

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
ROCK HILL DIVISION

KBC ASSET MANAGEMENT NV, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

3D SYSTEMS CORPORATION, ABRAHAM N.
REICHTAL, DAMON J. GREGOIRE, and TED HULL,

Defendants.

Civil Action No. 0:15-cv-02393-MGL

CLASS ACTION

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED 3D SYSTEMS CORPORATION (“3D SYSTEMS” OR THE “COMPANY”) COMMON STOCK DURING THE PERIOD FROM OCTOBER 29, 2013, THROUGH AND INCLUDING MAY 5, 2015 (THE “CLASS PERIOD”)

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. IF YOU ARE A MEMBER OF THE CLASS, YOUR LEGAL RIGHTS WILL BE AFFECTED WHETHER OR NOT YOU ACT. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED (IF MAILED) OR RECEIVED (IF SUBMITTED ONLINE) ON OR BEFORE JULY 11, 2018.**

This Notice of Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of South Carolina (the “Court”).¹ The purpose of this Notice is to inform you of: (i) the pendency of this class action (the “Litigation”) between Lead Plaintiff KBC Asset Management NV and Defendants 3D Systems, Abraham N. Reichental, Damon J. Gregoire, and Theodore A. Hull (“Defendants”); (ii) the proposed \$50 million settlement reached therein (the “Settlement”); and (iii) the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and Lead Counsel’s application for fees, costs, and expenses (which may include Lead Plaintiff’s reimbursement for its time and expenses representing the Class). This Notice describes what steps you may take in relation to the Settlement and this class action.

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

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated February 14, 2018 (the “Stipulation”), which is available on the website, www.3DSystemsSecuritiesSettlement.com.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A PROOF OF CLAIM	The only way to be eligible to receive a payment from the Settlement. Proofs of Claim must be postmarked (if mailed) or received (if submitted online) on or before July 11, 2018.
EXCLUDE YOURSELF FROM THE SETTLEMENT BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION	Get no payment. This is the only option that <i>potentially</i> allows you to ever be part of any other lawsuit against any of the Defendants or any other Released Persons about the legal claims being resolved by this Settlement. Exclusions must be postmarked on or before May 29, 2018.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION	Write to the Court about why you do not like the Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses. You will still be a Member of the Class. Objections must be received by the Court and counsel for the Settling Parties on or before May 29, 2018.
GO TO THE HEARING ON JUNE 25, 2018, AND FILE A NOTICE OF INTENTION TO APPEAR	Ask to speak in Court about the fairness of the Settlement. Requests to speak must be received by the Court and counsel for the Settling Parties on or before May 29, 2018. If you submit a written objection, you may (but you do not have to) attend the hearing.
DO NOTHING	Receive no payment. You will, however, still be a Member of the Class, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Persons about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Litigation.

SUMMARY OF THIS NOTICE

Description of the Litigation and the Class

This Notice relates to a proposed settlement of claims in a pending securities class action brought by investors alleging, among other things, that Defendants violated the federal securities laws by making false and misleading statements regarding 3D Systems during the Class Period. A more detailed description of the Litigation is set forth on page 4 below. The proposed Settlement, if approved by the Court, will settle claims of the Class, as defined on page 5 below.

Statement of Class Recovery

Pursuant to the Settlement described herein, a \$50 million settlement fund has been established (the "Settlement Amount"). The Settlement Amount and any interest earned thereon is the "Settlement Fund." The Settlement Fund, less (a) any taxes, (b) any Notice and Administration Expenses, and (c) any attorneys' fees and litigation expenses awarded by the Court, will be distributed to Class Members in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is set forth on pages 10-15 below. Based on Lead Plaintiff's estimate of the number of shares of 3D Systems common stock damaged during the Class Period, the average distribution per share under the Plan of Allocation is roughly \$0.29, before deduction of any taxes on the income earned on the Settlement Fund, Notice and Administration Expenses, and allowable attorneys' fees and expenses as determined by the Court. **Class Members should note, however, that these are only estimates.** A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's claims as compared to the total claims of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than this estimated average amount. See Plan of Allocation set forth and discussed at pages 10-15 below for more information on the calculation of your claim.

