Action. Defendants reserve the right to oppose any such motion.

¹ A derivative claim is a claim brought by a shareholder on behalf of a company, rather than on behalf of himself or herself or the other shareholders of the company. The recovery sought in

a derivative action is for the benefit of the company rather than directly for individual shareholders.

The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party or Released Person as to the merits of any claim, allegation or defense.

On _____, 2022, the Court entered an order preliminarily approving the Stipulation and the Settlement contemplated therein and providing for notice of the Settlement (the "Preliminary Approval Order"). The Preliminary Approval Order further provides that the Court will hold a hearing ("Final Hearing"), on _____, 2022 at ___ a.m./p.m. before the Honorable Richard F. Boulware, II in Courtroom ___ of the United States District Court for the District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101, pursuant to Federal Rule of Civil Procedure 23.1, to among other things: (i) determine whether the proposed Settlement is fair, reasonable and adequate and in the best interests of CV Sciences and its shareholders; (ii) consider any objections to the Settlement submitted in accordance with the Notice; (iii) determine whether a Final Judgment substantially in the form attached as Exhibit C to the Stipulation should be entered dismissing all claims in the Derivative Action with prejudice and releasing the Released Claims against the Released Persons; (iv) consider the payment to Plaintiff's Counsel of attorneys' fees and for the reimbursement of expenses as requested in the Fee and Expense Award; (v) consider the payment to Plaintiff of a Service Award in an amount not to exceed _____, which will be funded from the Fee and Expense Award; and (vi) consider any other matters that may properly be brought before the Court in connection with the Settlement.

The Court may, in its discretion, change the date and/or time of the Final Hearing without further notice to you. The Court also has reserved the right to hold the Final Hearing telephonically or remotely without further notice to you. If you intend to attend the Final Hearing, please consult the Court's calendar and/or CV Sciences' website at _____ for any change in date, time or format of the Final Hearing.

Any CV Sciences Shareholder who wishes to object to the fairness, reasonableness, or adequacy of the Settlement as set forth in the attached Stipulation, or to the proposed Fee and Expense Award and Service Awards, may file an objection. An objector must file with the Court a written statement of his, her or its objection(s): (a) clearly indicating that objector's name, mailing address, daytime telephone number, and e-mail address (if any); (b) stating that the objector is objecting to the proposed Settlement and/or proposed Fee and Expense Award and Service Awards; (c) specifying the reason(s), if any, for each such objection made, including any legal support and/or evidence that such objector wishes to bring to the Court's attention or introduce in support of such objection; and (d) identifying and supplying documentation showing how many shares of CV Sciences common stock the objector owned as of _____, when the objector purchased or otherwise acquired such shares, and proof that the objector still owns such CV Sciences shares.

The objector must file such objections and supporting documentation with the Clerk of the Court, U.S. District Court, District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101, not later than twenty-one (21) days prior to the Final Hearing, and, by the same date, copies of all such papers must also be received by each of the following persons:

Counsel for Plaintiff:



Gregory M. Egleston
GAINEY McKENNA & EGLESTON
501 Fifth Avenue, 19th Floor
New York, NY 10017

Counsel for Defendants and CV Sciences:

S. Todd Neal
Sean M. Sullivan
Eric A. Plourde
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP
525 B Street, Suite 2200
San Diego, CA 92101

An objector may file an objection on his, her or its own or through an attorney hired at his, her or its own expense. If an objector hires an attorney to represent him, her or it for the purposes of making such objection pursuant to this paragraph, the attorney must effect service of a notice of appearance on the counsel listed above and file such notice with the Court no later than twenty-one (21) days before the Final Hearing. Any CV Sciences Shareholder who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the Settlement, and any untimely objection shall be barred. Any submissions by the Parties in opposition to objections or in reply shall be filed with the Court no later than seven (7) days before the Final Hearing.

Any objector who files and serves a timely, written objection in accordance with the instructions above and herein, may appear at the Final Hearing either in person or through counsel retained at the objector's expense. Objectors need not attend the Final Hearing, however, in order to have their objections considered by the Court. Timely objectors or their attorneys intending to appear at the Final Hearing are required to indicate in their written objection (or in a separate writing submitted to the counsel listed in the preceding paragraph no later than twenty-one (21) days prior to the Final Hearing) that they intend to appear at the Final Hearing and identify any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Hearing. Objectors or their attorneys intending to appear at the Final Hearing must also, no later than twenty-one (21) days prior to the Final Hearing, file with the Court, and serve upon counsel listed above, a notice of intention to appear, setting forth the name and address of anyone intending to appear. Any objector who does not timely file and serve a notice of intent to appear in accordance with this paragraph shall not be permitted to appear at the Final Hearing, except for good cause shown.

