



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ASBESTOS WORKERS'
PHILADELPHIA PENSION FUND and
MATTHEW SCIABACUCCHI, on
Behalf of Themselves and on Behalf of
All Others Similarly Situated and
Derivatively on Behalf of Nominal
Defendant FRANCHISE GROUP, INC.
(f/n/a LIBERTY TAX, INC.),

Plaintiffs,

v.

C.A. No. 2019-0633-SG

MATTHEW AVRIL, BRIAN R. KAHN,
ANDREW M. LAURENCE, BRYANT
R. RILEY, KENNETH M. YOUNG,
VINTAGE CAPITAL MANAGEMENT,
LLC, KAHN CAPITAL
MANAGEMENT, LLC and B. RILEY
FINANCIAL, INC.,

Defendants,

and

FRANCHISE GROUP, INC. (f/n/a
LIBERTY TAX, INC.), a
Delaware corporation,

Nominal Defendant.

[PROPOSED] ORDER AND FINAL JUDGMENT

On this 16th day of April, 2021, upon a hearing having been held before
this Court to determine whether the terms and conditions of the Settlement, as
reflected in the Stipulation and Agreement of Settlement, Compromise, and Release

(the “Settlement Stipulation”), including Exhibits A–D thereto, which are incorporated herein by reference,¹ are fair, reasonable, and adequate for the settlement of all Released Claims; whether and in what amount to grant the Fee and Expense Award; whether this Order and Final Judgment should be entered in the above-captioned action (the “Action”); and the Court having considered all matters submitted to it at the hearing and otherwise;

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

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

2. The mailing of the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”) pursuant to and in the manner prescribed in the Scheduling Order entered on January 7, 2021 (the “Scheduling Order”), which was mailed by first-class mail on January 21, 2021, combined with the posting of the Notice on the Administrator’s website and the website of Grant & Eisenhofer P.A., pursuant to and in the manner prescribed in the Scheduling Order, which was done on January 20, 2021, is hereby determined to be the best

¹ Capitalized terms not defined in this Order and Final Judgment have the meaning set forth in the Settlement Stipulation (certain of which are repeated here for ease of reference only).

notice reasonably practicable under the circumstances, to constitute due and sufficient notice to all persons entitled to receive notice of the Settlement, and to have met the requirements of Court of Chancery Rules 23 and 23.1, due process, and applicable law. It is further determined that all Class Members, as well as their transferees, heirs, executors, successors, and assigns, are bound by this Order and Final Judgment.

3. The Court hereby finds, pursuant to Court of Chancery Rules 23(a), 23(b)(1) and (b)(2), as follows:

(a) That (i) the Class, as defined below, is so numerous that joinder of all members is impracticable; (ii) there are questions of law and fact common to the Class; (iii) the claims of Plaintiffs are typical of the claims of the Class; (iv) Plaintiffs and Plaintiffs' Counsel have fairly and adequately protected and represented the interests of the Class; (v) the prosecution of separate actions by individual Class Members would create a risk of inconsistent adjudications which would establish incompatible standards of conduct for Defendants; and (vi) as a practical matter, the disposition of this action would influence the disposition of any pending or future identical cases brought by other Class Members.

(b) That the requirements of Court of Chancery Rules 23(a), 23(b)(1) and (b)(2) have been satisfied;

(c) That the requirements of the Court of Chancery Rules and due process have been satisfied in connection with the Notice and publication of the Notice; and

(d) For purposes of settlement only, the Court finally certifies a non-opt-out Class consisting of any record holders and all beneficial owners of the common stock of Franchise Group, Inc. f/n/a Liberty Tax, Inc. (the “Company”) who held or owned such stock at any time during the Class Period, including any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, trustees, executors, administrators, estates, heirs, assigns and transferees, immediate and remote, and any Person acting for or on behalf of, or claiming under, any of them, and each of them, together with their predecessors-in-interest, predecessors, successors-in-interest, successors, transferees, and assigns (excluding (i) Defendants, any Board member and each Defendant’s and Board member’s respective Immediate Family, affiliates, legal representatives, heirs, estates, successors or assigns; and (ii) any entity in which any Defendant and/or Board member has or had a direct or indirect controlling interest, and any successors-in-interest thereto).

4. The Court finds that Plaintiffs held Company Common Stock, have standing to prosecute this Action, and are adequate representatives of the Class.

5. For purposes of settlement only, the Court appoints Plaintiffs as representatives of the Class and appoints Grant & Eisenhofer P.A. and Friedman Oster & Tejtel PLLC (together, "Plaintiffs' Counsel") as counsel for the Class.

6. The Settlement is found to be fair, reasonable, and adequate, and in the best interests of the Class and the Company, and is hereby approved in all respects pursuant to Court of Chancery Rules 23 and 23.1.

7. The Parties are hereby authorized and directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Stipulation, and the Register in Chancery is directed to enter and docket this Order and Final Judgment.

8. The releases contained in the Settlement Stipulation, together with the definitions contained in the Settlement Stipulation related to the Releasees and the Released Claims, are expressly incorporated herein in all respects and shall be effective as of the Effective Date.