Statement of Potential Outcome of Case

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

Statement of Attorneys' Fees and Expenses Sought

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty percent (30%) of the Settlement Amount, plus expenses not to exceed \$600,000, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. Since the Litigation's inception, Lead Plaintiff's Counsel have expended considerable time and effort in the prosecution of this Litigation on a wholly contingent basis and have advanced the expenses of the Litigation in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In addition, as part of that application, Lead Plaintiff may seek reimbursement of its time and expenses in representing the Class in an amount not to exceed \$10,000. The requested attorneys' fees and expenses amount to an average cost of approximately \$0.09 per allegedly damaged 3D Systems common share. The average cost per damaged share will vary depending on the number of acceptable Proofs of Claim submitted.

Further Information

For further information regarding the Litigation, this Notice or to review the Stipulation, please contact the Claims Administrator toll-free at 1-877-553-7003, or visit the website, www.3DSYSTEMSSECURITIESSETTLEMENT.COM.

You may also contact a representative of counsel for the Class: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, www.rgrdlaw.com, or Joshua Littlejohn, Esq., Motley Rice LLC, 28 Bridgeside Blvd., Mt. Pleasant, SC 29464, 1-800-768-4026, www.motleyrice.com.

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

Reasons for the Settlement

Lead Plaintiff's principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial and likely appeals, a process that could last several years into the future.

For Defendants, who have denied, and continue to deny, all allegations of liability, fault or wrongdoing whatsoever in connection with this matter, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and burdens inherent in any litigation, especially in complex cases such as this Litigation. Defendants have concluded that further conduct of this Litigation could be protracted and distracting.

BASIC INFORMATION

1. Why did I get this notice package?

This Notice was sent to you pursuant to an Order of a U.S. Federal Court because you or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired 3D Systems common stock during the Class Period.

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

The Court in charge of the Litigation is the United States District Court for the District of South Carolina (the “Court”), and the case is known as *KBC Asset Management NV v. 3D Systems Corporation, et al.*, No. 0:15-cv-02393-MGL. The case has been assigned to the Honorable Mary Geiger Lewis. The asset management company representing the Class is the “Lead Plaintiff,” and the company and individuals it sued, who have now settled, are called the Defendants.

This Notice does not imply that there has been or would be a finding of a violation of the law or that recovery could be had in any amount if the Litigation were not settled.

2. What is this lawsuit about and what has happened?

The Litigation is pending before the Honorable Mary Geiger Lewis in the United States District Court for the District of South Carolina (the “Court”). The initial complaint in this action was filed on June 12, 2015. On October 1, 2015, the Court appointed Lead Plaintiff and Lead Counsel.

Lead Plaintiff alleges that Defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 by, *inter alia*, issuing false and misleading statements or failing to disclose material adverse facts about the impact of 3D Systems’ aggressive growth strategy on its operational and financial condition. Lead Plaintiff further alleges that, as a result of Defendants’ false and misleading statements and omissions, 3D Systems’ stock traded at artificially inflated prices during the Class Period.

On December 9, 2015, Lead Plaintiff filed its Amended Consolidated Complaint for Violations of the Federal Securities Law (“Complaint”). After full briefing, the Court denied Defendants’ motion to dismiss the Complaint. Defendants moved for reconsideration of the Court’s order. On February 24, 2017, the Court denied Defendants’ motion.

On October 31, 2016, Lead Plaintiff filed its motion for class certification. Defendants deposed Lead Plaintiff and Lead Plaintiff’s class certification expert, and filed their opposition to the motion on February 10, 2017. Lead Plaintiff filed its reply to the motion for class certification on April 21, 2017. The Court granted the motion on September 28, 2017.