If you are a current holder of CV Sciences common stock and do not take steps to appear in this action and object to the proposed Settlement, you will be bound by the Final Judgment of the Court and will forever be barred from raising an objection to such settlement in this or any other action or proceeding, and from pursuing any of the Released Claims.

You may obtain further information by contacting Plaintiff's Counsel at: Gregory M. Egleston, Esq., Gainey McKenna Egleston, 501 Fifth Avenue, 19th Floor, New York, NY 10017, Telephone: (212) 983-1300; Email: gegleston@gme-law.com.

PLEASE DO NOT CALL THE COURT OR CV SCIENCES REGARDING THIS NOTICE.

EXHIBIT C

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

OTILDA LAMONT, Derivatively on
Behalf of CANNAVEST CORP.,

Plaintiff,

v.

MICHAEL MONA, JR., BART P.
MACKAY, and LARRY RASKIN,

Defendants,

and

CANNAVEST CORP., now known as
CV Sciences, Inc.

Nominal Defendant

Case No. 2:15-cv-00481-RFB

[PROPOSED] FINAL UDGMENT

Judge: Richard F. Boulware
Courtroom: 7C



1
2 This matter came before the Court for a hearing pursuant to the Order of this
3 Court entered on _____, 2022 (“Preliminary Approval Order”), on the
4 application of the Parties for approval of the Settlement set forth in the Stipulation of
5 Settlement executed by counsel for the Parties as of April 19, 2022 (the “Stipulation”).
6 All capitali ed terms used herein have the meanings set forth and defined in the
7 Stipulation.

8 The Court has received a declaration that: (1) the publication of the notice of
9 settlement was issued in *nve tor ne al or lo e e re*; and (ii) the
10 notice of settlement and stipulation of settlement was posted on the Company’s website.
11 Therefore, due and adequate notice having been given to CV Sciences Shareholders as
12 required by the Preliminary Approval Order, and the Court having considered all papers
13 filed and proceedings in the Derivative Action and otherwise being fully informed of
14 the matters herein, and good cause appearing therefore, IT IS HEREBY ORDERED,
15 ADJUDGED AND DECREED as follows:

16 1. This Court has jurisdiction over the subject matter of the Derivative
17 Action, including the terms and conditions of the Stipulation and all exhibits thereto,
18 and over Parties to the Stipulation.

19 2. Based on evidence submitted by CV Sciences’ counsel, the Court finds
20 that the Notice was posted and published according to this Court’s Preliminary
21 Approval Order. This Court further finds that the form and content of the Notice, as
22 previously preliminarily approved by the Court, complied with the requirements of
23 Federal Rule of Civil Procedure 23.1, satisfied the requirements of due process, and
24 constituted due and sufficient notice of the matters set forth therein.

25 3. A full opportunity has been offered to CV Sciences Shareholders to object
26 to the proposed Settlement and to participate in the hearing thereon, and, as such, all
27 CV Sciences Shareholders are bound by this Order.

1 4. The Settlement is found to be fair, reasonable, adequate and in the best
2 interests of CV Sciences and CV Sciences Shareholders.

3 5. The Court finds, for settlement purposes, that: (1) the Derivative Action
4 was properly brought as a shareholder derivative suit pursuant to Federal Rule of Civil
5 Procedure 23.1; and (2) Plaintiff Lamont adequately represented the interests of CV
6 Sciences Shareholders in enforcing the rights of CV Sciences.

7 6. The Stipulation and the terms of the proposed Settlement set forth therein
8 are, in all respects, hereby finally approved. The Parties to the Stipulation are directed
9 to consummate the Settlement in accordance with the terms and provisions of the
10 Stipulation.