9. This Action is hereby dismissed with prejudice as to Plaintiffs and all other Class Members and the Company. The Parties are to bear their own costs, except as otherwise provided in this Order and Final Judgment, the Scheduling Order, the Fee and Expense Award, and the Settlement Stipulation.

10. Upon the Effective Date, the Company, Plaintiffs, all Class Members, and Defendants, on behalf of themselves and anyone acting on their behalf, including

their respective heirs, executors, administrators, estates, predecessors in interest, predecessors, successors in interest, successors, and assigns in their capacities as such, shall fully, finally and forever release, settle and discharge the Releasees from and with respect to the Released Claims.

11. Plaintiffs' Counsel are hereby awarded a Fee and Expense Award in the amount of \$ 1,850,000⁰⁰, which amount the Court finds to be fair and reasonable. The Fee and Expense Award shall be paid pursuant to the provisions of the Settlement Stipulation and shall be paid solely out of the Settlement Fund. For the avoidance of doubt, neither Defendants nor the Company shall have any responsibility for, or any liability with respect to, Plaintiffs' attorneys' fees or any expenses beyond payment of the Settlement Amount.

12. The binding effect of this Order and Final Judgment and the obligations of Plaintiffs, Class Members and the Parties under the Settlement shall not be conditioned upon or subject to the resolution of any appeal from this Order and Final Judgment that relates solely to the issue of the Fee and Expense Award.

13. All Class Members and the Company shall be and are deemed bound by the Settlement Stipulation and this Order and Final Judgment. This Order and Final Judgment, including the release of all Released Claims against all Releasees, shall have res judicata, collateral estoppel and all other preclusive effect in all pending and future lawsuits, arbitrations or other proceedings maintained by, or on

behalf of, Plaintiffs or any Class Members or the Company, as well as their respective heirs, executors, administrators, estates, predecessors in interest, predecessors, successors in interest, successors, and assigns and anyone claiming through or on behalf of any of them.

14. Neither the Settlement, the Settlement Stipulation, nor this Order and Final Judgment shall constitute any evidence, or an admission or concession by Plaintiffs or Defendants or their counsel, any Class Member, or any of the Releasees, of any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or asserted in this Action, or in any other actions or proceedings, or as to the validity or merit of any of the claims or defenses alleged or asserted in this Action or in any other action or proceeding. Nor shall the Settlement Stipulation or this Order and Final Judgment be considered a finding or evidence of any damages or injury to Plaintiffs, any Class Member or the Company. Neither this Order and Final Judgment, nor any of the terms and provisions of the Settlement Stipulation, nor any of the negotiations or proceedings in connection therewith, nor any of the documents or statements referred to herein or therein, nor the Settlement, nor the fact of the Settlement, nor the Settlement proceedings, nor any statements in connection therewith, (a) shall be argued to be, used or construed as, offered or received in evidence as, or otherwise constitute an admission, concession, presumption, proof, evidence, or a finding of any liability, fault, wrongdoing, injury or damages, or of

any wrongful conduct, acts or omissions on the part of any Defendant or any of the Releasees, or of any infirmity of any defense, or of any damage to Plaintiffs, any other Class Member or the Company, or (b) shall otherwise be used to create or give rise to any inference or presumption against any Defendant or any of the Releasees concerning any fact or any purported liability, fault, or wrongdoing of Defendants or any of the Releasees or any injury or damages to any person or entity, or (c) shall otherwise be admissible in any proceeding of any nature, for any purpose whatsoever; provided, however, that the Settlement Stipulation and this Order and Final Judgment may be introduced in any proceeding subject to Rule 408 of the Delaware Uniform Rules of Evidence, and any and all other state and federal law corollaries thereto, whether in the Court or otherwise, as may be necessary to argue and establish that the Settlement and Order and Final Judgment have res judicata, collateral estoppel or other issue or claim preclusion effect or to otherwise consummate or enforce the Settlement Stipulation, the Settlement and this Order and Final Judgment or to secure any insurance rights or proceeds of any Defendants or any of the Releasees or as otherwise required by law. The fact of entering into the Settlement Stipulation, and any discussions, negotiations and proceedings related thereto, the Settlement itself, and this Order and Final Judgment shall not be construed as, offered into evidence as, or deemed to be evidence of, the fair value of the Company's common stock during the Class Period.

15. Without further order of this Court, the Parties may agree in writing to (i) amendments, modifications, and expansions of the Settlement Stipulation and/or any of the Exhibits attached thereto to effectuate the Settlement that are not materially inconsistent with this Order and Final Judgment and that do not materially limit the rights of Class Members under the Settlement Stipulation, and (ii) reasonable extensions of time to carry out any of the provisions of the Settlement Stipulation or this Order and Final Judgment.

16. Without affecting the finality of this Order and Final Judgment in any way, this Court reserves jurisdiction over all matters relating to the administration and consummation of the Settlement.



Vice Chancellor Glasscock

Dated: April 16, 2021