The parties engaged in extensive fact discovery, with the production, review and analysis of over 2.1 million pages of documents produced by Defendants and third parties. Lead Plaintiff also took the depositions of several representatives of 3D Systems on a variety of topics designated by Lead Counsel.

Pursuant to the Court’s order requiring the parties to engage in mediation, and in an effort to conserve judicial resources and attempt to settle the Litigation, the parties engaged the services of the Hon. Layn R. Phillips (Ret.), a nationally recognized mediator. The parties prepared and exchanged detailed mediation statements and engaged in a full-day in-person mediation session with Judge Phillips on December 7, 2017. Although the parties negotiated in good faith, no agreement was reached and litigation continued. The parties met again with Judge Phillips on January 10, 2018, and shortly after that in-person mediation session, the Settling Parties reached an agreement in principle to settle the Litigation that was memorialized in a term sheet (the “Term Sheet”) executed by the Settling Parties. The Term Sheet set forth, among other things, the Settling Parties’ agreement to settle and release all claims asserted in the Litigation in return for a cash payment of \$50,000,000.00 to be paid by Defendants’ insurance carriers for the benefit of the Class, subject to the negotiation of the terms of a Stipulation of Settlement and approval by the Court. The Stipulation (together with the Exhibits thereto) reflects the final and binding agreement between the Settling Parties.

3. Why is there a settlement?

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

WHO IS IN THE SETTLEMENT

To see if you will get money from this Settlement, you first have to decide if you are a Class Member.

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

The Court directed that everyone who fits this description is a Class Member: *all Persons who purchased or otherwise acquired 3D Systems common stock during the period from October 29, 2013, through and including May 5, 2015*, except those Persons and entities that are excluded.

Excluded from the Class are: 3D Systems; the Individual Defendants; members of the Immediate Family of each of the Individual Defendants; the Officers and Directors of 3D Systems during the Class Period; the heirs, successors, and assigns of any excluded person or entity; and any entity in which any excluded person has or had a controlling interest. Also excluded from the Class is any Class Member who timely and validly excludes themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

Please Note: Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before **July 11, 2018**.

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

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-877-553-7003, or you can fill out and return the Proof of Claim enclosed with this Notice package to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Claims (defined below) and dismissal of the Litigation, Defendants have agreed to pay (or cause to be paid) \$50 million in cash to be distributed after taxes, fees, and expenses, pro rata, to Class Members who send in or submit a valid Proof of Claim pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

7. How much will my payment be?

Your share of the Net Settlement Fund will depend on several things, including the total amount of claims represented by the valid Proofs of Claim that Class Members send in or submit, compared to the amount of your claim, all as calculated under the Plan of Allocation discussed below.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

8. How can I get a payment?

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.3DSYSTEMSSECURITIESSETTLEMENT.COM. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it and **mail or submit it online so that it is postmarked (if mailed) or received (if submitted online) no later than July 11, 2018**. The Proof of Claim may be submitted online at www.3DSYSTEMSSECURITIESSETTLEMENT.COM.

9. When would I get my payment?

The Court will hold a Settlement Hearing on June 25, 2018, at 11:00 a.m. ET, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