11 (A) In accordance with Paragraph 1(p) of the Stipulation, for purposes
12 of this Final Judgment the term “Released Persons” means: (a) CV Sciences and the
13 Defendants, as well as any person, partnership, bank, firm, corporation, limited liability
14 company, trust or other entity or organization in which CV Sciences or any Defendant
15 has a controlling interest or which is or was related to or affiliated with any of them;
16 and (b) with respect to each of the Persons in subsection (a), their respective past,
17 present or future directors and officers, including but not limited to Michael Mona Jr.,
18 Bart P. MacKay, and Larry Raskin and their respective past, present or future
19 employees, insurers, reinsurers, attorneys, agents, partners, principals, advisors,
20 investment advisors, auditors, accountants, trustees, underwriters, investment bankers,
21 subsidiaries, parents, successors, predecessors, heirs, Immediate Family, and anyone
22 acting or purporting to act for or on behalf of any of them or their successors.

23 (B) In accordance with Paragraph 1(0) of the Stipulation, for purposes
24 of this Final Judgment the term “Released Claims” means: any and all claims, rights,
25 demands, causes of action or liabilities of any kind, nature and character whatsoever
26 (including, but not limited to, any claims for damages, interest, attorneys’ fees, expert
27 or consulting fees, and any other costs, expenses or liability whatsoever), whether based

of consulting fees, and any other costs, expenses or liability whatsoever), whether based on federal, state, local, statutory or common law, or any other law, rule or regulation,

1 whether foreign or domestic, whether fixed or contingent, accrued or unaccrued,
2 liquidated or unliquidated, at law or in equity, matured or unmatured, whether known
3 or unknown including, without limitation, Unknown Claims (as defined below)
4 (collectively “**Claims**”) against any of the Released Persons that have been, could have
5 been, or could in the future be, asserted in the Derivative Action or in any other
6 derivative action in any other forum or proceeding by any Person (including but not
7 limited to Plaintiff) derivatively on behalf of CV Sciences, or by CV Sciences itself
8 against any of the Released Persons that arise out of or are related, directly or indirectly,
9 in any way to:

10 (a) any of the facts, matters, occurrences, actions, practices, conduct, events,
11 transactions, statements, disclosures, representations, misrepresentations,
12 omissions, or failures to act that were involved, set forth, referred to,
13 asserted, alleged, or that could have been alleged in the Derivative Action
14 including, but not limited to, claims for securities law violations, breach of
15 fiduciary duty, abuse of control, mismanagement, gross mismanagement,
16 waste of corporate assets, unjust enrichment, contribution and
17 indemnification, money damages, disgorgement, any and all demands,
18 actions, damages, claims, rights or causes of action, or liabilities
19 whatsoever; or

20
21 (b) that would have been barred by res judicata had the Derivative Action been
22 fully litigated to a final judgment, *ro v ded t at* Released Claims shall not
23 include claims to enforce the Settlement. Notwithstanding the foregoing,
24 “Released Claims” also does not include the claims asserted in the
25 Securities Class Action, *n re anna e t or . e r t e Lt at on*, 14-
26 cv-2900 (PG) (S.D.N.Y.)

27 7 In accordance with Paragraph 1(c) of the Stipulation, for purposes of this

7. In accordance with Paragraph 1(S) of the Stipulation, for purposes of this Final Judgment the term "Unknown Claims" shall mean: any Released Claims that

1 Plaintiff, CV Sciences or any CV Sciences Shareholder (claiming in the right of, or on
2 behalf of, CV Sciences) does not know or suspect to exist in his, her or its favor at the
3 time of the release of the Released Persons which, if known by him, her or it, might
4 have affected his, her or its settlement with and release of the Released Persons, or
5 might have affected his, her or its decision not to object to this Settlement. Unknown
6 Claims include those claims in which some or all of the facts comprising the claim may
7 be suspected, or even undisclosed or hidden. With respect to any and all Released
8 Claims, Plaintiff and CV Sciences stipulate and agree that, upon the Effective Date,
9 they shall expressly waive, and every CV Sciences Shareholder shall be deemed to have,
10 and by operation of the Final Judgment shall have, expressly waived the provisions,
11 rights, and benefits of California Civil Code 1542, which provides:

12
13 **A general release does not extend to claims which the creditor or**
14 **releasing party does not know or suspect to exist in his or her favor**
15 **at the time of executing the release and that, if known by him or her**
16 **would have materially affected his or her settlement with the debtor**
17 **or released party.**

18 Plaintiff and CV Sciences shall expressly waive, and every CV Sciences Shareholder
19 shall be deemed to have, and by operation of the Final Judgment shall have, expressly
20 waived any and all provisions, rights, and benefits conferred by any law of any state or
21 territory of the United States, or principle of common law or foreign law, which is
22 similar, comparable or equivalent in effect to California Civil Code 1542.

