



GRANTED WITH MODIFICATIONS

EFiled: Jan 17 2018 03:59PM EST
Transaction ID 61539740
Case No. 12619-CB



Exhibit

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE DREAMWORKS ANIMATION
SKG, INC.

C.A. No. 12619-CB

SCHEDULING ORDER

WHEREAS, a consolidated stockholder class action is pending in this Court entitled *In re Dreamworks Animation SKG, Inc.*, C.A. No. 12619-CB (the “Action”);

WHEREAS, (a) plaintiffs Ann Arbor City Employees Retirement System, Kenneth Bumba, and Teamsters Local 677 Health Services & Insurance Plan (collectively, “Plaintiffs”), on behalf of themselves and the Settlement Class (defined below); (b) defendant Jeffrey Katzenberg (“Katzenberg” or “Defendant”); and (c) non-party DWA Holdings, LLC (“DWA Holdings”) have determined to settle all claims asserted against Defendant in the Action with prejudice on the terms and conditions set forth in the Stipulation and Agreement of Settlement, Compromise and Release entered into by the Parties dated January 9, 2018 (the “Stipulation”);

WHEREAS, in accordance with the Stipulation, the Parties have made an application, pursuant to Delaware Court of Chancery Rule 23, for entry of a

scheduling order in accordance with the Stipulation, preliminarily certifying the Settlement Class for purpose of the Settlement only, approving the form and content of the notice of the Settlement to the Settlement Class, and scheduling the date and time for the Settlement Hearing; and

WHEREAS, the Court having read and considered the Stipulation and the exhibits attached thereto; the Stipulation being sufficient to warrant notice to the Settlement Class; and all Parties having consented to the entry of this Order.

NOW THEREFORE, IT IS HEREBY ORDERED, this ____ day of _____, 2018, as follows:

1. **Definitions:** Unless otherwise defined herein, the capitalized terms used herein shall have the same meanings as they have in the Stipulation.

2. **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 Plaintiffs, Defendant, DWA Holdings, and each of the Settlement Class Members.

3. **Preliminary Class Certification for Settlement Purposes:** The Court hereby preliminarily certifies, solely for purposes of effectuating the proposed Settlement, the Action as a non-opt out class action pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1) and 23(b)(2), on behalf of a Settlement Class consisting of all record holders and beneficial holders of DreamWorks

Common Stock whose shares of DreamWorks Common Stock were exchanged for the Merger Consideration. Excluded from the Settlement Class are Katzenberg, the other Excluded Persons, Comcast, Merger Sub, DreamWorks, and DWA Holdings; members of the Immediate Family of the Excluded Persons; any entity in which any of the Excluded Persons has, or had at the time of the Merger, a controlling interest; any firm, trust, corporation, or other entity related to or affiliated with any of the Excluded Persons; and the legal representatives, heirs, successors, and assigns of any of the foregoing excluded persons or entities.

4. Solely for purposes of the Settlement, the Court preliminarily appoints Plaintiffs as Class Representatives for the Settlement Class. Solely for purposes of the Settlement, the Court also preliminarily appoints Co-Lead Counsel as Class Counsel for the Settlement Class.

5. **Settlement Hearing:** The Court will hold a Settlement Hearing (the “Settlement Hearing”) on _____, 2018, at __:__ .m., at the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center (formerly New Castle County Courthouse), 500 N. King St., Wilmington, DE 19801, for the following purposes: (a) to determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Settlement Class, and should be approved by the Court; (b) to determine whether a Judgment substantially in the form attached as Exhibit E to the

Stipulation should be entered dismissing the Action with prejudice against Defendant; (c) to determine whether the application by Co-Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved; and (d) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Settlement Hearing shall be given to Settlement Class Members as set forth in ¶ 7 of this Order.

6. The Court may adjourn the Settlement Hearing without further notice to the Settlement Class, and may approve the proposed Settlement with such modifications as the Parties may agree to, if appropriate, without further notice to the Settlement Class.

7. **Retention of Settlement Administrator and Manner of Notice:** Co-Lead Counsel are hereby authorized to retain the firm of Garden City Group, LLC (the "Settlement Administrator") to provide notice to the Settlement Class and administer the Settlement. Notice of the Settlement and the Settlement Hearing shall be given as follows:

(a) Within five (5) business days of the date of entry of this Order, Defendant shall cause Comcast to provide or cause to be provided to the Settlement Administrator and Co-Lead Counsel, at no cost to the Settlement Fund, Plaintiffs, Plaintiffs' Counsel, or the Settlement Administrator, the

following information: (i) the stockholder register from DreamWorks' transfer agent, which listing shall include the names, mailing addresses, and the number of Eligible Shares held by the registered owners who or which received the Merger Consideration; and (ii) the identification of where and how each of the Excluded Shares were held, which shall be provided to the Settlement Administrator and Co-Lead Counsel for purposes of ensuring that the Settlement Fund is paid only to Settlement Class Members. The information to be provided to the Settlement Administrator and Co-Lead Counsel pursuant to this ¶ 7(a) is referred to herein as the "Stockholder Information";

(b) not later than twenty (20) business days after the date of entry of this Order (the "Notice Date"), the Settlement Administrator shall cause a copy of the Mailing Notice, substantially in the form attached to the Stipulation as Exhibit B, to be mailed by first-class mail to potential Settlement Class Members at the addresses set forth in the Stockholder Information or who otherwise may be identified through further reasonable effort;

(c) not later than the Notice Date, the Settlement Administrator shall post a copy of the Long-Form Notice, substantially in the form attached to the Stipulation as Exhibit C, on the website established for the Settlement;

(d) not later than fifteen (15) business days after the Notice Date, the Settlement Administrator shall cause the Publication Notice, substantially in the form attached to the Stipulation as Exhibit D, to be published once in *Investor's Business Daily* and to be transmitted once over the *PR Newswire*; and

(e) not later than seventeen (17) calendar days prior to the Settlement Hearing, Co-Lead Counsel shall serve on Defendant's Counsel and file with the Court proof, by affidavit or declaration, of compliance with ¶¶ 7(b)-(d) above.

8. **Approval of Form and Content of Notice:** The Court (a) approves, as to form and content, the Mailing Notice, attached to the Stipulation as Exhibit B, the Long-Form Notice, attached to the Stipulation as Exhibit C, and the Publication Notice, attached to the Stipulation as Exhibit D, and (b) finds that the mailing of the Mailing Notice, internet distribution of the Long-Form Notice, and publication of the Publication Notice in the manner and form set forth in ¶ 7 of this Order: (i) are the best notice practicable under the circumstances; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise Settlement Class Members of the pendency of the Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of Co-Lead Counsel's application for an award of attorneys' fees and Litigation Expenses, of their right

to object to the Settlement, and/or Co-Lead Counsel's application for attorneys' fees and Litigation Expenses, and of their right to appear at the Settlement Hearing; (iii) constitute due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (iv) satisfy the requirements of Court of Chancery Rule 23, the United States Constitution (including the Due Process Clause), and all other applicable law and rules. The date and time of the Settlement Hearing shall be included in the Mailing Notice, Long-Form Notice, and Publication Notice before they are mailed, posted, and published, respectively.

9. **Nominees Procedures:** Brokers and other nominees that held shares of DreamWorks Common Stock as record holders for the benefit of another person or entity shall either (a) within seven (7) calendar days of receipt of the Mailing Notice, request from the Settlement Administrator sufficient copies of the Mailing Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Mailing Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Mailing Notice, send a list of the names and addresses of all such beneficial owners to the Settlement Administrator, in which event the Settlement Administrator shall promptly mail the Mailing Notice to such beneficial owners. Upon full compliance with this Order, such nominees may seek reimbursement of their reasonable expenses actually

incurred in complying with this Order by providing the Settlement Administrator with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by nominees in compliance with the terms of this Order shall be paid from the Settlement Fund, with any disputes as to the reasonableness or documentation of expenses incurred subject to review by the Court.

10. Brokers and other nominees that hold securities in their name on behalf of a beneficial owner are hereby ordered to provide information deemed necessary by the Settlement Administrator to assist eligible Settlement Class Members in connection with determining their entitlement to the Net Settlement Fund and to distribute the Net Settlement Fund consistent with the terms of the Settlement.

11. **Appearance at Settlement Hearing and Objections:** Unless the Court orders otherwise, any Settlement Class Member may enter an appearance in the Action, at his, her or its own expense, individually or through counsel of his, her or its own choice, by filing with the Register in Chancery and delivering a notice of appearance to representative counsel for Plaintiffs and Defendant, at the addresses set forth in ¶ 12 below, such that it is received no later ten (10) calendar days prior to the Settlement Hearing, or as the Court may otherwise direct. Any Settlement Class Member who does not enter an appearance will be represented by

Co-Lead Counsel, and shall be deemed to have waived and forfeited any and all rights he, she or it may otherwise have to appear separately at the Settlement Hearing.

12. Any Settlement Class Member may file a written objection to the proposed Settlement and/or Co-Lead Counsel's application for an award of attorneys' fees and Litigation Expenses and appear and show cause, if he, she, or it has any cause, why the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses should not be approved; *provided, however*, that, unless otherwise directed by the Court for good cause shown, no Settlement Class Member shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses unless that person or entity has filed a written objection with the Register in Chancery and served copies of such objection on representative Co-Lead Counsel and Representative Defendant's Counsel at the addresses set forth below such that they are received no later than ten (10) calendar days prior to the Settlement Hearing.

Representative Co-Lead Counsel

Michael J. Barry, Esq.
Grant & Eisenhofer P.A.
123 Justison Street
Wilmington, DE 19801

Representative Defendant's Counsel

Gary A. Bornstein, Esq.
Cravath, Swaine & Moore LLP
825 8th Avenue
New York, NY 10019

13. Any objections, filings, and other submissions by the objecting Settlement Class Member: (a) must state the name, address, and telephone number of the person or entity objecting and, if represented by counsel, the name, address, and telephone number of his, her, or its counsel; (b) must be signed by the objector; (c) must contain a written, specific statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; (d) must state the objection is being filed with respect to "*In re Dreamworks Animation SKG, Inc.*, C.A. No. 12619-CB"; and (e) must include documentation sufficient to prove that the objector is a member of the Settlement Class.

14. Unless the Court orders otherwise, any Settlement Class Member who or which does not make his, her or its objection in the manner provided herein shall (a) be deemed to have waived and forfeited his, her, or its right to object to any aspect of the proposed Settlement or Co-Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (b) be forever barred and foreclosed from objecting to the fairness, reasonableness, or adequacy of the Settlement, the Judgment to be entered approving the Settlement, or the attorneys' fees and Litigation Expenses requested or awarded; and (c) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other

proceeding, with respect to any matters concerning the Settlement or the requested or awarded attorneys' fees and Litigation Expenses.

15. **Stay and Temporary Injunction:** Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination by the Court of whether the Settlement should be approved, the Court bars and enjoins Plaintiffs, and all other members of the Settlement Class, from instituting, commencing, or prosecuting any and all of the Released Plaintiffs' Claims against any and all of the Defendant's Releasees.

16. **Notice Costs:** All Notice and Administration Costs shall be paid as set forth in the Stipulation without further order of the Court.

17. **Settlement Fund:** The contents of the Settlement Fund held by Valley National Bank (which the Court approves as the Escrow Agent), shall be deemed and considered to be *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as they shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

18. **Taxes:** Co-Lead Counsel are authorized and directed to prepare any tax returns and any other tax reporting form for or in respect of the Settlement Fund, to pay from the Settlement Fund any Taxes owed with respect to the Settlement Fund, and to otherwise perform all obligations with respect to Taxes

and any reporting or filings in respect thereof without further order of the Court in a manner consistent with the provisions of the Stipulation.

19. **Termination of Settlement:** If the Settlement is terminated as provided in the Stipulation, this Order shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Stipulation, and this Order shall be without prejudice to the rights of Plaintiffs, the other Settlement Class Members, and Defendant, and Plaintiffs and Defendant shall revert to their respective positions in the Action as of August 24, 2017, as provided in the Stipulation.

20. **Use of this Order:** Neither the Stipulation (whether or not consummated), including the exhibits thereto, the negotiations leading to the execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith): (a) shall be offered against Defendant or any other Defendant's Releasee as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by Defendant or any other Defendant's Releasee with respect to the truth of any fact alleged by Plaintiffs 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 other litigation, or of any liability, negligence, fault, or other wrongdoing

of any kind of Defendant or any other Defendant's Releasee or in any way referred to for any other reason as against Defendant or any of the Defendant's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; (b) shall be offered against any of the Plaintiffs' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Plaintiffs' Releasees that any of their claims are without merit, that Defendant or any other Defendant's Releasee had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiffs' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; or (c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given under the Stipulation represents the amount which could be or would have been recovered after trial; *provided, however*, that if the Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to the Stipulation to effectuate the protections from liability granted under the Stipulation or otherwise to enforce the terms of the Settlement.

21. **Supporting Papers:** Co-Lead Counsel shall file and serve the opening papers in support of the proposed Settlement and Co-Lead Counsel's application for an award of attorneys' fees and Litigation Expenses no later than seventeen (17) calendar days prior to the Settlement Hearing. Any objections to the Settlement and/or the application for an award of attorneys' fees and litigation expense shall be filed and served no later than ten (10) calendar days prior to the Settlement Hearing. If reply papers are necessary, they are to be filed and served no later than three (3) calendar days prior to the Settlement Hearing.

22. **Retention of Jurisdiction:** The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Chancellor Bouchard

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: Andre G Bouchard

File & Serve

Transaction ID: 61552614

Current Date: Jan 17, 2018

Case Number: 12619-CB

Case Name: CONS W/ 12507, 12605-CB - IN RE DREAMWORKS ANIMATION, SKG, INC.

Court Authorizer: Bouchard, Andre G

Court Authorizer

Comments:

The settlement hearing will be held on Wednesday, April 18, 2018 at 10:00 a.m.

/s/ **Judge Bouchard, Andre G**