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

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

- "Released Claims" means any and all claims and causes of action of every nature and description, including both known claims and Unknown Claims, against any of the Released Persons, arising out of, relating to, or in connection with both (a) the purchase or acquisition of 3D Systems common stock during the Class Period, and (b) the facts, matters, allegations, transactions, events, disclosures, representations, statements, acts, or omissions or failures to act that were alleged or that could have been alleged in the Litigation against the Released Persons. "Released Claims" does not include any derivative or ERISA claims, or claims to enforce the Settlement. For the avoidance of doubt, "Released Claims" does not include any claims which were or could have been alleged in *Nally v. Reichental, et al.*, No. 0:15-cv-03756-MGL (D.S.C.); *Booth v. Reichental, et al.*, No. 15-cv-00692-RGA (D. Del.); *In re 3D Systems Corp. S'holder Derivative Litig.*, No. 2015-CP-46-02225 (S.C. Ct. of Com. Pl., York Cty.); and *Gee v. Hull, et al.*, BC-610319 (Cal. Super. Ct., L.A. Cty.). "Released Claims" includes "Unknown Claims" as defined below.
- "Released Defendants' Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description (including Unknown Claims), whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against Defendants in the Litigation, except for claims relating to the enforcement of the Settlement.
- "Released Persons" means each and all of the Defendants and their Related Parties.
- "Related Parties" means each Defendant's respective former, present or future parents, subsidiaries, divisions and affiliates and the respective present and former employees, members, partners, principals, officers, directors, controlling shareholders, attorneys, advisors, accountants, auditors, and insurers and reinsurers of each of them; and the predecessors, successors, estates, Immediate Family members, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives, assigns, and assignees of each of them, in their capacity as such.
- "Unknown Claims" means any and all Released Claims which Lead Plaintiff, Lead Plaintiff's Counsel, or any Class Members do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons and any and all Released Defendants' Claims that the Released Persons do not know or suspect to exist in her, her, or its favor at the time of the release of the Lead Plaintiff, Lead Plaintiff's Counsel, or any Class Members, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Persons, Lead Plaintiff, Lead Plaintiff's Counsel or Class Members, or might have affected his, her, or its decision(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or to the release of the Released Persons, Lead Plaintiff, Lead Plaintiff's Counsel, or Class Members. With respect to any and all Released Claims and Released Defendants' Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each of the Settling Parties shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil Code §1542, which provides:

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

The Settling Parties shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542. The Settling Parties acknowledge that they may hereafter discover facts in addition to or different from those which he, she, it or their

counsel now knows or believes to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but the Settling Parties shall expressly settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims and Released Defendants' Claims, known or unknown, suspected or 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 coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

EXCLUDING YOURSELF FROM THE CLASS

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

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

To exclude yourself from the Class and the Settlement, you must send a letter by First-Class Mail stating that you “request exclusion from the Class in the *3D Systems Securities Settlement*.” You **cannot** exclude yourself by telephone or e-mail. Your letter must include your purchases, acquisitions, and sales of 3D Systems common stock during the Class Period, including the dates, the number of shares of 3D Systems common stock purchased, acquired or sold and price paid or received for each such purchase, acquisition or sale. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **postmarked no later than May 29, 2018** to:

3D Systems Securities Settlement
Claims Administrator
EXCLUSIONS
P.O. Box 3170
Portland, OR 97208-3170

Your exclusion request must comply with these requirements in order to be valid and effective. Lead Counsel or the Claims Administrator may, at their discretion, request from any person or entity requesting exclusion documentation sufficient to prove his, her, or its purchases, acquisitions and/or sales of 3D Systems common stock during the Class Period.

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

Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be Members of the Class in an amount that exceeds an amount agreed to by Lead Plaintiff and Defendants.

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

No. Unless you exclude yourself, you give up any rights you may potentially have to sue the Defendants and the other Released Persons for any and all Released Claims (regardless of whether or not you submit a Proof of Claim). If you have a pending lawsuit against the Released Persons, speak to your lawyer in that case immediately. You must exclude yourself from the Class in this Litigation to continue your own lawsuit. Remember, the exclusion deadline is **May 29, 2018**.