23 Plaintiff, CV Sciences and any CV Sciences Shareholder may hereafter discover
24 facts in addition to or different from those which he, she or it now knows or believes to
25 be true with respect to the subject matter of the Released Claims, but Plaintiff and CV
26 Sciences shall expressly have, and every CV Sciences Shareholder shall be deemed to
27 have, and by operation of the Final Judgment shall have, fully, finally, and forever
settled and released any and all Released Claims, known or unknown, suspected or

28 | unsuspected, contingent or non-contingent, whether or not concealed or hidden, which
| now exist, or heretofore have existed, upon any theory of law or equity now existing or
| 4

1 coming into existence in the future, including, but not limited to, conduct which is
2 negligent, reckless, intentional, with or without malice, or a breach of any duty, law or
3 rule, without regard to the subsequent discovery or existence of such different or
4 additional facts. Plaintiff and CV Sciences acknowledge, and every CV Sciences
5 Shareholder shall be deemed by operation of the Final Judgment to have acknowledged,
6 that the foregoing waivers were separately bargained for and a key element of the
7 Settlement.

8 8. The Derivative Action and all claims contained therein, as well as all
9 Released Claims, are hereby dismissed with prejudice in their entirety, on the merits, as
10 against all Released Persons. Each party shall bear its own fees and costs, except as set
11 forth herein.

12 9. Upon the Effective Date, Plaintiff, CV Sciences and all current and former
13 CV Sciences Shareholders, on behalf of themselves, and each of their respective
14 personal representatives, Immediate Family, trustees, heirs, executors, administrators,
15 parent entities, associates, affiliates, predecessors, successors and assigns, and any other
16 Person claiming (now or in the future) to be acting on behalf of any of them, shall be
17 deemed to have, and by operation of this Final Judgment shall have, fully, finally, and
18 forever released, relinquished, settled and discharged all Released Claims against the
19 Released Persons and shall be permanently barred and enjoined from instituting,
20 commencing, participating in, continuing, maintaining, asserting or prosecuting any
21 Released Claim against any of the Released Persons, or assisting any Person in
22 instituting, commencing, participating in, continuing, maintaining, asserting or
23 prosecuting any Released Claim against any of the Released Persons. Nothing herein
24 shall in any way impair or restrict the rights of any of the Parties to enforce the terms
25 of this Stipulation.

26 10. Upon the Effective Date, the Released Persons shall be deemed to have,
27 and by operation of the Final Judgment shall have, fully, finally, and forever released

and by operation of the Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged Plaintiff and Plaintiff's Counsel from all claims (including

1 Unknown Claims), arising out of, relating to, or in connection with the defense,
2 institution, prosecution, assertion, settlement, or resolution of the Released Claims.
3 Nothing herein shall in any way impair or restrict the rights of any of the Parties to
4 enforce the terms of this Stipulation.

5 11. Plaintiff's Counsel in the action is hereby awarded attorneys' fees and a
6 reimbursement of expenses collectively totaling _____ ("Fee and Expense
7 Award"). This Court finds that this amount is fair and reasonable under the facts and
8 circumstances of this case. Payment of such award of attorneys' fees and reimbursement
9 of expenses shall be made in accordance with the provisions of the Stipulation.

10 12. Plaintiff is awarded a Service Award in the amount of _____, which
11 shall be funded from the Fee and Expense Award.

12 13. This Final Judgment, the Stipulation and all of its provisions, and any
13 negotiations, proceedings or agreements relating to the Stipulation and the Settlement,
14 and any matters arising in connection with such negotiations, proceedings or
15 agreements, and any acts performed or documents executed pursuant to or in
16 furtherance of this Stipulation:

17 a) shall not be offered or received against any of the Released Persons
18 as evidence of a presumption, concession, or admission of any kind;

19 b) shall not be offered or received against any of the Released Persons
20 as evidence of an admission by any of those Released Persons with respect to the truth
21 of any fact alleged in the Derivative Action or the validity of any Released Claim, or
22 the deficiency of any defense that has been or could have been asserted, or of any
23 liability, negligence, fault, or wrongdoing of the Released Persons;

24 c) shall not be offered or received against the Released Persons as
25 evidence of any fault, misrepresentation, omission or other actionable conduct with
26 respect to any statement or written document approved or made by any of the Released
27



