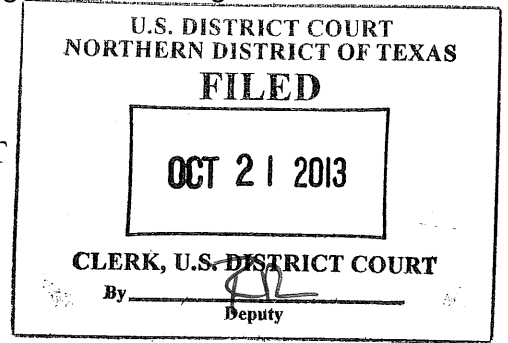


UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



GRANT BARFUSS, on behalf of himself and all others
similarly situated,
Plaintiffs

v.

DGSE COMPANIES, INC.; L.S. SMITH, JOHN
BENSON, AND WILLIAM OYSTER,
Defendants

No. 12 Civ. 3664 (JJB)
ECF Case

JUDGMENT APPROVING CLASS ACTION SETTLEMENT

WHEREAS, a class action is before this Court entitled *Grant Barfuss v. DGSE Companies, Inc.*, No. 12 Civ. 3664 (N.D. Tex.) (JJB) (the “Action”); and

WHEREAS, Hillel Hyman (or “Lead Plaintiff”), individually and on behalf of the Settlement Class (as hereinafter defined) and defendants DGSE Companies, Inc. (“DGSE”), L.S. Smith, John Benson and William Oyster (collectively, the “Defendants”) have entered into a Stipulation and Agreement of Settlement dated July 3, 2013 (the “Stipulation”) that sets forth the terms and conditions of the proposed settlement, which provides for a complete dismissal on the merits and with prejudice of the claims asserted in the Action against all the Defendants upon the terms and conditions set forth in the Stipulation, subject to the approval of this Court (the “Settlement”); and

WHEREAS, unless otherwise defined in this Judgment, the capitalized terms herein shall have the same meaning as they have in the Stipulation; and

WHEREAS, by Order dated July 8, 2013 (the “Preliminary Approval Order”), this Court (a) preliminarily approved the Settlement; (b) certified the Settlement Class for settlement purposes only; (c) ordered that notice of the proposed Settlement be provided to potential Settlement Class

Members; (d) provided Settlement Class Members with the opportunity either to exclude themselves from the Settlement Class or to object to the proposed Settlement; and (e) scheduled a hearing regarding final approval of the Settlement; and

WHEREAS, Lead Counsel has conducted confirmatory discovery; and

WHEREAS, due and adequate notice has been given to the Settlement Class; and

WHEREAS, the Court conducted a hearing on October 21, 2013 (the "Settlement Hearing") to consider, among other things, (a) whether the terms and conditions of the Settlement are fair, reasonable and adequate, and in the best interest of Lead Plaintiff and the other Settlement Class Members, and should therefore be approved; (b) whether a judgment should be entered dismissing the Action with prejudice as against all the Defendants; (c) whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and reasonable and should be approved; and (d) whether the motion by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved; and

WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed and proceedings held herein in connection with the Settlement, all oral and written comments received regarding the proposed Settlement, and the record in the Action, and good cause appearing therefor;

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the Settling Parties and each of the Settlement Class Members.

2. **Incorporation of Settlement Documents:** This Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on July 3, 2013; and (b) the Notice and the Summary Notice, both of which were filed with the Court on July 3, 2013.

3. **Settlement Class Certification:** The Court hereby affirms its determinations in the Preliminary Approval Order certifying, for the purposes of settlement only, the Action as a class action pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure on behalf of the following Settlement Class: (a) a class of all Persons who purchased, or otherwise acquired DGSE common stock from April 15, 2011 through and including April 17, 2012, inclusive, and were damaged thereby. Excluded from the Settlement Class are all Defendants in the Action and their respective current or former Section 16 Officers, directors, Immediate Family members, legal representatives, heirs, successors or assigns, and any entity in which any Defendant has or had a controlling interest. [Also excluded from the Settlement Class are the Persons who timely and validly requested exclusion from the Settlement Class in accordance with the requirements set forth in the Notice, as listed on Exhibit 1 hereto.] All persons who have not made their objections to the Settlement in the manner provided in the Notice are deemed to have waived any objections by appeal, collateral attack or otherwise.

4. **Adequacy of Representation:** Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of settlement only, the Court hereby affirms its determinations in the Preliminary Approval Order certifying Hillel Hyman as class representative on behalf of the Settlement Class and appointing Lead Counsel as lead counsel for the Settlement Class. Lead Plaintiffs and Lead Counsel have fully and adequately represented the Settlement Class, both in terms of litigating this Action and for purposes of entering into and implementing the Settlement, and meet the requirements of Rules 23(a)(4) and 23(g) of the Federal Rules of Civil Procedure, respectively.