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

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

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

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

15. How will the lawyers be paid?

Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed thirty percent (30%) of the Settlement Amount and for expenses and costs in an amount not to exceed \$600,000 in connection with the Litigation, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. Such sums as may be approved by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT

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

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

If you are a Class Member, and do not otherwise exclude yourself from the Class, you can comment on or object to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel's fee and expense application and/or Lead Plaintiff's time and expense request. You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement, Plan of Allocation and/or fee and expense application in the *3D Systems Securities Settlement*. Include your name, mailing address, daytime telephone number, e-mail address and your signature, state the number of shares of 3D Systems common stock owned as of the beginning of trading on October 29, 2013 (the first day of the Class Period), identify the date(s), price(s) and number(s) of shares of 3D Systems common stock you purchased, acquired and sold during the Class Period and state your comments or the reasons why you object to the proposed Settlement, Plan of Allocation and/or fee and expense application, including any legal support for such objection. You must also include copies of documents demonstrating such purchase(s), acquisition(s) and/or sale(s). Your comments or objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is **received no later than May 29, 2018**:

COURT	LEAD COUNSEL	DEFENDANTS' COUNSEL
Clerk of the Court UNITED STATES DISTRICT COURT DISTRICT OF SOUTH CAROLINA MATTHEW J. PERRY, JR. COURTHOUSE 901 Richland Street Columbia, SC 29201	ROBBINS GELLER RUDMAN & DOWD LLP ELLEN GUSIKOFF STEWART 655 West Broadway Suite 1900 San Diego, CA 92101 MOTLEY RICE LLC JOSHUA LITTLEJOHN 28 Bridgeside Boulevard Mt. Pleasant, SC 29464	ALSTON & BIRD JOHN JORDAK 1201 West Peachtree Street Suite 4900 Atlanta, GA 30309

Any person who fails to comply with the requirements for objecting to the Settlement will be deemed to have waived all such objections and will be foreclosed from raising any objection to the proposed Settlement or to any part thereof.

17. What is the difference between objecting and excluding?

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

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

THE COURT'S SETTLEMENT HEARING

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

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

The Court will hold a Settlement Hearing at **11:00 a.m. ET, on June 25, 2018**, in the Courtroom of the Honorable Mary Geiger Lewis at the United States District Court for the District of South Carolina, Matthew J. Perry, Jr. Courthouse, 901 Richland Street, Columbia, SC 29201. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also issue a ruling on Lead Counsel's application for attorneys' fees and expenses (which request may include an application for reimbursement for Lead Plaintiff's time and expenses in representing the Class in an amount not to exceed \$10,000). After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel or the Settlement website, www.3DSystemsSecuritiesSettlement.com, beforehand to be sure that the date and/or time has not changed.

19. Do I have to come to the hearing?

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

20. May I speak at the hearing?

If you object to the Settlement, the Plan of Allocation or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (*see* question 16 above) a statement saying that it is your "Notice of Intention to Appear in the *3D Systems Securities Settlement*." Persons who intend to object to the Settlement, the Plan of Allocation and/or any attorneys' fees and expenses to be awarded to Lead Counsel (including any reimbursement to Lead Plaintiff for its time and expenses representing the Class) and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and copies of any exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **received no later than May 29, 2018**, and addressed to the Clerk of Court, Lead Counsel and Defendants' counsel at the addresses listed above in question 16.

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

IF YOU DO NOTHING

21. What happens if I do nothing?

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

GETTING MORE INFORMATION

22. How do I get more information?

For even more detailed information concerning the matters involved in this Litigation, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-877-553-7003. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court, and to the other Settlement-related papers filed in the Litigation, which are posted on the Settlement website at www.3DSYSTEMSSECURITIESSETTLEMENT.COM, and may be inspected at the Office of the Clerk of the United States District Court for the District of South Carolina, Matthew J. Perry, Jr. Courthouse, 901 Richland Street, Columbia, SC 29201, during regular business hours. For a fee, all papers filed in this Litigation are available at www.pacer.gov. **DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT, DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE.**