1 d) shall not be offered or received against the Released Persons as
2 evidence of any liability, negligence, fault or wrongdoing, or in any way referred to for
3 any other reason as against any of the Released Persons, in any other civil, criminal or
4 administrative action or proceeding, other than such proceedings as may be necessary
5 to effectuate the provisions of this Stipulation; provided, however, that if this
6 Stipulation is approved by the Court, the Released Persons may refer to it to effectuate
7 the release of Released Claims and other liability protections granted them hereunder;

8 e) shall not be construed against any of the Released Persons as an
9 admission or concession that the consideration to be given hereunder represents the
10 amount that could be or would have been recovered after trial;

11 f) shall not be construed as or received in evidence as an admission,
12 concession or presumption against Plaintiff that any of her claims are without merit, or
13 that any defenses asserted by the Defendants have any merit, or that damages
14 recoverable in the Derivative Action would not have exceeded the Settlement Amount;
15 and

16 g) shall not, in the event of a Termination, be used by any Party for any
17 purpose in any trial in the Derivative Action, *provided that*, any Party may file or
18 introduce this Stipulation and/or the Final Judgment in any action or proceeding that
19 may be brought to enforce the terms of this Stipulation and/or the Final Judgment, or
20 any action or proceeding related to rights or claims of Defendants relating to
21 indemnification and/or advancement in connection with the Derivative Action.

22 14. Except in the event of a Termination, the Parties agree not to assert under
23 Rule 11 of the Federal Rules of Civil Procedure or any similar law, rule or regulation,
24 that the Derivative Action was brought or defended in bad faith or without a reasonable
25 basis. The Parties agree that the terms of this Settlement were negotiated at arms' length
26 and in good faith by the Parties and reflect a settlement that was reached voluntarily
27 based upon adequate information and after consultation with their respective

based upon adequate information and after consultation with their respective experienced legal counsel.

1 15. Without in any way affecting the finality of this Final Judgment, this Court
2 shall retain jurisdiction over the Parties to the Stipulation and the Released Parties with
3 respect to all matters related to the Derivative Action and over all proceedings related
4 to the implementation and enforcement of the terms of the Stipulation, including all
5 matters pertaining to requests for attorneys' fees and expenses.

6 16. Any order regarding an award of attorneys' fees and expenses, or any
7 appeal, modification or change of such an order, shall in no way disturb or affect the
8 finality of this Final Judgment and shall be considered separate from this Final
9 Judgment.

10 17. This Settlement shall be a final and complete resolution of all disputes
11 among the parties. No party to the Stipulation may assert in any forum that the
12 Derivative Action was brought, commenced or prosecuted by the Plaintiff or her
13 counsel in bad faith or that the Derivative Action was not filed or raised in good faith
14 or was not settled voluntarily after negotiating at arm's-length and in good faith after
15 consultation with competent legal counsel.

16 18. Nothing in this Final Judgment constitutes or reflects a waiver, release or
17 discharge of any rights or claims of Defendants against their insurers, or their insurers'
18 subsidiaries, predecessors, successors, assigns, affiliates, or representatives.

19 19. The Parties are hereby authorized, without further approval of the Court,
20 to unanimously agree to and adopt in writing such amendments, modifications, and
21 expansions of the Stipulation and all exhibits attached thereto, provided that such
22 amendments, modifications, and expansions of the Stipulation are done in accordance
23 with the terms of Paragraph 20 of the Stipulation, are not materially inconsistent with
24 this Final Judgment and do not materially limit the rights of CV Sciences Shareholders
25 or the Released Persons under the Stipulation.

26 20. In the event that the Settlement does not become effective in accordance
27 with the terms of the Stipulation, then this Final Judgment shall be rendered null and

with the terms of the Stipulation, then this Final Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be

1 vacated, and in such event, all orders entered and releases delivered in connection
2 herewith shall be null and void to the extent provided by and in accordance with the
3 Stipulation, and the provisions of Paragraph 16 of the Stipulation shall apply.

4 21. The provisions of this Final Judgment constitute a full and complete
5 adjudication of the matters considered and adjudged herein, and the Court determines
6 that there is no just reason for delay in the entry of judgment. The Clerk is hereby
7 directed to immediately enter this Final Judgment.
8

9 IT IS SO ORDERED:

10
11 _____
12 The Honorable Richard F. Boulware
13 United States District Court Judge
14
15
16
17
18
19
20
21
22
23
24
25
26
27



UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

OTILDA LAMONT, Derivatively on Behalf
of CANNAVEST CORP.,

Plaintiff,

v.