5. **Notice:** The Court finds that the dissemination of the Notice and the publication of the Summary Notice: (a) were implemented in accordance with the Preliminary Approval Order;

(b) constituted the best notice practicable under the circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise Settlement Class Members (i) of the pendency of the Action, (ii) of the effect of the Settlement (including the Releases provided for therein), (iii) of Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, (iv) of their right to object to any aspect of the Settlement, the Plan of Allocation and/or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses, (v) of their right to exclude themselves from the Settlement Class, and (vi) of their right to appear at the Settlement Hearing; (d) constituted due, adequate and sufficient notice to all Persons entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act, due process, the Rules of the Court and all other applicable law and rules.

6. **Final Settlement Approval and Dismissal of Claims:** Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation, the Settlement Amount, the Releases provided for therein, including the release of the Released Claims as against the Released Defendant Persons, and the dismissal with prejudice of claims against the Defendants), and finds that the Settlement is, in all respects, fair, reasonable and adequate, and is in the best interests of Lead Plaintiffs and the other Settlement Class Members. The Settling Parties are directed to implement, perform and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

7. All of the claims asserted in the Action against all the Defendants by Lead Plaintiffs and the other Settlement Class Members are hereby fully, finally and forever compromised, settled,

released, resolved, relinquished, waived, discharged and dismissed, on the merits and with prejudice as of the Effective Date of the Settlement. The Settling Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

8. **Binding Effect:** The terms of the Stipulation and of this Judgment shall be forever binding on the Defendants, Lead Plaintiffs and all other Settlement Class Members (regardless of whether or not any individual Settlement Class Member submits a Claim Form or seeks or obtains a distribution from the Net Settlement Fund), as well as their respective heirs, executors, administrators, predecessors, successors and assigns. All Persons who have failed to properly file timely and valid requests for exclusion from the Settlement Class in accordance with the requirements set forth in the Notice (exclusive of the persons and entities as listed on Exhibit 1 annexed hereto who submitted timely and valid exclusion requests), release and forever discharge the Releasees from all Released Claims as provided in the Stipulation.

9. **Releases:** The releases as set forth in Paragraphs 5 and 6 of the Stipulation, together with the definitions contained in Paragraph 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. Accordingly, this Court orders that:

(a) Without further action by anyone, and subject to Paragraph 10 below, upon the Effective Date, Lead Plaintiff and each of the other Settlement Class Members, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates and assigns, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed each and every Released Claim against the DGSE Defendants, John Benson, and all other Released Defendant Persons, and shall forever be enjoined from prosecuting any or all of the Released Claims against any Released Defendant Persons.

[This release shall not apply to any Person who has timely and validly requested exclusion from the Settlement Class in accordance with the requirements set forth in the Notice, as listed on Exhibit 1 hereto]; and

(b) Without further action by anyone, and subject to Paragraph 10 below, upon the Effective Date, each of the DGSE Defendants, John Benson, and each of the other Released Defendant Persons, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates and assigns, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived, discharged and dismissed each and every of the Released Defendant Persons' Claims against all of the Plaintiff-Related Releasees and all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against each of the DGSE Defendants, John Benson, and each of the Released Defendant Persons, and shall forever be enjoined from prosecuting any or all of the Released Defendant Persons' Claims against any of the Plaintiff-Related Releasees. [This release shall not apply to any Person who has timely and validly requested exclusion from the Settlement Class in accordance with the requirements set forth in the Notice, as listed on Exhibit 1 hereto].

10. Notwithstanding Subparagraphs 9(a) – (b), above, nothing in this Judgment shall bar any action by any of the Settling Parties to enforce or effectuate the terms of the Stipulation or this Judgment, nor shall this Judgment alter the rights between and among the DGSE Defendants or John Benson.