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

23. How will my claim be calculated?

1. As discussed above, the Settlement provides \$50 million in cash for the benefit of the Class. The Settlement Amount and any interest it earns constitute the “Settlement Fund.” The Settlement Fund, after deduction of Court-approved attorneys’ fees and expenses, Notice and Administration Expenses, taxes, and any other fees or expenses approved by the Court, is the “Net Settlement Fund.” If the Settlement is approved by the Court, the Net Settlement Fund will be distributed to eligible Authorized Claimants – *i.e.*, Class Members who timely submit valid Proofs of Claim that are accepted for payment by the Court – in accordance with this proposed Plan of Allocation (“Plan of Allocation”) or such other plan of allocation as the Court may approve. Class Members who do not timely submit valid Proofs of Claim will not share in the Net Settlement Fund, but will otherwise be bound by the Settlement. The Court may approve this proposed Plan of Allocation, or modify it, without additional notice to the Class. Any order modifying the Plan of Allocation will be posted on the Settlement website, www.3DSYSTEMSSECURITIESSETTLEMENT.COM.

2. The objective of the Plan of Allocation is to distribute the Settlement proceeds equitably among those Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. The Plan of Allocation is not a formal damage analysis, and the calculations made in accordance with the Plan of Allocation are not intended to be estimates of, or indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations in accordance with the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants under the Settlement. The computations under the Plan of Allocation are only a method to weigh, in a fair and equitable manner, the claims of Authorized Claimants against one another for the purpose of making pro rata allocations of the Net Settlement Fund.

3. The Plan of Allocation was developed in consultation with Lead Plaintiff’s damages expert. In developing the Plan of Allocation, Lead Plaintiff’s damages expert calculated the estimated amount of alleged artificial inflation in the per share prices of 3D Systems common stock that was allegedly proximately caused by Defendants’ alleged materially false and misleading statements and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Lead Plaintiff’s damages expert considered price changes in 3D Systems common stock in reaction to the public disclosure that allegedly corrected the respective alleged misrepresentations and omissions, adjusting the price change for factors that were attributable to market or industry forces, and for non fraud related 3D Systems-specific information.

4. In order to have recoverable damages under the federal securities laws, disclosure of the alleged misrepresentation and/or omission must be the cause of the decline in the price of the security. In this Litigation, Lead Plaintiff alleges that corrective information allegedly impacting the price of 3D Systems common stock (referred to as a “corrective disclosure”) was released to the market. In order to have a “Recognized Loss Amount” under the Plan of Allocation, shares of 3D Systems common stock must have been purchased or otherwise acquired during the Class Period and held through the issuance of at least one of the corrective disclosures. Lead Plaintiff alleges that Defendants made false statements and omitted material facts during the period from October 29, 2013, through and including May 5, 2015, which had the effect of artificially inflating the prices of 3D Systems common stock. Lead Plaintiff further alleged that artificial inflation was removed from the price of 3D Systems common stock on July 31, 2014, October 22, 2014, April 24, 2015, April 27, 2015, and May 6, 2015 in reaction to information disclosed prior to market open on July 31, 2014, October 22, 2014, April 24, 2015, and May 6, 2015.

CALCULATION OF RECOGNIZED LOSS AMOUNT

5. Based on the formulas stated below, a “Recognized Loss Amount” will be calculated for each purchase or acquisition of 3D Systems common stock during the Class Period that is listed on the Proof of Claim and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

For each share of 3D Systems common stock purchased or otherwise acquired from October 29, 2013, through and including May 5, 2015, and:

- A. Sold before the opening of trading on July 31, 2014, the Recognized Loss Amount for each such share shall be zero.
- B. Sold after the opening of trading on July 31, 2014, through and including May 5, 2015, the Recognized Loss Amount for each such share shall be ***the lesser of***:
 - (i) the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in Table 1 below minus the dollar artificial inflation applicable to each such share on the date of sale as set forth in Table 2 below; or
 - (ii) the actual purchase/acquisition price ***minus*** the actual sale price.
- C. Sold after May 5, 2015, and before the close of trading on August 3, 2015, the Recognized Loss Amount for each such share shall be ***the least of***:
 - (i) the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in Table 1 below; or
 - (ii) the actual purchase/acquisition price of each such share minus the average closing price from May 6, 2015, up to the date of sale as set forth in Table 3 below; or
 - (iii) the actual purchase/acquisition price minus the actual sale price.
- D. Held as of the close of trading on August 3, 2015, the Recognized Loss Amount for each such share shall be ***the lesser of***:
 - (i) the dollar artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in Table 1 below; or
 - (ii) the actual purchase/acquisition price of each such share minus \$19.44.²