MICHAEL MONA, JR., BART P. MACKAY, and
LARRY RASKIN,

Defendants,

and

CANNAVEST CORP., now known as CV
Sciences, Inc.

Nominal Defendant

Case No. 2:15-cv-00481-RFB

**NOTICE OF SHAREHOLDER
DERIVATIVE ACTION, PROPOSED
SETTLEMENT AND SETTLEMENT
HEARING**

TO: ALL PERSONS WHO OWNED CANNAVEST CORP., NOW KNOWN AS CV SCIENCES, INC. (“CV SCIENCES”), COMMON STOCK AS OF APRIL 18, 2022.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF A SHAREHOLDER DERIVATIVE ACTION AND CLAIMS ASSERTED ON BEHALF OF CV SCIENCES (THE “ACTION”).

IF THE COURT APPROVES THE SETTLEMENT AND DISMISSAL OF THE ACTION, SHAREHOLDERS OF CV SCIENCES AND CV SCIENCES WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED SETTLEMENT AND FROM PURSUING THE RELEASED CLAIMS.

THESE ACTIONS ARE NOT “CLASS ACTIONS.” THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY PAYMENT.

On April 19, 2022, CV Sciences, Inc., formerly known as CannaVest Corp. (“CV Sciences”), in its capacity as a nominal defendant, entered into a Stipulation of Settlement (the

“Stipulation”) in the above-captioned shareholder derivative action¹ filed in the U.S. District Court for the District of Nevada, styled *Lamont v. Mona, Jr., et al.*, Case No. 2:15-cv-00481 (D. Nev.) (the “Derivative Action”), against certain current and former directors and officers of CV Sciences, and against CV Sciences as a nominal defendant. The Stipulation executed by counsel for the Settling Parties on April 19, 2022, and the settlement contemplated therein (the “Settlement”), including dismissal of all claims with prejudice in the Derivative Action, is subject to approval by the U.S. District Court for the District of Nevada (the “Court”). The proposed Settlement requires CV Sciences to adopt certain additional corporate governance reforms, as outlined in Exhibit A to the Stipulation, subject to Court approval. The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party or Released Person as to the merits of any claim, allegation or defense.

This notice is a summary of the Settlement only and does not describe all of the details of the Stipulation. For full details of the matters discussed in this notice, please see the full Stipulation by visiting CV Sciences’ website at www.cvsciences.com, or contact Plaintiff’s Counsel at the address listed below. All capitalized terms used in this notice, unless otherwise defined herein, are defined as set forth in the Stipulation.

Summary

The Derivative Action alleged that the Defendants willfully or recklessly made and/or caused the Company to make false or misleading representations regarding: (1) the value of the PhytoSphere acquisition; and (2) CV Sciences’ financial position and results of operations. As a result of the foregoing, the Plaintiff alleged that Defendants had breached their fiduciary duties to the Company and to its shareholders. Defendants deny each and every claim and contention alleged by Plaintiff and also expressly deny all charges of wrongdoing or liability arising out of the allegations in the Actions

After the Court’s denial of Defendants’ Motion to Dismiss in substantial part and discovery proceedings undertaken, the Parties engaged in extensive settlement negotiations. The Parties memorialized their agreement as to the substantive terms of the proposed settlement in a Settlement Term Sheet on January 13, 2022.

In recognition of the benefits achieved on behalf of CV Sciences in the Derivative Action, the Parties shall attempt to negotiate in good faith and with the assistance of a mediator if necessary an agreed amount of attorneys’ fees and expenses (the “Fee and Expense Award”) to be proposed to the Court prior to the Final Hearing as payment to Plaintiff’s Counsel for the benefits achieved on behalf of CV Sciences. If the Parties are unable to reach agreement, Plaintiff may make a motion to the Court seeking an award of attorneys’ fees and expenses for the benefits achieved on behalf of CV Sciences in the Derivative Action. Defendants reserve the right to oppose any such motion.

¹ A derivative claim is a claim brought by a shareholder on behalf of a company, rather than on behalf of himself or herself or the other shareholders of the company. The recovery sought in

a derivative action is for the benefit of the company rather than directly for individual shareholders.

The Settlement compromises claims that are contested and shall not be deemed an admission by any Settling Party or Released Person as to the merits of any claim, allegation or defense.

