

UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF FLORIDA
FORT PIERCE DIVISION

Case No: 12-Civ-14333-MARTINEZ-LYNCH

In re Digital Domain Media Group, Inc.
Securities Litigation

PROOF OF CLAIM AND RELEASE

DEADLINE FOR SUBMISSION DATE: February 13, 2017

IF YOU PURCHASED DIGITAL DOMAIN MEDIA GROUP, INC. (“DDMG” OR THE “COMPANY”) COMMON STOCK IN DDMG’S INITIAL PUBLIC OFFERING ON NOVEMBER 18, 2011 AND/OR ON THE PUBLIC MARKET BETWEEN NOVEMBER 18, 2011 AND SEPTEMBER 6, 2012, INCLUSIVE, YOU ARE A SETTLEMENT CLASS MEMBER.

Excluded from the Class are Defendants John C. Textor, Jonathan F. Teaford, John M. Nichols, Roth Capital Partners, LLC and Morgan Joseph TriArtisan, LLC, and SingerLewak LLP, Released Persons (defined below), the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, any entity in which defendants have or had a controlling interest, employees of the Company, and any Company employee stock purchase or retirement plan.

Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the class pursuant to the Notice of Pendency and Proposed Settlement of Class Action accompanying this Proof of Claim and Release.

GENERAL INSTRUCTIONS

A. To recover as a Member of the Settlement Class based on your claims in the action entitled *In re Digital Domain Media Group, Inc., Securities Litigation*, Case No. 12-Civ-14333-MARTINEZ-LYNCH (S.D. Fla.) (the “Action”), you must complete and, on page 6 hereof, sign this Proof of Claim and Release. If you fail to file a properly addressed Proof of Claim and Release (as set forth in paragraph C below), your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed settlement of the Action.

B. Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of settlement in the Action.

C. **YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE POSTMARKED ON OR BEFORE FEBRUARY 13, 2017, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:**

Digital Domain Media Group, Inc. Securities Litigation
c/o KCC Class Action Services LLC
P.O. Box 43417
Providence, RI 02940-3417

You will bear all risks of delay or non-delivery of your claim. If you are NOT a Member of the Settlement Class (as defined in the “Notice of Pendency and Proposed Settlement of Class Action”) DO NOT submit a Proof of Claim and Release form.

D. If you are a Member of the Class, you are bound by the terms of any judgment entered in the litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE.

II. CLAIMANT IDENTIFICATION INSTRUCTIONS

A. If you purchased DDMG common stock and held the certificate(s) in your name, you are the beneficial owner as well as the record owner. If, however, the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner and the third party is the record owner.

B. THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL OWNERS, OR THE LEGAL REPRESENTATIVE OF SUCH OWNERS, OF THE DDMG COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

C. A separate claim must be filed for each type of account or ownership (i.e., individual account, IRA account, joint account, custodial account, etc.). Joint tenants or UGMA custodians should file a single claim.

D. All joint owners must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them. Documentation establishing their authority must accompany this claim and their titles or capacities must be stated.

E. The last four digits of Social Security or Taxpayer Identification number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. TRANSACTION SCHEDULE INSTRUCTIONS

A. Use Section V of this form entitled "Schedule of Transactions in DDMG Common Stock" to supply all required details of your transaction(s) in DDMG common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name and the last four digits of your Social Security or Taxpayer Identification number on each additional sheet.

B. List each transaction in the Settlement Class Period separately and in chronological order, by trade date (not the "settlement" date), beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

C. The date of covering a "short sale" is deemed to be the date of purchase of DDMG common stock. The date of a "short sale" is deemed to be the date of sale of DDMG common stock. Shares originally sold short will have a Recognized Claim of zero.

D. The price per share, paid or received, should be exclusive of all commissions, taxes, fees and other charges.

E. **Copies of broker confirmation slips or monthly statements of your transactions in DDMG common stock must be attached to your claim.** If such documents are not in your possession, please obtain equivalent contemporaneous documents from your broker or financial advisor. A complete list of acceptable supporting documentation can be found at the Settlement website: www.DDMGSecuritiesLitigation.com. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

F. If your trading activity during the Settlement Class Period exceeds 50 transactions, you must provide, in electronic file, all purchase and sale information required in the Schedule of Transactions. For a copy of instructions and parameters concerning such a submission, contact the Claims Administrator by toll-free phone at 1-855-730-8650, or via the website at www.DDMGSecuritiesLitigation.com.



Must be received by the Claims Administrator postmarked no later than February 13, 2017.

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA FORT PIERCE DIVISION

In re Digital Domain Media Group, Inc., Securities Litigation

Case No: 12-Civ-14333-MARTINEZ-LYNCH

PROOF OF CLAIM AND RELEASE

Please Type or Print in the Boxes Below Do NOT use Red Ink, Pencil, or Staples

DIO



PART IV: CLAIMANT IDENTIFICATION

Form fields for Claimant Identification: Last Name, M.I., First Name, Last Name (Co-Beneficial Owner), M.I., First Name (Co-Beneficial Owner), Company Name, Account#/Fund#

Form fields for Social Security Number, Telephone Number (Primary Daytime), Telephone Number (Alternate), Email Address

MAILING INFORMATION

Form fields for Mailing Information: Address, City, State, Zip Code, Foreign Province, Foreign Postal Code, Foreign Country Name/Abbreviation

FOR CLAIMS PROCESSING ONLY: OB, CB, ATP, BE, FL, OP, KE, DR, ME, RE, ICI, EM, ND, SH, MM/DD/YYYY



PART V. SCHEDULE OF TRANSACTIONS IN DDMG COMMON STOCK

A. Separately list each and **every purchase** of DDMG common stock during the period November 18, 2011 through September 6, 2012, and provide the following information (must be documented):

| PURCHASES | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|-------------------------------|---|---|---|--|----|--|--|--|--|--|--|--|--|--|--|----|
| Trade Date(s) (List Chronologically) | | | | Number of Shares Purchased | | | | Net Amount (excluding commissions, taxes and fees) | | | | | | | | | | | | |
| M | M | D | D | Y | Y | Y | Y | | | | | | | | | | | | | |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |

B. Separately list each and **every sale** of DDMG common stock during the period November 18, 2011 through September 6, 2012, and provide the following information (must be documented):

| SALES | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|--------------------------|---|---|---|--|----|--|--|--|--|--|--|--|--|--|--|----|
| Trade Date(s) (List Chronologically) | | | | Number of Shares Sold | | | | Net Amount (excluding commissions, taxes and fees) | | | | | | | | | | | | |
| M | M | D | D | Y | Y | Y | Y | | | | | | | | | | | | | |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |
| 1. | | | | | | | | | \$ | | | | | | | | | | | 00 |

C. State the total number of shares of DDMG common stock owned at the close of trading on September 6, 2012, long or short (if none, enter "0"; must be documented):

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

D. Please fill in the applicable circle:

- I certify that the submitting party is not an ERISA plan
- I/We certify that the submitting party is an ERISA plan and has complied with the applicable ERISA exemption

If you need additional space, attach the required information on separate, numbered sheets in the same format as above and print your name and last four digits of your Social Security or Taxpayer Identification number at the top of each additional sheet.

YOU MUST READ THE RELEASE AND SIGN ON PAGE 6



VI. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I/We submit this Proof of Claim and Release under the terms of the Stipulation of Settlement described in the Notice. I/We also submit to the jurisdiction of the United States District Court for the Southern District of Florida with respect to my/our claim as a Class Member and for purposes of enforcing the release set forth herein. I/We further acknowledge that I/we am/are bound by and subject to the terms of any judgment that may be entered in the Action. I agree to furnish additional information to Lead Counsel to support this claim if required to do so. I/we have not submitted any other claim covering the same purchases or sales of DDMG common stock during the Settlement Class Period and know of no other person having done so on my/our behalf.

VII. RELEASE

A. I/We hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Released Claims (defined below) each “Released Person” (as defined below).

B. “Released Claims” means all and every manner of direct and derivative actions, causes of action, claims, counterclaims, cross-claims, third-party claims, suits, proceedings, damages, punitive damages, costs, expenses and attorneys’ fees, demands and liabilities whatsoever of every kind and nature, whether known or unknown, suspected or unsuspected, accrued or unaccrued, in law, equity or otherwise, which Lead Plaintiffs or any other Member of the Settlement Class (i) asserted in the Action; (ii) could have or might have asserted in the Action and/or in any other litigation, action or forum that arise out of, are based upon or are related in any way, directly or indirectly, in whole or in part, to (a) both: (1) the allegations, transactions, facts, matters, occurrences, representations or omissions involved, set forth or referred to in the Action, and (2) any purchase, sale or acquisition of, or decision to hold DDMG common stock during the Settlement Class Period; and/or (b) Defendants’ defense or settlement of the Action and/or Defendants’ defense or settlement of the Released Claims. Notwithstanding the foregoing, “Released Claims” does not include claims relating to the enforcement of the Settlement.

C. “Released Persons” means (1) DDMG; (2) John C. Textor, Jonathan F. Teaford, John M. Nichols, Kevin C. Ambler, Jeffrey W. Lunsford, Keith L. Cummings, Kaleil Isaza Tuzman, John W. Kluge, Jr., and Edwin C. Lunsford, III (collectively, the “DDMG Directors and Officers”); (3) Rafael Fogel, Mark Miller, Cliff Plumer, John Sculley, and Carl Stork (collectively, the “DD CA Directors and Officers”); (4) SingerLewak LLP, (5) Crum & Forster Specialty Insurance Company, Aspen Specialty Insurance Company, Catlin Specialty Insurance Company, Lexington Insurance Company, AIG Claims, Inc., Interstate Fire & Casualty Company, Gotham Insurance Company, Ironshore Specialty Insurance Company (collectively, the “SL Insurers”); (6) Falcon Mezzanine Partners II, L.P.; (7) the State of Florida, Department of Economic Opportunity (“Florida DEO”); (8) Hudson Bay Master Fund Ltd., Empery Asset Master Ltd., Hartz Capital Investments, LLC, Parsoon Special Situation Ltd., Tenor Opportunity Master Fund, Ltd., Tenor Special Situations Fund, L.P., and Aria Opportunity Fund, Ltd. (collectively, the “Senior Lenders”); (9) the Official Committee of Unsecured Creditors of Digital Domain Media Group and its Subsidiaries (collectively, the “Creditors Committee”); (10) the City of Port St. Lucie (“PSL”); (11) Roth Capital Partners, LLC, Morgan Joseph TriArtisan LLC, and Maxim Group LLC (collectively, the “Underwriters”); (12) Iroquois Master Fund Ltd., Kingsbrook Opportunities Master Fund, Ltd., Flag Holding LLC, Oman International Development and Investment Company SOAG, Mountain Partners AG, and Technology Transfer AG (collectively, the “Foreign Investors”); (13) Bounty Gain Enterprises, Inc. (“Bounty Gain”); (14) Palm Beach Capital, Inc.; PBC GP III, LLC, PBC Digital Holdings, LLC, PBC Digital Holdings II, LLC, PBC DDH Warrants, LLC, and PBC MGPDEF DDH, LLC (collectively, the “PBC Entities”) and Nathan Ward, Shaun McGruder, Michael Schmickle, and James Harpel (together with the PBC Entities, collectively “PBC”); (15) every prospective “Insured” (as the term is defined in the D&O Policies); (16) and the Insurers, and each of their past or present agents, trustees, attorneys, representatives, principals, officers, directors, employees, subsidiaries, affiliates, predecessors-in-interest, successors-in-interest, and assigns.

D. This release shall be of no force or effect unless and until the Court approves the Stipulation of Settlement and the Stipulation becomes effective on the Effective Date (as defined in the Stipulation).

E. I/We hereby warrant and represent that I/we have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

F. I/We hereby warrant and represent that I/we have included information about all of my/our transactions in DDMG common stock which occurred during the Settlement Class Period.



VIII. CERTIFICATION

UNDER THE PENALTY OF PERJURY, I/WE CERTIFY THAT:

- A. The number shown on this form is the correct last four digits of my Social Security or Taxpayer Identification number.
- B. I/We certify that I am/we are NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(C) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, you must cross out the word "NOT" in the sentence above.

C. I/We declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned and any supporting documents attached hereto are true, correct and complete to the best of my/our knowledge, information and belief, and that this Proof of Claim and Release was executed this _____ day of

_____, in _____, _____
(Month/Year) (City) (State/Country)

Signature of Claimant

(Print your name here)

Signature of Joint Claimant, if any

(Print your name here)

Signature of person signing on behalf of Claimant

(Print your name here)

Capacity of person signing on behalf of Claimant,
if other than an individual, (e.g., Executor,
President, Custodian, etc.)

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

Reminder Checklist:

1. Remember to sign the above release and declaration.
2. Remember to attach only copies of acceptable supporting documentation, a complete list of which can be found on the Claims Administrator’s website: www.DDMGSecuritiesLitigation.com.
3. Please do not highlight any portion of the Claim Form or any supporting documents.
4. Do not send originals of securities certificates.
5. Keep copies of the completed claim form and documentation for your own records.
6. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. **IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, PLEASE CALL THE CLAIMS ADMINISTRATOR TOLL FREE AT 1-855-730-8650.**
7. If your address changes in the future, or if these documents were sent to an old or incorrect address, please send us written notification of your new address.
8. If you have any questions or concerns regarding your claim, please contact the Claims Administrator via email at Info@DDMGSecuritiesLitigation.com, or via USPS at KCC Class Action Services LLC, P.O. Box 43417, Providence, RI 02940-3417, or via telephone at 1-855-730-8650.