² Pursuant to Section 21(D)(e)(1) of the PSLRA, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day look-back period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the PSLRA, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of 3D Systems common stock during the 90-day look-back period, May 6, 2015 through August 3, 2015. The mean (average) closing price for 3D Systems common stock during this 90-day look-back period was \$19.44.

TABLE 1
Estimated Artificial Inflation in 3D Systems Common Stock
from October 29, 2013, through and including May 5, 2015
With Respect to Purchases/Acquisitions of 3D Systems Common Stock

Date Range	Artificial Inflation per Share
October 29, 2013 – July 30, 2014	\$9.51
July 31, 2014 – October 21, 2014	\$6.50
October 22, 2014 – April 23, 2015	\$0.94
April 24, 2015 – May 5, 2015	\$0.20

TABLE 2
Estimated Artificial Inflation in 3D Systems Common Stock
from October 29, 2013, through and including May 5, 2015
With Respect to Sales of 3D Systems Common Stock

Date Range	Artificial Inflation per Share
October 29, 2013 – July 30, 2014	\$9.51
July 31, 2014 – October 21, 2014	\$6.50
October 22, 2014 – April 23, 2015	\$0.94
April 24, 2015 – April 26, 2015	\$0.48
April 27, 2015 – May 5, 2015	\$0.20

TABLE 3

**90-Day Look-back Table for 3D Systems Common Stock
Closing Price and Average Closing Price May 6, 2015 through August 3, 2015**

Date	Closing Price	Average Closing Price Between May 6th and Date Shown		Date	Closing Price	Average Closing Price Between May 6th and Date Shown
5/6/2015	\$22.90	\$22.90		6/19/2015	\$20.61	\$22.19
5/7/2015	\$22.13	\$22.52		6/22/2015	\$20.54	\$21.73
5/8/2015	\$22.32	\$22.45		6/23/2015	\$21.66	\$21.73
5/11/2015	\$22.31	\$22.42		6/24/2015	\$20.53	\$21.70
5/12/2015	\$22.30	\$22.39		6/25/2015	\$20.48	\$21.66
5/13/2015	\$22.08	\$22.34		6/26/2015	\$20.06	\$21.62
5/14/2015	\$22.01	\$22.29		6/29/2015	\$19.58	\$21.57
5/15/2015	\$21.33	\$22.17		6/30/2015	\$19.52	\$21.51
5/18/2015	\$22.79	\$22.24		7/1/2015	\$18.62	\$21.44
5/19/2015	\$22.61	\$22.28		7/2/2015	\$18.95	\$21.38
5/20/2015	\$22.09	\$22.26		7/6/2015	\$18.26	\$21.31
5/21/2015	\$22.22	\$22.26		7/7/2015	\$18.37	\$21.24
5/22/2015	\$21.96	\$22.23		7/8/2015	\$17.62	\$21.16
5/26/2015	\$21.60	\$22.19		7/9/2015	\$16.71	\$21.06
5/27/2015	\$21.39	\$22.14		7/10/2015	\$16.82	\$20.96
5/28/2015	\$22.41	\$22.15		7/13/2015	\$17.16	\$20.88
5/29/2015	\$21.87	\$22.14		7/14/2015	\$17.19	\$20.81
6/1/2015	\$21.60	\$22.11		7/15/2015	\$16.97	\$20.73
6/2/2015	\$21.94	\$22.10		7/16/2015	\$16.34	\$20.64
6/3/2015	\$21.92	\$22.09		7/17/2015	\$15.79	\$20.55
6/4/2015	\$21.75	\$22.07		7/20/2015	\$14.47	\$20.43
6/5/2015	\$21.98	\$22.07		7/21/2015	\$14.97	\$20.33
6/8/2015	\$21.53	\$22.05		7/22/2015	\$14.62	\$20.22
6/9/2015	\$21.71	\$22.03		7/23/2015	\$14.72	\$20.12
6/10/2015	\$21.77	\$22.02		7/24/2015	\$14.77	\$20.02
6/11/2015	\$21.47	\$22.00		7/27/2015	\$14.57	\$19.93
6/12/2015	\$21.32	\$21.97		7/28/2015	\$14.72	\$19.84
6/15/2015	\$20.76	\$21.93		7/29/2015	\$15.21	\$19.76
6/16/2015	\$20.57	\$21.88		7/30/2015	\$13.85	\$19.66
6/17/2015	\$20.54	\$21.84		7/31/2015	\$13.16	\$19.56
6/18/2015	\$20.86	\$21.81		8/3/2015	\$12.34	\$19.44