On February 8, 2023, the Court entered a minute order preliminarily approving the Stipulation and the Settlement contemplated therein (the "Minute Order"). The Minute Order further provides that the Court will hold a hearing ("Final Hearing"), on May 15, 2023 at 2:30 p.m. before The Honorable Richard F. Boulware, II in Courtroom 7C of the United States District Court for the District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101, pursuant to Federal Rule of Civil Procedure 23.1, to among other things: (i) determine whether the proposed Settlement is fair, reasonable and adequate and in the best interests of CV Sciences and its shareholders; (ii) consider any objections to the Settlement submitted in accordance with the Notice; (iii) determine whether a Final Judgment substantially in the form attached as Exhibit C to the Stipulation should be entered dismissing all claims in the Derivative Action with prejudice and releasing the Released Claims against the Released Persons; (iv) consider the payment to Plaintiff's Counsel of attorneys' fees and for the reimbursement of expenses as requested in the Fee and Expense Award in an amount to be determined by the Court not to exceed \$650,000; (v) consider the payment to Plaintiff of a Service Award in an amount to be determined by the Court not to exceed \$3,500, which will be funded from the Fee and Expense Award; and (vi) consider any other matters that may properly be brought before the Court in connection with the Settlement.

The Court may, in its discretion, change the date and/or time of the Final Hearing without further notice to you. The Court also has reserved the right to hold the Final Hearing telephonically or remotely without further notice to you. If you intend to attend the Final Hearing, please consult the Court's calendar and/or CV Sciences' website at www.cvsciences.com for any change in date, time or format of the Final Hearing.

Any CV Sciences Shareholder who wishes to object to the fairness, reasonableness, or adequacy of the Settlement as set forth in the attached Stipulation, or to the proposed Fee and Expense Award and Service Awards, may file an objection. An objector must file with the Court a written statement of his, her or its objection(s): (a) clearly indicating that objector's name, mailing address, daytime telephone number, and e-mail address (if any); (b) stating that the objector is objecting to the proposed Settlement and/or proposed Fee and Expense Award and Service Awards; (c) specifying the reason(s), if any, for each such objection made, including any legal support and/or evidence that such objector wishes to bring to the Court's attention or introduce in support of such objection; and (d) identifying and supplying documentation showing how many shares of CV Sciences common stock the objector owned as of April 19, 2022, when the objector purchased or otherwise acquired such shares, and proof that the objector still owns such CV Sciences shares.

The objector must file such objections and supporting documentation with the Clerk of the Court, U.S. District Court, District of Nevada, 333 S Las Vegas Blvd, Las Vegas, NV 89101, not later than twenty-one (21) days prior to the Final Hearing, and, by the same date, copies of all such papers must also be received by each of the following persons:

Counsel for Plaintiff:



Gregory M. Egleston
GAINEY McKENNA & EGLESTON
501 Fifth Avenue, 19th Floor
New York, NY 10017

Counsel for Defendants and CV Sciences:

S. Todd Neal
Sean M. Sullivan
Eric A. Plourde
PROCOPIO, CORY, HARGREAVES & SAVITCH LLP
525 B Street, Suite 2200
San Diego, CA 92101

An objector may file an objection on his, her or its own or through an attorney hired at his, her or its own expense. If an objector hires an attorney to represent him, her or it for the purposes of making such objection pursuant to this paragraph, the attorney must effect service of a notice of appearance on the counsel listed above and file such notice with the Court no later than twenty-one (21) days before the Final Hearing. Any CV Sciences Shareholder who does not timely file and serve a written objection complying with the terms of this paragraph shall be deemed to have waived, and shall be foreclosed from raising, any objection to the Settlement, and any untimely objection shall be barred. Any submissions by the Parties in opposition to objections or in reply shall be filed with the Court no later than seven (7) days before the Final Hearing.

Any objector who files and serves a timely, written objection in accordance with the instructions above and herein, may appear at the Final Hearing either in person or through counsel retained at the objector's expense. Objectors need not attend the Final Hearing, however, in order to have their objections considered by the Court. Timely objectors or their attorneys intending to appear at the Final Hearing are required to indicate in their written objection (or in a separate writing submitted to the counsel listed in the preceding paragraph no later than twenty-one (21) days prior to the Final Hearing) that they intend to appear at the Final Hearing and identify any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Hearing. Objectors or their attorneys intending to appear at the Final Hearing must also, no later than twenty-one (21) days prior to the Final Hearing, file with the Court, and serve upon counsel listed above, a notice of intention to appear, setting forth the name and address of anyone intending to appear. Any objector who does not timely file and serve a notice of intent to appear in accordance with this paragraph shall not be permitted to appear at the Final Hearing, except for good cause shown.

If you are a current holder of CV Sciences common stock and do not take steps to appear in this action and object to the proposed Settlement, you will be bound by the Final Judgment of the Court and will forever be barred from raising an objection to such settlement in this or any other action or proceeding, and from pursuing any of the Released Claims.

You may obtain further information by contacting Plaintiff's Counsel at: Gregory M. Egleston, Esq., Gainey McKenna & Egleston, 501 Fifth Avenue, 19th Floor, New York, NY 10017, Telephone: (212) 983-1300; Email: gegleston@gme-law.com.

PLEASE DO NOT CALL THE COURT OR CV SCIENCES REGARDING THIS NOTICE.

CV Sciences, Inc. Announces Proposed Settlement of Shareholder Litigation

San Diego, CA - March 2, 2023 (PR NEWSWIRE) - CV Sciences, Inc. (OTCQB:CVSI) (the “Company”, “CV Sciences”, “our”, “us” or “we”), a preeminent consumer wellness company specializing in hemp extracts and other proven science-backed, natural ingredients and products, announced today that CV Sciences has received preliminary approval a proposed settlement of a derivative lawsuit pending in Nevada. The lawsuit alleged breach of fiduciary duty and other claims premised on the same events that were the subject of a purported class action filed in the Southern District of New York on April 23, 2014. On July 2, 2019, the court entered a final order dismissing the class action complaint with prejudice.

The parties agreed to a settlement in principal in January 2022. Plaintiff filed a motion for preliminary approval of proposed settlement on June 1, 2022. On February 7, 2023, the U.S. District Court, District of Nevada granted preliminary approval of the proposed settlement. On May 15, 2023, the U.S. District Court will hold a hearing to determine whether to grant final approval of the settlement agreement. The proposed settlement, if approved by the court, will resolve all claims asserted in the action without any admission, concession or finding of any fault, liability or wrongdoing by the Company or any defendant. CV Sciences and the individual defendants continue to deny any wrongdoing. The proposed settlement contemplates the implementation by the Company of certain corporate reforms within 60 days of final approval. The Company currently anticipates that plaintiff's counsel will file a motion seeking an award of attorney's fees.

Additional details regarding the proposed settlement are included in that Current Report on Form 8-K filed by CV Sciences with the Securities and Exchange Commission (“SEC”) on March 2, 2023. The Stipulation and Agreement of Settlement and Notice of Proposed Settlement (“Notice”) are available at <https://ir.cvsciences.com/governance-docs>. A copy of the Notice is attached.

[Notice of Settlement](#)

About CV Sciences, Inc.

CV Sciences, Inc. (OTCQB:CVSI) is a consumer wellness company specializing in hemp extracts and other proven, science-backed, natural ingredients and products, which are sold through a range of sales channels from B2B to B2C. The Company’s PlusCBD™ branded products are sold at select retail locations throughout the U.S. and are one of the top-selling brands of hemp extracts in the natural products market, according to SPINS, the leading provider of syndicated data and insights for the natural, organic and specialty products industry. CV Sciences follows all guidelines for Good Manufacturing Practices (GMP) and the Company’s products are processed, produced, and tested throughout the manufacturing process to confirm strict

compliance with company standards and specifications. With a commitment to science, PlusCBD™ product benefits in healthy people are supported by human clinical research data, in addition to three published clinical case studies available on PubMed.gov. PlusCBD™ was the first hemp extract supplement brand to invest in the scientific evidence necessary to receive self-affirmed Generally Recognized as Safe (GRAS) status. CV Sciences, Inc. has primary offices and facilities in San Diego, California. The Company also operates a drug development division focused on developing and commercializing CBD-based novel therapeutics. Additional information is available from OTCMarkets.com or by visiting www.cvsciences.com.

Forward Looking Statements

This press release may contain certain forward-looking statements and information, as defined within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and is subject to the Safe Harbor created by those sections. This material contains statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. Such forward-looking statements by definition involve risk and uncertainties.

Contact Information

ir@cvsciences.com