11. **Complete Bar Order:**

(a) Any and all Persons are permanently barred, enjoined and restrained, to the fullest extent permitted by applicable law, from commencing, prosecuting or asserting any claim for indemnity or contribution against any Released Defendant Person (or any other claim against any Released Defendant Person where the alleged injury to such Person is that Person's actual or threatened liability to the Settlement Class or a Settlement Class Member in the Action), based upon, arising out of or related to the Released Claims, whether arising under state, federal or foreign law, as claims, cross-claims, counterclaims or third-party claims, whether asserted in the Action, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency or other forum in the United States or elsewhere. However, with respect to any judgment that the Settlement Class or a Settlement Class Member may obtain against such Person based upon, arising out of or relating to any Released Claim belonging to the Settlement Class or a Settlement Class Member, that Person shall be entitled to a credit of the greater of (i) an amount that corresponds to the percentage of responsibility of the Released Defendant Persons for the loss to the Settlement Class or the Settlement Class Member or (ii) the amount paid by or on behalf of the DGSE Defendants to the Settlement Class or the Settlement Class Member for common damages;

(b) Each and every Released Defendant Person is hereby permanently barred, enjoined and restrained, to the fullest extent permitted by applicable law, from commencing, prosecuting or asserting any claim for contribution as outlined in the PSLRA;

(c) Nothing in this Complete Bar Order shall prevent a putative Settlement Class Member who validly requested an exclusion from the Settlement Class from pursuing any

Released Claim against any Released Defendant Person. If any putative Settlement Class Member who validly requests exclusion from the Settlement Class pursues any such Released Claim against any Released Defendant Person, nothing in this Complete Bar Order or in the Stipulation shall operate to preclude such Released Defendant Person from asserting any claim of any kind against such putative Settlement Class Member (or seeking contribution or indemnity from any Person, including any co-defendant in the Action, in respect of the claim of such putative Settlement Class Member who validly requests exclusion from the Settlement Class);

(d) Notwithstanding anything to the contrary in this Complete Bar Order, in the event that any Person (for purposes of this provision, a “petitioner”) commences against any of the Released Defendant Persons any action asserting a claim that is based upon, arises out of or relates to any Released Claim belonging to the Settlement Class or a Settlement Class Member, including, but not limited to, any claim that is based upon, arises out of or relates to the Action, or the transactions and occurrences referred to in the Class Action Complaint, and such claim is not barred by a court pursuant to this Complete Bar Order or is not otherwise barred by the Complete Bar Order, the Complete Bar Order shall not bar claims by that Released Defendant Person against (i) such petitioner; (ii) any Person who is or was controlled by, controlling or under common control with the petitioner, or whose assets or estate are or were controlled, represented or administered by the petitioner, or as to whose claims the petitioner has succeeded; and (iii) any Person that participated with any of the Persons described in items (i) and (ii) of this provision in connection with the conduct, transactions or occurrences that are the subject of the claim brought against the Released Defendant Person(s), or any Person that was involved in the issues and damages alleged by

the petitioner. Nothing in this paragraph shall be deemed to create a claim or cause of action against a petitioner or any other Person described in this paragraph.

12. **Rule 11 Findings:** The Court finds and concludes that the Settling Parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the commencement, maintenance, prosecution, defense and settlement of the Action.

13. **No Admissions:** Neither this Judgment nor the Stipulation or its negotiations or any proceedings connected with it:

(a) shall be offered against DGSE Defendants, John Benson, or any of the Released Defendant Persons as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Released Defendant Persons with respect to the truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in this Action or in any litigation, or of any liability, negligence, fault or other wrongdoing of any kind of any of the Released Defendant Persons;

(b) shall be offered against DGSE Defendants, John Benson, or any of the Released Defendant Persons as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by DGSE Defendants, John Benson, or any of the Released Defendant Persons, or by DGSE Defendants or any of the Released Defendant Persons against Lead Plaintiff or any other Settlement Class Members as evidence of any infirmity in the claims of Lead Plaintiff or the other Settlement Class Members;

(c) shall be offered by Lead Plaintiff against DGSE Defendants, John Benson, or any of the Released Defendant Persons, or by DGSE Defendants or any of the Released Defendant Persons against the Lead Plaintiff or any other Settlement Class Members, as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing of any kind, in any other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; provided, however, that the DGSE Defendants, John Benson, any other Released Defendant Person, Lead Plaintiffs, the other Settlement Class Members and their respective counsel may refer to the Stipulation to effectuate the protections from liability granted thereunder or otherwise to enforce the terms of the Settlement;

(d) shall be construed by any of the Settling Parties against DGSE Defendants, John Benson, or any of the Released Defendant Persons, Lead Plaintiffs or any other Settlement Class Members as an admission, concession or presumption that the consideration to be given under the Settlement represents the amount which could be or would have been recovered after trial; and

(e) shall be construed by any of the Settling Parties against Lead Plaintiffs or any other Settlement Class Members as an admission, concession or presumption that any of their claims are without merit, that DGSE Defendants, John Benson, or any of the Released Defendant Persons had meritorious affirmative defenses, or that damages recoverable under the Class Action Complaint would not have exceeded the Settlement Amount.

14. **Retention of Jurisdiction:** Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Settling Parties for purposes of the administration, interpretation, implementation and enforcement of the Settlement;

(b) the disposition of the Settlement Fund; (c) any motion for an award of attorneys' fees and/or Litigation Expenses by Lead Counsel in the Action that will be paid from the Settlement Fund; (d) any motion to approve the Plan of Allocation; (e) any motion to approve the distribution of the Net Settlement Fund to Authorized Claimants; and (f) the Settlement Class Members for all matters relating to the Action.

15. **Plan of Allocation:** Pursuant to and in full compliance with Rule 23 of the Federal Rules of Civil Procedure, the Court finds and concludes that due and adequate notice was directed to all Persons who are Settlement Class Members advising them of the Plan of Allocation and of their right to object thereto, and a full and fair opportunity was given to all Persons who are Settlement Class Members to be heard with respect to the Plan of Allocation. The Court finds that the formula for the calculation of the claims of Authorized Claimants, which is set forth in the Notice sent to Settlement Class Members, provides a fair and reasonable basis upon which to allocate among Settlement Class Members the proceeds of the Net Settlement Fund established by the Stipulation, with due consideration having been given to administrative convenience and necessity. The Court hereby finds and concludes that the Plan of Allocation is approved as fair and reasonable, and Lead Counsel and the Claims Administrator are directed to administer the Stipulation and Plan of Allocation in accordance with their terms and provisions. Any modification or change in the Plan of Allocation that may hereafter be approved shall in no way disturb, affect or delay the finality of this Judgment or the Releases provided thereunder, shall not disturb, affect or delay the Effective Date of the Settlement, and shall be considered separate from this Judgment.

16. The DGSE Defendants, John Benson, and all other Released Defendant Persons, including their respective insurers, shall have no responsibility whatsoever for the administration of

the Settlement, and shall have no liability whatsoever to any Person, including, but not limited to, Lead Plaintiffs, the Settlement Class or Lead Counsel in connection with any such administration.

17. **Lead Counsel's Award of Attorneys' Fees and Reimbursement of Litigation**

Expenses: Lead Counsel are hereby awarded 33 % of the Settlement Amount as and for their attorneys' fees, which sum the Court finds to be fair and reasonable. Lead Counsel are hereby awarded \$ 13,351.74 in reimbursement of Litigation Expenses, which expenses the Court finds to have been reasonably incurred. The foregoing amounts shall be paid to Lead Counsel from the Settlement Fund. Lead Counsel may make payments of fees and expenses to counsel for other plaintiffs as Lead Counsel deems appropriate based on their relative contribution to the prosecution and resolution of the Action. Neither the Plan of Allocation submitted by Lead Counsel nor the portion of this Judgment regarding the attorneys' fee and Litigation Expense application, including any modification or change in the award of attorneys' fees and Litigation Expenses that may hereafter be approved, shall in any way disturb or affect this Judgment or the Releases provided hereunder and shall be considered separate from this Judgment.

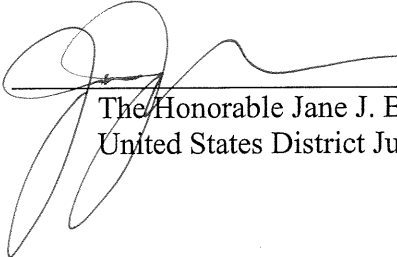
18. **Modification of the Agreement of Settlement:** Without further approval from the Court, Lead Plaintiffs, the DGSE Defendants, and John Benson are hereby authorized to agree to and adopt such amendments or modifications of the Stipulation or any Exhibits attached thereto to effectuate the Settlement that: (i) are not materially inconsistent with this Judgment; and (ii) do not materially limit the rights of Settlement Class Members in connection with the Settlement. Without further order of the Court, Lead Plaintiff, the DGSE Defendants, and John Benson may agree to reasonable extensions of time to carry out any provisions of the Settlement.

19. **Termination:** If the Settlement is terminated as provided in the Stipulation or the Effective Date does not occur, then this Judgment (and any orders of the Court relating to the

Settlement) shall be vacated, rendered null and void and be of no further force or effect, to the extent provided for in the Stipulation.

20. **Entry of Final Judgment:** There is no just reason to delay the entry of this Judgment as a final judgment as against all the Defendants. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment as against all the Defendants. The Settling Parties are hereby directed to perform the terms of the Stipulation. [The Court has duly considered each objection that was filed to the proposed Settlement, and each objection is hereby overruled.]

SO ORDERED this 21st day of Oct., 2013.



The Honorable Jane J. Boyle
United States District Judge

Exhibit 1

[No Settlement Class Members filed timely requests to opt-out of the proposed Settlement by the September 30, 2013 deadline.]