ADDITIONAL PROVISIONS

1. Given the costs of distribution, the Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶4 below) is \$10.00 or greater.

2. If a claimant has more than one purchase, acquisition or sale of 3D Systems common stock, purchases, acquisitions and sales will be matched on a First In, First Out (“FIFO”) basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

3. A claimant’s “Recognized Loss Amount” under the Plan of Allocation will be the sum of his, her, or its Recognized Loss Amounts.

4. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Loss Amounts. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which will be the Authorized Claimant’s Recognized Loss Amount divided by the total Recognized Loss Amounts of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

5. Purchases, acquisitions, and sales of 3D Systems common stock will be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of 3D Systems common stock during the Class Period will not be deemed a purchase, acquisition, or sale of 3D Systems common stock for the calculation of an Authorized Claimant’s Recognized Loss Amount, nor will the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of 3D Systems common stock unless: (i) the donor or decedent purchased or otherwise acquired the shares during the Class Period; (ii) no Proof of Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to those shares; and (iii) it is specifically so provided in the instrument of gift or assignment.

6. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the 3D Systems common stock. The date of a “short sale” is deemed to be the date of sale of 3D Systems common stock. Under the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a claimant has an opening short position in 3D Systems common stock, his, her, or its earliest Class Period purchases or acquisitions of 3D Systems common stock will be matched against the opening short position, and not be entitled to a recovery, until that short position is fully covered.

7. Option contracts are not securities eligible to participate in the Settlement. With respect to shares of 3D Systems common stock purchased or sold through the exercise of an option, the purchase/sale date of the 3D Systems common stock is the exercise date of the option and the purchase/sale price of the 3D Systems common stock is the exercise price of the option.

8. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund six (6) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel.

9. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiff, Lead Plaintiff’s Counsel, Lead Plaintiff’s damages expert, Defendants, Defendants’ counsel, or the Claims Administrator or other agent designated by Lead Counsel, Defendants, or Defendants’ counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiff, Defendants and their respective counsel, and all other Released Persons, shall have no responsibility or liability whatsoever for the investment of the Settlement Fund or distribution of the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Proof of Claim or nonperformance of the Claims Administrator; the payment or withholding of taxes; or any losses incurred in connection therewith.

10. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Class Member or claimant. Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Court, which retains jurisdiction over all Class Members and the claims administration process, to decide the issue by submitting a written request.

11. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Proof of Claim. All Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased or acquired 3D Systems common stock during the Class Period for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) BUSINESS DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or acquired such securities during such time period; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

3D Systems Securities Settlement
Claims Administrator
P.O. Box 3170
Portland, OR 97208-3170
www.3DSystemsSecuritiesSettlement.com

DATED: February 20, 2018

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA