



**IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE**

IN RE HANDY & HARMAN, LTD :  
STOCKHOLDERS LITIGATION : Consol. C.A. No. 2017-0882-TMR  
:

**STIPULATION AND AGREEMENT OF SETTLEMENT,  
COMPROMISE, AND RELEASE**

This Stipulation and Agreement of Settlement, Compromise, and Release, dated July 9, 2019 (the “**Stipulation**”), is entered into by and among the following parties in the above-captioned consolidated stockholder class action (the “**Action**”): (i) Matthew Sciabacucchi (“**Lead Plaintiff**”), on behalf of himself and the Class (defined below); (ii) defendants Patrick A. DeMarco, Robert Frankfurt, Jack L. Howard, Warren G. Lichtenstein, John H. McNamara, Garen W. Smith, and Jeffrey A. Svoboda (collectively, the “**Individual Defendants**”); and (iii) Steel Partners Holdings L.P., SPH Group Holdings LLC, and Steel Partners Holdings GP Inc. (collectively, “**Steel Partners**,” and together with the Individual Defendants, “**Defendants**,” and together with Lead Plaintiff and the Individual Defendants, the “**Settling Parties**”). This Stipulation is submitted pursuant to Court of Chancery Rule 23.

Subject to the terms and conditions set forth herein and the approval of the Court, the Settlement embodied in this Stipulation is intended: (i) to be a full and final disposition of the Action; (ii) to state all of the terms of the Settlement and the resolution of the Action; (iii) to fully and finally compromise, resolve, dismiss,

discharge and settle each and every one of the Released Plaintiff's Claims against each and every one of the Released Defendant Parties; and (iv) to fully and finally compromise, resolve, dismiss, discharge and settle each and every one of the Released Defendants' Claims against each and every one of the Released Plaintiff Parties.<sup>1</sup>

**WHEREAS:**

A. On June 26, 2017, Handy & Harman Ltd. ("**H&H**" or the "**Company**") announced that it had entered into an agreement and plan of merger with Steel Partners (the "**Merger Agreement**"). The Merger Agreement contemplated (i) a tender offer by Steel Partners and a wholly owned subsidiary to acquire the remaining 30% of H&H common stock not already owned by Steel Partners in exchange for 1.484 Series A preferred units of Steel Partners for each H&H share tendered by the Company's stockholders (the "**Tender Offer**" and the "**Tender Offer Consideration**"); followed by (ii) a merger pursuant to Section 251(h) of the General Corporation Law of the State of Delaware whereby the Company's stockholders that did not tender into the Tender Offer would receive the Tender Offer Consideration in exchange for their H&H shares (the "**Merger**").

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<sup>1</sup> All terms herein with initial capitalization shall, unless defined elsewhere in this Stipulation, have the meanings given to them in Article I, Paragraph 1.

B. On July 12, 2017, a putative H&H stockholder, Susan Paskowitz, filed a lawsuit in New York state court relating to the Merger, styled *Paskowitz v. Handy & Harman Ltd.*, Index No. 654747/2017 (N.Y. Sup. Ct.).

C. On August 16, 2017, Lead Plaintiff sent a books-and-records demand to the Company, pursuant to 8 *Del. C.* § 220 (the “**220 Demand**”). On October 9, 2017, H&H agreed to produce certain documents in response to the 220 Demand.

D. On October 11, 2017, the Tender Offer expired, with 2,352,456 H&H shares having been validly tendered and not validly withdrawn, representing approximately 89.5% of the outstanding H&H shares and approximately 58.6% of the outstanding H&H shares not already owned by Steel Partners.

E. On October 12, 2017, the Merger closed.

F. On November 14, 2017, H&H produced certain documents to Lead Plaintiff in response to the 220 Demand. On December 8, 2017, Lead Plaintiff filed suit against Defendants in this Court (the “**Sciabacucchi Action**”).

G. On December 11, 2017, putative H&H stockholders filed an action, styled *Pill v. Steel Partners Holdings, L.P., et al.*, Index No. 657304/2017E (N.Y. Sup. Ct.), in New York against Steel Partners Holdings L.P. and Robert Frankfurt. The two New York actions were subsequently consolidated as *In Re Handy & Harman LTD. Stockholder Litigation*, Index No. 654747/2017 (the “**Consolidated New York Action**”). The only defendants in the Consolidated New York Action

were Steel Partners Holdings L.P. and Robert Frankfurt.

H. On January 8, 2018, Steel Partners and certain other Defendants moved to stay the Sciabacucchi Action in favor of the Consolidated New York Action (the “**Motion to Stay**”). The remaining Defendants joined the motion to stay, and Lead Plaintiff opposed. On March 22, 2018, the Court denied the Motion to Stay.

I. A second Delaware action was filed on April 30, 2018, styled *Levin v. Handy & Harman Ltd.*, No. 2017-0725-TMR (the “**Levin Action**”).

J. By its Decision and Order dated May 9, 2018, the court in the Consolidated New York Action partially granted defendants’ motion to dismiss the complaint to the extent of dismissing the claims in the Consolidated New York Action against Robert Frankfurt.

K. On June 15, 2018, the Court consolidated the Levin Action and the Sciabacucchi Action under the above caption; appointed Lead Plaintiff as lead plaintiff, and appointed his counsel, Block & Leviton LLP and Heyman Enerio Gattuso & Hirzel LLP, as Lead Counsel.

L. On June 26, 2018, Lead Plaintiff, Defendants, and the plaintiffs in the Consolidated New York Action (the “**New York Plaintiffs**”) participated in a full-day mediation session (the “**Initial Mediation**”) before David Geronemus Esq, of JAMS. Before the Initial Mediation, the parties to that mediation exchanged mediation statements and exhibits, which addressed the issues of both liability and

damages. The Initial Mediation did not lead to resolution of the case.

M. On July 5, 2018, the Court entered an order granting Lead Plaintiff's Motion for Class Certification and certified a non-opt-out class defined as follows:

All record holders and beneficial owners of common stock of Handy & Harman, Ltd. ("H&H") (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing individuals) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. ("Steel Partners") upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners.

N. On July 26, 2018, the court in the Consolidated New York Action stated that it would certify an overlapping class action in the Consolidated New York Action unless Lead Plaintiff and Class Counsel agreed to (1) not oppose a motion by the New York Plaintiffs to intervene in this Action; and (2) ask this Court to modify its order granting class certification to permit class members to opt-out. Lead Plaintiff and Class Counsel acceded to these conditions.

O. On August 9, 2018, at Lead Plaintiff's request, this Court modified the class definition, as follows:

All record holders and beneficial owners of common stock of Handy & Harman, Ltd. ("H&H") (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing individuals) whose common stock of H&H was exchanged for

preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners, **except such record holders and beneficial owners who submit, in a form approved by the Court, valid and timely requests for exclusion from the Class.**

(Emphasis added).

P. On August 20, 2018, the New York Plaintiffs moved to intervene in this Action and asked the Court to have the New York Plaintiffs replace Lead Plaintiff as the lead plaintiff and have the New York Plaintiffs’ counsel replace Class Counsel as class counsel.

Q. On August 31, 2018, the notice administrator, Kurtzman Carson Consultants LLC (the “**Notice Administrator**”), mailed the Court-approved notice to the Class.

R. On September 5, 2018, the Court granted the New York Plaintiffs’ motion to intervene and denied their request to modify the leadership structure.

S. On October 15, 2018, the New York Plaintiffs voluntarily discontinued the Consolidated New York Action.

T. The opt-out deadline was October 30, 2018. The Notice Administrator received two timely and valid opt-out requests from three Class members (Lois Henry, Joseph C. Prickett, and Patricia C. Prickett) who owned a combined total of 15 shares of H&H at the time of the Merger.

U. From the time that the Sciabacucchi Action was filed through the

agreement-in-principle in May 2019, the Parties conducted extensive fact discovery. Defendants and third parties produced more than 230,000 pages of documents and Class Counsel deposed seven witnesses, including certain Defendants, Steel Partners employees, and relevant non-parties. Seven additional depositions had also been scheduled by Class Counsel prior to entering into the Settlement.

V. Counsel for Lead Plaintiff, Defendants and their respective insurers (“**Insurers**”) were scheduled to participate in a mediation on April 8, 2019. On April 6, 2019, Class Counsel informed Defendants that they would not participate in the mediation scheduled for April 8, 2019. Defendants and their insurance carriers did attend a full-day mediation session on April 8, 2019 before Robert Meyer, Esq., of JAMS.

W. On May 7, 2019, counsel for Lead Plaintiff, Defendants, and the Insurers participated in a full-day mediation session before Mr. Meyer (the “**Second Mediation**”). Before the Second Mediation, the Settling Parties exchanged mediation statements and exhibits, which addressed the issues of both liability and damages. At approximately 11:00 p.m. PST on May 7, 2019, Lead Plaintiff and Defendants reached an agreement in principle to settle the Action for \$30,000,000 in cash, subject to certain funding requirements and Court approval.

X. On May 25, 2019, Defendants confirmed that the funding requirements were satisfied.

Y. On May 29, 2019, Lead Plaintiff and Defendants informed the Court of the settlement in principle of the Action.

Z. On July 9, 2019, Lead Plaintiff and Defendants entered into this Stipulation of Settlement memorializing the final terms and conditions of the Settlement.

AA. This Stipulation (together with the exhibits hereto) has been duly executed by the undersigned signatories on behalf of their respective clients, and reflects the final and binding agreement between the Settling Parties.

BB. Based upon their investigation and prosecution of the Action, Lead Plaintiff and Class Counsel have concluded that the terms and conditions of the Settlement and the Stipulation are fair, reasonable for the members of the Class and in their best interests. Based on his direct oversight of the prosecution of this matter, Lead Plaintiff has agreed, on behalf of the Class, to settle the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering: (i) the substantial benefits that Lead Plaintiff and the other members of the Class will receive from the resolution of the Action; (ii) the attendant risks of litigation; and (iii) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

CC. Defendants deny all allegations of wrongdoing, fault, liability, or damage to Lead Plaintiff as well as each and every other member of the Class, and



further deny that Lead Plaintiff has asserted a valid claim as to any of them. Defendants further deny that they engaged in any wrongdoing or committed any violation of law or breach of duty and believe that they acted properly, in good faith, and in a manner consistent with their legal duties and are entering into the Settlement and Stipulation solely to avoid the substantial burden, expense, inconvenience and distraction of continued litigation and to resolve each of the Released Plaintiff's Claims as against the Released Defendant Parties. The Settlement and the Stipulation shall in no event be construed as, or deemed to be, evidence of or an admission or concession on the part of any of the Defendants with respect to any claim or factual allegation or of any fault or liability or wrongdoing or damage whatsoever or any infirmity in the defenses that any of the Defendants have or could have asserted.

DD. The Settling Parties recognize that the litigation has been filed and prosecuted by Lead Plaintiff and Class Counsel in good faith and defended by Defendants in good faith and further that the Settlement Payment paid, and the other terms of the Settlement as set forth herein, were negotiated at arm's-length, in good faith, and reflect an agreement that was reached voluntarily after consultation with experienced legal counsel.

**NOW THEREFORE**, it is **STIPULATED AND AGREED**, by and among Lead Plaintiff (individually and on behalf of the Class) and Defendants that, subject to the approval of the Court under Court of Chancery Rule 23 and the other

conditions set forth in Article V, for good and valuable consideration set forth herein and conferred on Lead Plaintiff and the Class, the sufficiency of which is acknowledged, the Action shall be finally and fully settled, compromised, and dismissed, on the merits and with prejudice, and that the Released Plaintiff's Claims shall be finally and fully compromised, settled, released, discharged, and dismissed with prejudice against the Released Defendant Parties, and that the Released Defendants' Claims shall be finally and fully compromised, settled, released, discharged, and dismissed with prejudice against the Released Plaintiff Parties, in the manner set forth herein.

## **I. DEFINITIONS**

1. In addition to the terms defined elsewhere in this Stipulation, the following capitalized terms, used in this Stipulation and any exhibits attached hereto and made a part hereof, shall have the meanings given to them below:

(a) “**Account**” means the account that is maintained by Class Counsel and into which the Notice Payment and Settlement Payment shall be deposited. The funds deposited into the Account shall be invested in instruments backed by the full faith and credit of the U.S. Government or agency thereof, or if the yield on such instruments is negative, in an account fully insured by the U.S. Government or an agency thereof.

(b) “**Administrative Costs**” means all costs, expenses, and fees

associated with administering or carrying out the terms of the Settlement, other than the costs of providing notice of the Settlement to the Class. Administrative Costs are not part of the Fee and Expense Award.

(c) “**Cede**” means Cede & Co., Inc.

(d) “**Claims**” means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, diminutions in value, costs, debts, expenses, interest, penalties, fines, sanctions, fees, attorneys’ fees, expert or consulting fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature or description whatsoever, whether disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including known claims and unknown claims, whether direct, individual, class, representative, legal, equitable or of any other type, or in any other capacity, whether based on state, local, foreign, federal, statutory, regulatory, common or other law or rule.

(e) “**Class**” means all record holders and beneficial owners of common stock of H&H (i) who tendered common stock of H&H in exchange for preferred shares of Steel Partners Holdings L.P. in the tender offer commenced by Steel Partners on or about September 13, 2017; or (ii) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. upon the close

of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners; but excluding Excluded Stockholders. As set forth in the Scheduling Order attached hereto as Exhibit A, the Settling Parties shall ask the Court to exercise its authority pursuant to Court of Chancery Rule 23(c)(1) to certify the Class consistent with this definition.

(f) “**Class Member**” means a member of the Class.

(g) “**Closing**” means the date of the consummation of the Merger on October 12, 2017.

(h) “**Closing Beneficial Ownership Position**” means, for each Eligible Beneficial Owner, the number of shares of H&H common stock tendered in the Tender Offer by such Eligible Beneficial Owner and/or beneficially owned by such Eligible Beneficial Owner as of Closing, for which the Eligible Beneficial Owner received payment of the Transaction Consideration; provided, however, that no Excluded Shares may comprise any part of any Closing Beneficial Ownership Position.

(i) “**Closing Security Position**” means, for each DTC Participant, the number of shares of H&H common stock reflected on the DTC allocation report used by DTC to distribute the Transaction Consideration.

(j) “**Court**” means the Court of Chancery of the State of Delaware.

(k) “**Defendants’ Counsel**” means (i) the law firms of Olshan

Frome Wolosky LLP and Abrams & Bayliss LLP (for defendants Steel Partners Holdings L.P., SPH Group Holdings LLC, Steel Partners Holdings GP Inc., Jack L. Howard, Warren G. Lichtenstein, John H. McNamara, and Jeffrey A. Svoboda); and (ii) the law firms of Kaplan Rice LLP and McCollom D’Emilio Smith Uebler LLC (for defendants Patrick A. DeMarco, Robert Frankfurt, and Garen W. Smith).

(l) “**DTC**” means the Depository Trust Company.

(m) “**DTC Participants**” means the DTC participants to which DTC distributed the Transaction Consideration.

(n) “**DTC Records**” means the information to be obtained from DTC necessary to facilitate DTC’s distribution of the Net Settlement Fund to Eligible Beneficial Owners.

(o) “**Effective Date**” means the first date by which all of the events and conditions specified in Paragraph 12 of this Stipulation have been met and have occurred or have been waived.

(p) “**Eligible Beneficial Owner**” means the ultimate beneficial owner of any shares of H&H common stock tendered in the Tender Offer and/or held at the Closing, provided, however, that no Excluded Stockholder may be an Eligible Beneficial Owner.

(q) “**Eligible Class Members**” means Class Members who tendered in the Tender Offer and/or held shares of H&H common stock at the Closing and

therefore received or were entitled to receive the Transaction Consideration for their Eligible Shares. For the avoidance of doubt, Eligible Class Members excludes Excluded Stockholders.

(r) “**Eligible Registered Owners**” means the registered owners of H&H common stock who or which received or were entitled to receive the Transaction Consideration.

(s) “**Eligible Shares**” means shares of H&H common stock tendered in the Tender Offer by Eligible Class Members and/or held by Eligible Class Members at the Closing and for which Eligible Class Members received or were entitled to receive the Transaction Consideration, except for the Excluded Shares.

(t) “**Excluded Shares**” means the shares of H&H common stock beneficially owned by the Excluded Stockholders as set forth on Schedule 1 hereto.

(u) “**Excluded Stockholders**” means (i) Defendants; any current or former directors or executive officers of Defendants; the spouses, children, parents, or siblings of said directors and executive officers; and any entity formed for the benefit of or under the control of the foregoing individuals; (ii) record holders and beneficial owners that submitted valid and timely requests for exclusion from the Class; and (iii) record holders and beneficial owners that exercised statutory appraisal rights pursuant to 8 *Del. C.* § 262 and subsequently released all claims

arising from the Transaction. A list of Excluded Stockholders is set forth on Schedule 1 hereto.

(v) “**Fee and Expense Award**” means any award to Class Counsel of fees and expenses to be paid from the Settlement Fund, approved by the Court and in full satisfaction of all claims for attorneys’ fees that have been, could be, or could have been asserted by Class Counsel or any other counsel or any Class Member with respect to the Settlement Fund or against Defendants. The Fee and Expense Award includes any incentive payment to Lead Plaintiff approved by the Court, which shall be paid out of the fees awarded to Class Counsel. The Fee and Expense Award does not include Administrative Costs or Notice Costs, which are to be paid separately from the Settlement Fund.

(w) “**Final**,” when referring to the Judgment or any other court order, means (i) if no appeal is filed, the expiration date of the time provided for filing or noticing any appeal; or (ii) if there is an appeal from the Judgment or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on certiorari or otherwise, or (b) the date the Judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of review, and, if certiorari or other form of review is granted, the date of final affirmance following review pursuant to that grant; provided, however, that any disputes or

appeals relating solely to the amount, payment or allocation of attorneys' fees and expenses or any incentive award to Lead Plaintiff shall have no effect on finality for purposes of determining the date on which the Judgment becomes Final and shall not otherwise prevent, limit or otherwise affect the Judgment, or prevent, limit, delay or hinder entry of the Judgment.

(x) “**Immediate Family**” means children, stepchildren and spouses (a “**spouse**” shall mean a husband, a wife, or a partner in a state-recognized domestic partnership or civil union).

(y) “**Judgment**” means the Order and Final Judgment to be entered by the Court in the Action in all material respects in the form attached as Exhibit D hereto.

(z) “**Long-Form Notice**” means the Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear, substantially in the form attached hereto as Exhibit B, which is to be made available to Class Members via internet distribution and by first-class mail.

(aa) “**Net Settlement Fund**” means the Settlement Fund less (i) any and all Notice Costs; (ii) any and all Administrative Costs; (iii) any and all Taxes; (iv) any Fee and Expense Award (including any incentive award to Lead Plaintiff); and (v) any other fees, costs or expenses approved by the Court.

(bb) “**Notice Costs**” means all costs, expenses and fees associated



with providing notice of the Settlement to the Class. Notice Costs are not part of the Fee and Expense Award.

(cc) “**Notice Payment**” means \$500,000 of the Settlement Payment to be paid into the Account to cover Notice Costs.

(dd) “**Per-Share Recovery**” means the per-share recovery under the Settlement, which will be calculated by dividing the total amount of the Net Settlement Fund by the total number of Eligible Shares held by all Eligible Class Members.

(ee) “**Publication Notice**” means the Summary Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear, substantially in the form attached hereto as Exhibit C, to be published as set forth in the Scheduling Order.

(ff) “**Released Defendant Parties**” means (i) Defendants; (ii) the Immediate Family of any Defendant and Defendants’ past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, “**Defendant Affiliates**”); (iii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Defendants’ Counsel) of Defendants and their respective Defendant Affiliates; (iv) all firms, trusts, corporations, or other entities in which any of the Defendants or

their Defendant Affiliates have a financial interest; and (v) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

(gg) “**Released Defendants’ Claims**” means any and all Claims, including Unknown Claims (as defined below), that have been or could have been asserted in the Action, or in any court, tribunal, forum or proceeding, by Defendants or any of their respective successors and assigns against any of the Released Plaintiff Parties, that arise out of the institution, prosecution, settlement or dismissal of the Action; provided, however, that the Released Defendants’ Claims shall not include Claims to enforce the Stipulation. For the avoidance of doubt, Released Defendants’ Claims shall not include Claims by Defendants against their insurers or Duff & Phelps LLC collectively with the parents, subsidiaries, affiliates, employees, and agents of their insurers or Duff & Phelps LLC.

(hh) “**Released Plaintiff Parties**” means Lead Plaintiff and all other Class Members, members of each individual Class Member’s Immediate Family, and all Class Members’ past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, “**Plaintiff Affiliates**”); (ii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Class Counsel) of Lead Plaintiff and the

Class Members and their respective Plaintiff Affiliates; (iii) all firms, trusts, corporations, or entities in which Lead Plaintiff or any other Class Members or their Plaintiff Affiliates have a financial interest; and (iv) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

(ii) “**Released Plaintiff’s Claims**” means any and all Claims asserted by Lead Plaintiff in the Action on behalf of himself and the Class, and any and all Claims, including Unknown Claims, arising out of the same set of operative facts as the claims asserted by Lead Plaintiff against Released Defendant Parties in the Action and relating to the ownership of H&H common stock, including but not limited to Claims arising out of (i) the Transaction, (ii) any deliberations or negotiations in connection with the Transaction, including all deliberations and negotiations by each of H&H, Steel Partners and any of their respective officers, directors, agents, or advisors, (iii) the consideration received by Class Members in connection with the Transaction, (iv) the disclosures, SEC filings, public filings, periodic reports, press releases, recommendation statements, tender offer statements and materials, or other statements issued, made available or filed relating, directly or indirectly, to the Transaction, including without limitation claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts), (v) investments in (including, but not limited to, purchases, sales,

exercises of rights with respect to and decisions to hold) securities issued by any of Steel Partners, H&H or their respective affiliates which investments related directly or indirectly to the Transaction, (vi) the fiduciary obligations of the Released Defendant Parties in connection with the Transaction, (vii) the fees, expenses or costs incurred in prosecuting, defending or settling the Action, (viii) any of the allegations in any complaint or amendment(s) thereto filed in the Action; or (ix) any deliberations, negotiations, representations, omissions or other conduct leading to the execution of this Stipulation; provided, however, that the Released Plaintiff's Claims shall not include claims to enforce this Stipulation.

(jj) “**Releases**” means the releases set forth in Paragraphs 4-7 of this Stipulation.

(kk) “**Settlement**” means the settlement between Lead Plaintiff and Defendants on the terms and conditions set forth in this Stipulation.

(ll) “**Settlement Administrator**” means the settlement administrator selected by Lead Plaintiff to administer the Settlement, Kurtzman Carson Consultants LLC.

(mm) “**Settlement Fund**” means the Settlement Payment plus any and all interest earned thereon.

(nn) “**Settlement Hearing**” means the hearing to be set by the Court under Court of Chancery Rule 23 to consider, among other things, final approval of

the Settlement.

(oo) “**Settlement Payment**” means \$30,000,000 in cash.

(pp) “**Taxes**” means: (i) all federal, state and/or local taxes of any kind on any income earned by the Settlement Fund; and (ii) the reasonable expenses and costs incurred by Class Counsel in connection with determining the amount of, and paying, any taxes owed by the Settlement Fund (including, without limitation, expenses of tax attorneys and accountants).

(qq) “**Transaction**” means the acquisition of H&H by Steel Partners via the Tender Offer and Merger.

(rr) “**Transaction Consideration**” means the 1.484 Series A preferred units of Steel Partners that H&H common stockholders were entitled to receive in the Transaction.

(ss) “**Unknown Claims**” means any Released Plaintiff’s Claims that the Released Plaintiff Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff’s Claims, and any Released Defendants’ Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants’ Claims, including those which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. Lead Plaintiff and Defendants acknowledge, and the other Class Members by operation of law are deemed to

acknowledge, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Plaintiff's Claims and the Released Defendants' Claims, but that it is the intention of Lead Plaintiff and Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Plaintiff's Claims and Released Defendants' Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Lead Plaintiff and Defendants also acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that the inclusion of "Unknown Claims" in the definition of the Released Plaintiff's Claims and the Released Defendants' Claims was separately bargained for and is a key element of the Settlement.

## **II. SETTLEMENT CONSIDERATION**

2. In consideration for the full and final release, settlement, and discharge of all Released Plaintiff's Claims against the Released Defendant Parties, the Settling Parties have agreed to the following:

(a) **Settlement Payment:**

i. The Settlement Fund shall be used (a) to pay all Administrative Costs; (b) to pay all Notice Costs; (c) to pay all Taxes; (d) to pay any Fee and Expense Award, including any incentive award to Lead Plaintiff; (e) to pay

any other fees, costs or expenses approved by the Court; and following the payment of (a) - (e) herein, (f) for subsequent disbursement of the Net Settlement Fund to the Eligible Class Members as provided in Paragraph 2(b) herein.

(a) Upon the Court's entry of the Scheduling Order, Class Counsel shall provide to Defendants' Counsel complete wire transfer information and instructions (including a W-9, telephone and e-mail contact information, identifying information for the Account, and a physical address for the designated recipient of the Notice Payment and Settlement Payment) (the "**Wire Transfer Information**"). The Notice Payment and Settlement Payment shall be funded solely by Steel Partners and/or Defendants' insurers on behalf of Defendants. Under no circumstances shall any Individual Defendant be liable or responsible for funding, contributing to, guaranteeing, or indemnifying any part of the Notice Payment or Settlement Payment.

(b) No later than seven days following entry of the Scheduling Order by the Court, and provided that Steel Partners is in receipt of the Wire Transfer Information, Steel Partners shall deposit or cause to be deposited the \$500,000 Notice Payment into the Account which shall be used solely to cover Notice Costs. In the event that any amount of the Notice Payment remains after the payment of all Notice Costs, such unused amount shall be available for distribution to Eligible Class Members as part of the Net Settlement Fund, and in no event shall

any amount of the Notice Payment be returned to Steel Partners, the insurers for the Defendants, or any other person who paid any portion of the Notice Payment, except as otherwise provided herein.

(c) No later than fifteen calendar days following entry of the Judgment by the Court, and notwithstanding the existence of any timely filed objections to the Settlement, or potential for appeal from the Judgment, and provided that Steel Partners is in receipt of the Wire Transfer Information, Steel Partners shall deposit or cause to be deposited the remaining \$29,500,000 of the Settlement Payment into the Account.

ii. Apart from the payment of the Settlement Payment in accordance with this Paragraph 2(a) and any and all costs associated with providing Stockholder Information (including, without limitation, the Transaction Records and DTC Records) pursuant to Paragraph 2(b) below, Defendants shall have no obligation to pay or bear any additional amounts, expenses, costs, damages, or fees to or for the benefit of Plaintiff or any Class Members in connection with this Settlement, including but not limited to attorneys' fees and expenses for any counsel to any Class Member, Taxes, or any costs of notice or settlement administration or otherwise.

(b) **Distribution of the Settlement Fund:**

i. Within five business days of the date of execution of this



Stipulation, Defendants shall use best efforts to provide or cause to be provided to the Settlement Administrator and Class Counsel, at no cost to the Settlement Fund, Lead Plaintiff, Class Counsel, or the Settlement Administrator, the following information, to the extent that it has not already been provided and solely to the extent that it is known or reasonably knowable, or otherwise reasonably identifiable, by Defendants: (a) the stockholder register from H&H's transfer agent including the names and mailing addresses for all Eligible Registered Owners, the number of Eligible Shares held by such Eligible Registered Owners, and the account information (including financial institution and account numbers where the Eligible Shares were held) for such Eligible Registered Owners; and (b) the names and mailing addresses for each of the Excluded Stockholders set forth on Schedule 1 hereto, the number of Excluded Shares held by such Excluded Stockholders, and the account information (including financial institution and account numbers where the Excluded Shares were held) for such Excluded Stockholders. In addition to the foregoing, Class Counsel may request from Defendants any additional information as may be reasonably required to distribute the Net Settlement Fund to Eligible Stockholders and to ensure that the Net Settlement Fund is paid only to Eligible Stockholders and not to Excluded Stockholders, and Defendants agree to provide their good-faith cooperation in procuring and providing such information to the extent that it has not already been provided and solely to the extent that it is known

or reasonably knowable, or otherwise reasonably identifiable, by Defendants. The information to be provided by Steel Partners to the Settlement Administrator and Class Counsel pursuant to this Paragraph 2(b)(i) is referred to herein as the “**Transaction Records**”.

ii. Defendants will also obtain from DTC and its nominee, Cede, the DTC Records. The DTC Records shall include, without limitation, an allocation or “chill” report generated by DTC in anticipation of the Transaction to facilitate the allocation of the Transaction Consideration to stockholders. Class Counsel will use any information obtained from DTC solely for the purpose of administering the Settlement as set forth in this Stipulation, and not for any other purpose, and will not disclose any information obtained from DTC to any other party except as necessary to administer the Settlement or as required by law. Information to be provided to DTC in connection with the distribution of the Net Settlement Fund includes, without limitation, the Notice and “suppression letters” from DTC Participants concerning the Excluded Shares, instructing DTC to withhold payment on those Excluded Shares and containing other terms as DTC may reasonably require.

iii. Following the Effective Date, the Net Settlement Fund will be disbursed to Eligible Class Members, each of which will receive a *pro rata* distribution from the Net Settlement Fund equal to the product of (a) the number of

Eligible Shares held by the Eligible Class Member and (b) the Per-Share Recovery under the Settlement.

iv. With respect to H&H common stock held of record by Cede, the Settlement Administrator will cause that portion of the Net Settlement Fund to be allocated to Eligible Beneficial Owners who held their shares through DTC Participants to be paid to DTC. DTC shall then distribute that portion of the Net Settlement Fund among the DTC Participants by paying each the Per-Share Recovery times its respective Closing Security Position, using the same mechanism that DTC used to distribute the Transaction Consideration and subject to payment suppression instructions with respect to Excluded Shares. The DTC Participants and their respective customers, including any intermediaries, shall then ensure *pro rata* payment to each Eligible Beneficial Owner in accordance with each Eligible Beneficial Owner's Closing Beneficial Ownership Position.

v. With respect to H&H common stock held of record as of the Closing other than by Cede, as nominee for DTC (a “**Closing Non-Cede Record Position**”), the payment with respect to each such Closing Non-Cede Record Position shall be made by the Settlement Administrator from the Net Settlement Fund directly to the record owner of each Closing Non-Cede Record Position in an amount equal to the Per-Share Recovery times the number of shares of H&H common stock comprising such Closing Non-Cede Record Position.

vi. For the avoidance of doubt, to the extent that any record owner, any DTC Participants, or their respective customers, including any intermediaries, took or permitted actions that had the effect of increasing the number of shares of H&H common stock entitled to payment of the Transaction Consideration, whether through permitting naked short-selling or the cash settlement of short positions or through any other means (“**Increased Transaction Consideration Entitlements**”), such record owner, DTC Participants, or their respective customer (including intermediaries) shall be responsible for paying to the ultimate beneficial owners of such Increased Transaction Consideration Entitlements an amount equal to the Per-Share Recovery times the number of the Increased Transaction Consideration Entitlements.

vii. For the avoidance of doubt, a person or entity who acquired shares of H&H common stock on or before October 12, 2017, but had not settled those shares at the Transaction’s Closing (“**Non-Settled Shares**”) shall be treated as an Eligible Beneficial Owner with respect to those Non-Settled Shares (except for the Excluded Shares), and a person who sold those Non-Settled Shares on or before October 12, 2017 shall not be treated as an Eligible Beneficial Owner with respect to those Non-Settled Shares. Payment from the Net Settlement Fund made pursuant to and in the manner set forth above shall be deemed conclusive of compliance with this Stipulation.

viii. Defendants and any other Excluded Stockholder shall not have any right to receive any part of the Settlement Fund for his, her, or its own account(s) (*i.e.*, accounts in which he, she or it holds a proprietary interest), or any additional amount based on any claim relating to the fact that Settlement proceeds are being received by any other stockholder, in each case under any theory, including but not limited to contract, application of statutory or judicial law, or equity.

ix. In the event that any payment from the Net Settlement Fund is undeliverable or in the event a check is not cashed by the stale date (*i.e.*, more than six months from the check's issue date), the DTC Participants or the holder of a Closing Non-Cede Record Position shall follow their respective policies with respect to further attempted distribution or escheatment.

x. Class Counsel shall be solely responsible for supervising the administration of the Settlement and the disbursement of the Net Settlement Fund, subject to Court approval. Class Counsel believe that this proposed administration and distribution represents a fair and efficient means of applying the settlement consideration towards the resolution of all the claims and damages alleged in the Action. The Net Settlement Fund shall be distributed to Eligible Class Members only after the Effective Date of the Settlement and after: (a) all Notice Costs, Administrative Costs and Taxes, and any Fee and Expense Award, including any incentive award to Lead Plaintiff, have been paid from the Settlement Fund or

reserved; and (b) the Court has entered an order authorizing the specific distribution of the Net Settlement Fund (the “**Class Distribution Order**”). Class Counsel will apply to the Court, on notice to Defendants’ Counsel, for the Class Distribution Order.

xi. Payment pursuant to the Class Distribution Order shall be final and conclusive against all Class Members. Lead Plaintiff and Defendants, and their respective counsel, shall have no liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund, the determination, administration, or calculation of any payment from the Net Settlement Fund, the nonperformance of the Settlement Administrator or a nominee holding shares on behalf of an Eligible Class Member, the payment or withholding of Taxes (including interest and penalties) owed by the Settlement Fund, or any losses incurred in connection therewith.

xii. All proceedings with respect to the administration of the Settlement and distribution pursuant to the Class Distribution Order shall be subject to the exclusive jurisdiction of the Court.

(c) **Costs of Distribution**: Class Counsel shall pay out of the Account all Administrative Costs associated with the allocation and distribution of the Net Settlement Fund (including the costs, if any, associated with escheat).

(d) **Investment and Disbursement of the Settlement Fund**:

i. The Settlement Fund deposited in accordance with Paragraph 2(a) above shall be invested in instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, or if the yield on such instruments is negative, in an account fully insured by the United States Government or an agency thereof, and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then- current market rates. The Settlement Fund shall bear all risks related to investment of the Settlement Fund.

ii. The Settlement Fund shall not be disbursed except as provided in the Stipulation or by an order of the Court.

iii. The Settlement Fund shall be deemed and considered to be in *custodial legis* of the Court, and shall remain subject to the exclusive jurisdiction of the Court, until such time as such funds shall be distributed in accordance to the Stipulation and/or further order(s) of the Court.

(e) **No Liability**: Except as expressly provided in the Stipulation, Defendants and Defendants' Counsel shall have no responsibility, obligations, or liability relating to the investment, distribution, allocation, or disbursement of the Settlement Fund and Net Settlement Fund.

### **III. SCOPE OF THE SETTLEMENT**

3. Upon entry of the Judgment, and subject to the occurrence of the

Effective Date, Defendants shall be dismissed with prejudice from the Action without the award of any damages, costs, or fees or the grant of further relief except for the payments provided in this Stipulation.

4. Upon the Effective Date, Lead Plaintiff and all Class Members, on behalf of themselves and their successors and assigns shall thereupon be deemed to have fully, finally and forever, released, settled and discharged the Released Defendant Parties from and with respect to every one of the Released Plaintiff's Claims, and shall thereupon be forever barred and enjoined from commencing, instituting, prosecuting, instigating, or continuing to prosecute, or in any way participating in the commencement or prosecution of, any Released Plaintiff's Claims, either directly, representatively, derivatively, or in any other capacity, against any and all of the Released Defendant Parties.

5. Upon the Effective Date, each of Defendants, on behalf of themselves and their successors and assigns shall thereupon be deemed to have fully, finally and forever, released, settled and discharged the Released Plaintiff Parties from and with respect to every one of the Released Defendants' Claims, and shall thereupon be forever barred and enjoined from commencing, instituting or prosecuting any of the Released Defendants' Claims against any of the Released Plaintiff Parties.

6. The contemplated releases given by the Settling Parties in this Stipulation extend to Released Plaintiff's Claims and Released Defendants' Claims



(collectively, “**Released Claims**”) that the Settling Parties did not know or suspect to exist at the time of the release, including those which if known, might have affected the decision to enter into this Stipulation.

7. Regarding the Released Claims, the Settling Parties shall be deemed to have waived all provisions, rights, and benefits conferred by any law of the United States, any law of any state, or principle of common law which governs or limits a person’s release of Unknown Claims to the fullest extent permitted by law, and to have relinquished, to the full extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, 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.

**IV. SUBMISSION OF THE SETTLEMENT TO THE COURT FOR APPROVAL**

8. As soon as practicable after execution of this Stipulation, Lead Plaintiff shall (i) apply to the Court for entry of an Order in the form attached hereto as Exhibit A (the “**Scheduling Order**”), providing for, among other things: (a) the dissemination by mail of the Long-Form Notice, substantially in the form attached hereto as Exhibit B; the publication of the Publication Notice, substantially in the

form attached hereto as Exhibit C;<sup>2</sup> and (c) the scheduling of the Settlement Hearing to consider: (1) the proposed Settlement, (2) the request that the Judgment be entered in all material respects in the form attached hereto as Exhibit D, (3) Class Counsel's application for an award of attorneys' fees and expenses and for payment of an incentive award to Lead Plaintiff, and (4) any objections to any of the foregoing; and (ii) take all reasonable and appropriate steps to seek and obtain entry of the Scheduling Order.

9. Lead Plaintiff shall request at the Settlement Hearing that the Court approve the Settlement and enter the Judgment.

10. The Settling Parties shall take all reasonable and appropriate steps to obtain Final entry of the Judgment in all material respects in the form attached hereto as Exhibit D.

11. Notice shall be provided in accordance with the Scheduling Order. Lead Plaintiff shall retain the Settlement Administrator to disseminate Notice and for the disbursement of the Net Settlement Fund to Eligible Class Members. Defendants shall cooperate with Lead Plaintiff in providing the Notice, including, but not limited to, Defendants, Defendants' agents and transfer agent, and providing the Stockholder Information for Eligible Class Members to the Settlement Administrator in

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<sup>2</sup> Collectively, the Long-Form Notice and Publication Notice shall be referred to as the "**Notice.**"

accordance with Paragraph 2(b) above.

## **V. CONDITIONS OF SETTLEMENT**

12. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver of all of the following events, which the Settling Parties shall use their best efforts to achieve:

- a. the Court has entered the Scheduling Order in all material respects in the form attached hereto as Exhibit A;
- b. the Court has entered the Judgment in all material respect in the form attached hereto as Exhibit D;
- c. the Judgment has become Final; and
- d. the full amount of the \$30,000,000 Settlement Payment has been paid into the Account accordance with Paragraph 2(a) above.

13. Upon the occurrence of the Effective Date, any and all remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished and the Releases herein shall be effective.

## **VI. ATTORNEYS' FEES AND EXPENSES**

14. Class Counsel will apply for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund, reimbursement of litigation expenses, and approval of an incentive award for Lead Plaintiff not to exceed \$10,000 (the "**Fee Application**"). Class Counsel's Fee Application is not the subject of any

agreement between Defendants and Lead Plaintiff other than what is set forth in this Stipulation.

15. Any fees, expenses, or incentive payment awarded by the Court to Class Counsel and Lead Plaintiff shall be payable to Class Counsel and Lead Plaintiff from the Settlement Fund and from the Account upon funding of the Settlement Payment following after fifteen calendar days following entry of the Judgment by the Court, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof. In the event that (i) this Stipulation is disapproved, canceled, or terminated pursuant to its terms or the Effective Date otherwise fails to occur for any reason, or (ii) the Fee and Expense Award is disapproved, reduced, reversed or otherwise modified by Final court order, then Class Counsel shall, within five business days after Class Counsel receives notice of any such event in (i) or (ii) above, return to the Account, as applicable, either the entirety of the Fee and Expense Award or the difference between the attorneys' fees and expenses awarded by the Court in the Fee and Expense Award on the one hand, and any attorneys' fees and expenses ultimately and finally awarded on appeal, further proceedings on remand or otherwise on the other hand.

16. The disposition of the Fee Application is not a material term of this Stipulation, and it is not a condition of this Stipulation that such application be

granted. The Fee Application may be considered separately from the proposed Stipulation. Any disapproval or modification of the Fee Application by the Court or on appeal shall not affect or delay the enforceability of this Stipulation, provide any of the Settling Parties with the right to terminate the Settlement, or affect or delay the binding effect or finality of the Judgment and the release of the Released Plaintiff's Claims. Final resolution of the Fee Application shall not be a condition to the dismissal, with prejudice, of the Action as to Defendants or effectiveness of the releases of the Released Plaintiff's Claims.

17. Class Counsel shall allocate the attorneys' fees awarded amongst plaintiffs' counsel in a manner which they, in good faith, believe reflects the contributions of such counsel to the institution, prosecution and settlement of the Action.

## **VII. STAY PENDING COURT APPROVAL**

18. At the request of the Settling Parties, the Court stayed the Action by order entered on June 7, 2019. The Settling Parties agree not to initiate any other proceedings against Defendants other than those incident to the Settlement itself pending the occurrence of the Effective Date. The Settling Parties also agree to use their reasonable best efforts to seek the stay and dismissal of, and to oppose entry of any interim or final relief in favor of any Class Member in any other proceedings which challenge the Settlement or the Transaction or otherwise assert or involve the

commencement or prosecution of any Released Plaintiff's Claim, either directly, representatively, derivatively, or in any other capacity, against any Released Defendant Party.

19. The Settling Parties will request the Court to order (in the Scheduling Order) that, pending final determination of whether the Settlement should be approved, Lead Plaintiff and all Class Members are barred and enjoined from commencing, instituting, prosecuting, instigating, or in any way participating in the commencement or prosecution of any Released Plaintiff's Claim, either directly, representatively, derivatively, or in any other capacity, against any of the Released Defendant Parties.

## **VIII. TAXES**

20. The Settling Parties agree that the Settlement Fund together with all interest earned on the Settlement Fund is intended to be a "qualified settlement fund" within the meaning of Treas. Reg. § 1.468B-1. The Settlement Administrator shall timely make such elections as necessary or advisable to carry out the provisions of this Article VIII, including, if necessary, the "relation-back election" (as defined in Treas. Reg. § 1.468B-1(j)(2)) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such Treasury regulations promulgated under § 1.468B of the Internal Revenue Code of 1986, as amended (the "**Code**"). It shall be the responsibility of the Settlement

Administrator to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur. Defendants shall provide, or shall cause to be provided, the statement described in Treas. Reg. § 1.468B-3(e) to Class Counsel within the time period required thereunder.

21. The Settlement Administrator shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. § 1.468B-2(k)). Such returns (as well as the election described in Paragraph 20 above) shall be consistent with this Article VIII and in all events shall reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in Paragraph 22 below.

22. All taxes shall be paid out of the Settlement Fund, and shall be timely paid by Class Counsel without further order of the Court. Any tax returns prepared for the Settlement Fund (as well as the election set forth herein) shall be consistent with this Article VIII and in all events shall reflect that all taxes on the income earned by the Settlement Fund shall be paid out of the Settlement Fund, as provided herein. Any costs for the preparation of applicable tax returns shall be paid from the Settlement Fund. Defendants and Released Defendant Parties shall not bear any tax

liability in connection with the Settlement Fund, including any liability for income taxes owed by any Class Member by virtue of their receipt of payment from the Settlement Fund.

23. Defendants agree to cooperate with Class Counsel, as administrators of the Settlement Fund, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this Section.

**IX. TERMINATION OF SETTLEMENT; EFFECT OF TERMINATION;  
EFFECT OF PARTIAL APPROVAL OF SETTLEMENT**

24. Subject to Paragraph 25 below, if either (i) the Court finally refuses to enter the Judgment in any material respect or alters the Judgment in any material respect prior to entry, or (ii) the Court enters the Judgment but on or following appellate review, the Judgment is modified or reversed in any material respect, the Settlement and this Stipulation shall be canceled and terminated unless each of the Settling Parties to this Stipulation, within ten business days from receipt of such ruling, agrees in writing with the other Settling Parties hereto to proceed with this Stipulation and Settlement, including only with such modifications, if any, as to which all other Settling Parties in their sole judgment and discretion may agree. In addition to the foregoing, Lead Plaintiff shall have the right to cancel and terminate the Settlement and this Stipulation in the event that the Settlement Payment is not timely paid in accordance with Paragraph 2(a) above. For purposes of this paragraph, an intent to proceed shall not be valid unless it is expressed in a signed writing.



Neither a modification nor a reversal on appeal of the amount of fees, costs and expenses awarded by the Court to Class Counsel shall be deemed a material modification of the Judgment or this Stipulation.

25. If this Stipulation is disapproved, canceled, or terminated pursuant to its terms or the Effective Date of the Settlement otherwise fails to occur, (i) the Settling Parties shall be deemed to have reverted to their respective litigation status immediately before May 7, 2019, they shall negotiate a new trial schedule in good faith, and they shall proceed as if the Stipulation had not been executed and the related orders had not been entered; (ii) all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice in any way; and (iii) the statements made in connection with the negotiations of this Stipulation shall not be deemed to prejudice in any way the positions of any of the Settling Parties with respect to the Action, or to constitute an admission of fact of wrongdoing by any Settling Party, shall not be used or entitle any Settling Party to recover any fees, costs, or expenses incurred in connection with the Action, and neither the existence of this Stipulation nor its contents nor any statements made in connection with its negotiation or any settlement communications shall be admissible in evidence or shall be referred to for any purpose in the Action, or in any other litigation or judicial proceeding.

26. If this Stipulation is disapproved, canceled, or terminated pursuant to

its terms or the Effective Date of the Settlement otherwise fails to occur, the Settlement Fund and all interest earned thereon—less all Notice Costs and Administrative Costs paid, incurred, or due consistent with this Stipulation—shall be returned to the person(s) and/or insurer(s) that paid their respective parts of the Settlement Payment within five business days of the disapproval, cancellation or termination of the Settlement in accordance with the terms of this Stipulation.

## **X. MISCELLANEOUS PROVISIONS**

27. All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, if there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto, the terms of this Stipulation shall prevail.

28. Steel Partners warrants that, as to the payments made or to be made on behalf of it, at the time of entering into this Stipulation and at the time of such payment it, or to the best of its knowledge any persons or entities contributing to the payment of the Settlement Payment, were not insolvent, nor will the payment required to be made by or on behalf of them render them insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code, including §§ 101 and 547 thereof. This representation is made by Steel Partners and not by its counsel.

29. In the event of the entry of a final order of a court of competent

jurisdiction determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf of Defendants to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to be returned, and such amount is not promptly deposited into the Settlement Fund by others, then, at the election of Lead Plaintiff, Lead Plaintiff and Defendants shall jointly move the Court to vacate and set aside the Releases given and the Judgment entered in favor of Defendants and the other Releasees pursuant to this Stipulation, in which event the releases and Judgment shall be null and void, and the Settling Parties shall be restored to their respective positions in the litigation as provided above and any cash amounts in the Settlement Fund (less any Taxes paid, due or owing with respect to the Settlement Fund and less any Notice Costs and Administrative Costs actually incurred, paid or payable) shall be returned.

30. The Settling Parties intend this Stipulation and the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Lead Plaintiff and any other Class Members against Defendants with respect to the Released Plaintiff's Claims. Accordingly, Lead Plaintiff and their counsel and Defendants and their counsel agree not to assert in any forum that this Action was brought by Lead Plaintiff or Class Counsel or defended by Defendants in bad faith or without a reasonable basis. The Settling Parties agree that the amounts paid and the other terms of the Settlement were negotiated at arm's length and in good faith by

the Settling Parties, including through a mediation process supervised and conducted by Robert Meyer, Esq., of JAMS, and reflect the Settlement that was reached voluntarily after extensive negotiations and consultation with experienced legal counsel, who were fully competent to assess the strengths and weaknesses of their respective clients' claims or defenses.

31. While retaining their right to deny or assert that the claims raised in the Action were meritorious, the Settling Parties and their counsel, in any statement made to any media representative (whether or not for attribution) will not assert that the Action was commenced, prosecuted or defended in bad faith, nor will they deny that the Action was commenced, prosecuted and defended in good faith and is being settled voluntarily after consultation with competent legal counsel. In all events, Lead Plaintiff and their counsel and Defendants and their counsel shall not make any accusations of wrongful or actionable conduct by any Settling Party concerning the prosecution, defense, and resolution of the Action, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

32. The terms of the Settlement, as reflected in this Stipulation, may not be modified or amended, nor may any of its provisions be waived except by a writing signed on behalf of both Lead Plaintiff and Defendants (or their successors-in-interest).

33. The headings herein are used for the purpose of convenience only and

are not meant to have legal effect.

34. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain exclusive jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and expenses to Class Counsel and enforcing the terms of this Stipulation, including the distribution of the Net Settlement Fund to Class Members.

35. The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

36. This Stipulation and its exhibits constitute the entire agreement among the Settling Parties concerning the Settlement and this Stipulation and its exhibits and supersede all written or oral communications, agreements or understandings that may have existed prior to the execution of this Stipulation. All Parties acknowledge that no other agreements, representations, warranties, or inducements have been made by any Party hereto concerning this Stipulation or its exhibits other than those contained and memorialized in this Stipulation and its exhibits.

37. This Stipulation may be executed in one or more counterparts, including by signature transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email. All executed counterparts and each of them shall be deemed to be one and the same instrument.

38. This Stipulation shall be binding upon and inure to the benefit of the successors and assigns of the Settling Parties, including Released Plaintiff Parties and Released Defendant Parties, and any corporation, partnership, or other entity into or with which any Party hereto may merge, consolidate or reorganize.

39. The construction, interpretation, operation, effect and validity of this Stipulation and all documents necessary to effectuate it shall be governed by the internal laws of the State of Delaware without regard to conflicts of laws.

40. Any action arising under or to enforce this Stipulation or any portion thereof shall be commenced and maintained only in the Court.

41. This Stipulation shall not be construed more strictly against one Settling Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations between the Settling Parties and that all Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

42. All counsel and all other persons executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

43. Class Counsel and Defendants' Counsel agree to cooperate fully with one another in seeking Court approval of the Scheduling Order and the Settlement, as embodied in this Stipulation, and to use best efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

44. If any Settling Party is required to give notice to another Settling Party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided as follows:

**If to Lead Plaintiff or  
Class Counsel:**

Block & Leviton LLP  
Attn: Jason Leviton  
260 Franklin Street, Suite 1860  
Boston, MA 02110  
(617) 398-5600  
jason@blockesq.com

Heyman Enerio Gattuso & Hirzel LLP  
Attn: Kurt Heyman  
300 Delaware Ave., Suite 200  
(302) 472-7300  
kheyman@HEGH.law

**If to Defendants'  
or Defendants' Counsel:**

Olshan Frome Wolosky LLP  
Attn: Thomas Fleming  
1325 Avenue of the Americas  
New York, NY 10019  
(212) 451-2300  
tfleming@olshanlaw.com

Abrams & Bayliss LLP  
Attn: A. Thompson Bayliss  
20 Montchanin Road, Suite 200  
Wilmington, DE 19807  
(302) 778-1000  
bayliss@abramsbayliss.com

Kaplan Rice LLP  
Attn: Michelle Rice  
142 West 57th Street, Suite 4A  
New York, NY 10019  
(212) 235-0300  
mrice@kaplanrice.com

McCollom D'Emilio Smith Uebler LLC  
Attn: Thomas Uebler  
Little Falls Centre Two  
2751 Centerville Road, Suite 401  
Wilmington, DE 19808  
(302) 468-5960  
tuebler@mdsulaw.com

45. Except as otherwise provided herein, each Settling Party shall bear its own costs.

46. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Settling Parties and their counsel agree to keep all non-public settlement negotiations, discussions, drafts, agreements and proceedings in connection with the Stipulation confidential.


47. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.



48. No opinion or advice concerning the tax consequences of the proposed Settlement to individual Class Members is being given or will be given by the Settling Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Class Member.

**[SIGNATURES ON NEXT PAGE]**

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**SCHEDULE 1**

<b><u>Excluded Stockholder</u></b>	<b><u>Excluded Shares</u></b>
Patrick A. DeMarco	12,801 shares
Robert Frankfurt	23,289 shares
Jack L. Howard	248,947 shares
Warren G. Lichtenstein	298,624 shares
John H. McNamara	36,301 shares
Garen W. Smith	15,216 shares
Jeffrey A. Svoboda	102,148 shares
Steel Partners Holdings L.P.; SPH Group Holdings LLC; Steel Partners Holdings GP Inc.	8,560,592 shares
Douglas Woodworth	5,387 shares
Lois Henry	4 shares
Joseph C. Prickett; Patricia C. Prickett	11 shares
Ancora Catalyst, LP; Ancora Catalyst Institutional, LP; Ancora Merlin, LP; AAMAF, LP; Ancora Merlin Institutional LP	142,617 shares



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE HANDY & HARMAN, LTD :  
STOCKHOLDERS LITIGATION : Consol. C.A. No. 2017-0882-TMR  
:

**SCHEDULING ORDER**

WHEREAS, a consolidated stockholder class action is pending in this Court, styled *In re Handy & Harman, Ltd. Stockholders Litigation*, Consol. C.A. No. 2017-0882-TMR (the “Action”);

WHEREAS, lead plaintiff Matthew Sciabacucchi (“Lead Plaintiff”), on behalf of himself and the Class (defined below), and defendants Patrick A. DeMarco, Robert Frankfurt, Jack L. Howard, Warren G. Lichtenstein, John H. McNamara, Garen W. Smith, Jeffrey A. Svoboda, Steel Partners Holdings L.P., SPH Group Holdings LLC, and Steel Partners Holdings GP Inc. (“Defendants,” and together with Lead Plaintiff, the “Settling Parties”), have determined to settle all claims asserted against Defendants 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 Settling Parties dated July 9, 2019 (the “Stipulation”);

WHEREAS, on July 3, 2018, the Court certified the following class:

all record holders and beneficial owners of common stock of Handy & Harman, Ltd. (“H&H”) (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing

individuals) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners.

WHEREAS, in the same order, the Court certified Lead Plaintiff as the representative of the Class, and appointed Block & Leviton LLP and Heyman Enerio Gattuso & Hirzel LLP as Class counsel (“Class Counsel”);

WHEREAS, on August 9, 2018, at Lead Plaintiff’s request, this Court modified the class definition, as follows:

All record holders and beneficial owners of common stock of Handy & Harman, Ltd. (“H&H”) (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing individuals) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners, except such record holders and beneficial owners who submit, in a form approved by the Court, valid and timely requests for exclusion from the Class.

WHEREAS, Court of Chancery Rule 23(c)(1) provides that a class certification order may be “altered or amended before the decision on the merits” and the parties have agreed that the Court may use its authority to clarify the Class definition as set forth herein;

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

scheduling order in accordance with the Stipulation, approving the form and content of the notice of the Settlement to the 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 Class; and all Settling Parties having consented to the entry of this Order.

**NOW THEREFORE, IT IS HEREBY ORDERED**, this \_\_\_\_ day of \_\_\_\_\_, 2019, as follows:

1. Definitions: Unless otherwise defined herein, capitalized terms used herein shall have the same meanings given to them 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 Lead Plaintiff, Defendants, and each of the Class Members.

3. Class Definition: Pursuant to Court of Chancery Rule 23(c)(1), Paragraph 1 of the Court's July 5, 2018 order granting class certification, as amended by the Court's August 9, 2018 order, is amended to read as follows:

Pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2), the plaintiff class shall be certified consisting of: all record holders and beneficial owners of common stock of Handy & Harman, Ltd. ("H&H") (a) who tendered common stock of H&H for preferred shares of Steel Partners Holdings L.P. ("Steel Partners") in the tender offer commenced by Steel Partners on or about September 13, 2017; or (b) whose common stock of H&H was exchanged for preferred shares of Steel Partners upon the close of the transaction contemplated by the

Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners; but excluding (i) Defendants; any current or former directors or executive officers of Defendants; the spouses, children, parents, or siblings of said directors and executive officers; and any entity formed for the benefit of or under the control of the foregoing individuals; (ii) record holders and beneficial owners that submitted valid and timely requests for exclusion from the Class; and (iii) record holders and beneficial owners that exercised statutory appraisal rights pursuant to 8 *Del. C.* § 262 and subsequently released all claims arising from the foregoing tender offer and transaction.

4. Settlement Hearing: The Court will hold a Settlement Hearing (the “Settlement Hearing”) on \_\_\_\_\_, 2019, at \_\_\_\_\_ .m., at the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, to:

a. determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class, and should be approved by the Court;

b. determine whether a Judgment substantially in the form attached as **Exhibit D** to the Stipulation should be entered dismissing the Action with prejudice against Defendants;

c. determine whether the application by Class Counsel for an award of attorneys’ fees and reimbursement of litigation expenses, including the request for an incentive award to Lead Plaintiff, should be approved; and

d. 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 Class Members as set forth in Paragraph 7 of this Order.

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

6. Retention of Settlement Administrator and Manner of Notice: Class Counsel is hereby authorized to retain Kurtzman Carson Consultants LLC as the settlement administrator (the “Settlement Administrator”) to provide notice to the Class and administer the Settlement, including the distribution of the Net Settlement Fund. Notice of the Settlement and the Settlement Hearing shall be given as follows:

a. Within five business days of the date of entry of this Order, Defendants shall use best efforts to provide or cause to be provided to the Settlement Administrator and Class Counsel, at no cost to the Settlement Fund, Lead Plaintiff, Class Counsel, or the Settlement Administrator, the Transaction Records and DTC Records upon the terms set forth in Paragraph 2(b) of the Stipulation. The information to be provided to the Settlement Administrator and Class Counsel pursuant to Paragraph 2(b) of the Stipulation is referred to herein as the “Stockholder Information”;

b. Not later than twenty business days after the date of entry of this Order (the “Notice Date”), the Settlement Administrator shall cause a copy of the

Long-Form Notice, substantially in the form attached to the Stipulation as **Exhibit B**, to be mailed by first-class mail to potential 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 on the website established for the Settlement;

d. Not later than ten business days after the Notice Date, the Settlement Administrator shall cause the Publication Notice, substantially in the form attached to the Stipulation as **Exhibit C**, to be published once in *Investor's Business Daily* and to be transmitted once over the *PR Newswire*;

e. Not later than seventeen calendar days prior to the Settlement Hearing, Class Counsel shall serve on Defendants' Counsel and file with the Court proof, by affidavit or declaration, of compliance with Paragraph 6(b)-(d) above.

7. Approval of Form and Content of Notice: The Court (a) approves, as to form and content, the Long-Form Notice, attached to the Stipulation as **Exhibit B**, and the Publication Notice, attached to the Stipulation as **Exhibit C**, and (b) finds that the mailing and internet distribution of the Long-Form Notice, and publication of the Publication Notice in the manner and form set forth in Paragraph 6 of this Order: (i) are the best notice practicable under the circumstances; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise Class

Members of the pendency of the Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of Class Counsel's application for an award of attorneys' fees and litigation expenses, including their request for an incentive award to Lead Plaintiff, of their right to object to the Settlement, 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 Long-Form Notice and Publication Notice before they are mailed, posted, and published, respectively.

8. Nominees Procedures: Brokers and other nominees that hold or held shares of H&H 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.

9. Appearance at the Settlement Hearing: At the Settlement Hearing, any Class Member who desires to do so may appear personally or by counsel, and show cause, if any, why the Settlement in accordance with and as set forth in the Stipulation should not be approved as fair, reasonable and adequate and in the best interests of the Class; why the Judgment should not be entered in accordance with and as set forth in the Stipulation; or why the Court should not grant Class Counsel's application for an award of attorneys' fees and expenses; provided, however, that unless the Court in its discretion otherwise directs, no Class Member, or any other person, shall be entitled to contest the approval of the terms and conditions of the Settlement or (if approved) the Judgment to be entered thereon, or the allowance of fees and expenses to Class Counsel, and no papers, briefs, pleadings or other documents submitted by any Class Member or any other person (excluding a party to the Stipulation) shall be received or considered, except by order of the Court for good cause shown, unless, no later than ten business days prior to the Settlement Hearing, such person files with the Register in Chancery, Court of Chancery, 500 North King Street, Wilmington, DE, 19801, and serves upon the attorneys listed below: (a) a written notice of intention to appear that includes the name, address, and telephone number of the objector and, if represented by counsel, the name and

address of the objector's counsel; (b) proof of membership in the Class; (c) a detailed statement of objections to any matter before the Court; and (d) the grounds therefor or the reasons for wanting to appear and be heard, as well as all documents or writings the Court shall be asked to consider. These writings must also be served by File & ServeXpress, by hand, by first-class mail, or by express service upon the following attorneys such that they are received no later than ten (10) business days prior to the Settlement Hearing:

Thomas A Uebler, Esquire  
Kerry M. Porter, Esquire  
McCullom D'Emilio Smith Uebler LLC  
1523 Concord Pike, Suite 300  
Wilmington, DE 19803

A. Thompson Bayliss, Esquire  
Daniel J. McBride, Esquire  
Matthew L. Miller, Esquire  
Abrams & Bayliss LLP  
20 Montchanin Road, Suite 200  
Wilmington, DE 19807

Kurt M. Heyman, Esquire  
Melissa Donimirski, Esquire  
Aaron M. Nelson, Esquire  
Heyman Enerio Gattuso & Hirzel LLP  
300 Delaware Ave., Suite 200  
Wilmington, DE 19801

Counsel for the Settling Parties are directed to promptly furnish each other with copies of any and all objections that might come into their possession.

10. Unless the Court otherwise directs, any person who fails to object in the manner described above shall be deemed to have waived and forfeited any and all rights it/she/he may otherwise have to object to the Settlement and/or any award of attorneys' fees and expenses to Class Counsel (including any right of appeal) and

shall be forever barred from raising such objection in the Consolidated Stockholder Action or any other action or proceeding. Class Members who do not object need not appear at the Settlement Hearing or take any other action to indicate their approval.

11. 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 Lead Plaintiff, and all other members of the Class, from commencing, instituting, prosecuting, instigating, or continuing to prosecute, or in any way participating in the commencement or prosecution of any and all of the Released Plaintiff's Claims, either directly, representatively, derivatively, or in any other capacity, against any and all of the Released Defendant Parties.

12. Briefing Schedule: At least fifteen business days prior to the Settlement Hearing, Class Counsel shall file any opening brief in support of the proposed Settlement, and Class Counsel shall file their application for an award of attorneys' fees and expenses, including their request for an incentive award for Lead Plaintiff, along with any supporting affidavits. Any objections to the application for attorneys' fees and expenses or the incentive award to Lead Plaintiff shall be filed and served no later than ten business days prior to the Settlement Hearing. Any reply papers in

support of the Settlement and any reply in support of Class Counsel's application for an award of attorneys' fees and expenses or the incentive award to Lead Plaintiff shall be filed at least five business days prior to the Settlement Hearing.

13. Effectiveness of Judgment: If the Settlement is approved by the Court following the Settlement Hearing, the Court shall enter the Judgment substantially in the form attached to the Stipulation as **Exhibit D**. The effectiveness of the Judgment shall not be conditioned upon the approval of an award of attorneys' fees, costs, expenses, and/or an incentive award to Lead Plaintiff, either at all or in any particular amount, by the Court.

14. Termination of Settlement: If the Settlement is terminated pursuant to the terms of the Stipulation or the Effective Date otherwise fails to occur, then this Scheduling Order and any related orders entered by the Court shall be treated as vacated, *nunc pro tunc*; the Stipulation shall be null and void and of no force and effect (except as otherwise provided for in the Stipulation); Lead Plaintiff and Defendants shall be deemed to have reverted to their respective litigation status immediately prior to May 7, 2019; Lead Plaintiff and Defendants shall negotiate a new trial schedule in good faith; Lead Plaintiff and Defendants shall proceed as if the Stipulation had not been executed and the related orders had not been entered; and all of their respective claims and defenses as to any issue in the Consolidated Stockholder Action shall be preserved without prejudice.

15. Retention of Jurisdiction: The Court may, for good cause shown, extend any of the deadlines set forth in this Order without further notice to the Class, and the Court retains jurisdiction to consider all further applications arising out of or connected with the Settlement.

16. No Admission: The Stipulation and any and all negotiations, statements, or proceedings in connection therewith are not and shall not be deemed to constitute a presumption, concession, or an admission by any Defendant in the Action of any fault, liability, damages, or wrongdoing as to any facts or claims alleged or asserted in the Action or any other action or proceeding. The provisions contained in the Stipulation shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Action, or in any other action or proceeding, whether civil, criminal, or administrative, except in connection with any proceeding to enforce the terms of the Settlement or to effectuate the releases and dismissal with prejudice contained therein.

17. Headings: The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

18. Extensions: The Court may, for good cause, extend any of the deadlines set forth in this Order without further notice to Class members.

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Vice Chancellor Montgomery-Reeves





IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE HANDY & HARMAN, LTD :  
STOCKHOLDERS LITIGATION : Consol. C.A. No. 2017-0882-TMR  
:

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF  
STOCKHOLDER CLASS ACTION, SETTLEMENT HEARING,  
AND RIGHT TO APPEAR**

*The Delaware Court of Chancery authorized this Notice. This is not a solicitation from a lawyer.*

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights will be affected by the above-captioned consolidated stockholder class action (the “Action”) pending in the Court of Chancery of the State of Delaware (the “Court”) if you were a record holder or beneficial owner of common stock of Handy & Harman, Ltd. (“H&H”) (a) who tendered common stock of H&H in exchange for preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) in the tender offer commenced by Steel Partners on or about September 13, 2017; or (b) whose common stock of H&H was exchanged for preferred shares of Steel Partners upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners.

**NOTICE OF SETTLEMENT:** Please also be advised that plaintiff Matthew Sciabacucchi (“Lead Plaintiff”), and his counsel Block & Leviton LLP (“Block & Leviton”) and Heyman Enerio Gattuso & Hirzel LLP (“HEGH”) (collectively, “Class Counsel”), on behalf of Lead Plaintiff and the Class, have reached a proposed settlement of the Action for \$30,000,000 in cash (the “Settlement”).

**PLEASE READ THE NOTICE CAREFULLY AND IN ITS ENTIRETY. This Notice explains how Class Members will be affected by the Settlement.<sup>1</sup>**

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<sup>1</sup> Any capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings given to them in the Stipulation and Agreement of Settlement, Compromise and Release dated July 9, 2019 (the “Stipulation of Settlement” or “Stipulation”), entered into by and among (i) Lead Plaintiff,

**YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:**

<p><b>YOU <u>DO NOT</u> NEED TO SUBMIT A CLAIM FORM.</b></p>	<p>If you are an Eligible Class Member (defined in ¶ 41 below), you are eligible to receive a <i>pro rata</i> distribution from the Settlement proceeds. Eligible Class Members <b>do not</b> need to submit a claim form in order to receive a distribution from the Settlement, if approved by the Court. Your distribution from the Settlement will be paid to you directly. See ¶¶ 40-46 below for further discussion.</p>
<p><b>YOU MAY OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS <i>RECEIVED</i> NO LATER THAN _____, 2019.</b></p>	<p>You have the right, if you do not like the proposed Settlement or Class Counsel’s request for attorneys’ fees, reimbursement of litigation expenses, or incentive award to the Lead Plaintiff to write to the Court and explain why you do not like it/them.</p>
<p><b>YOU MAY GO TO A HEARING ON _____, 2019 AT __:__.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS <i>RECEIVED</i> NO LATER THAN _____, 2019.</b></p>	<p>Filing a written objection and notice of intention to appear that is received by _____, 2019, allows you to speak in Court, at the discretion of the Court, about your objection. You may, but you do not have to, attend the hearing. The Court will consider the objection whether or not you attend.</p>

**WHAT THIS NOTICE CONTAINS**

on behalf of himself and the Class; and (ii) defendants Patrick A. DeMarco, Robert Frankfurt, Jack L. Howard, Warren G. Lichtenstein, John H. McNamara, Garen W. Smith, Jeffrey A. Svoboda, and Steel Partners (“Defendants,” and together with Lead Plaintiff, the “Settling Parties”). A copy of the Stipulation is available at <http://www.handyharmanstockholderlitigation.com/>.

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**WHAT IS THE PURPOSE OF THIS NOTICE?**

1. The purpose of this Notice is to notify you of the terms of the proposed Settlement of the Action. The Notice also explains how the proposed Settlement affects the legal rights of Class Members. Please note: the Court may approve the proposed Settlement with such modifications as the Settling Parties may agree to, if appropriate, without further notice to the Class.

2. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with both consistency and efficiency. In a class action lawsuit, the court selects one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. Once the class is certified, the Court must resolve all issues on behalf of the class members. In this Action, the Court has previously directed that the Lead Plaintiff and Class Counsel (*see* ¶ 16 below) shall have primary responsibility for prosecuting all claims against Defendants on behalf of all Class Members.

3. The court in charge of this case is the Court of Chancery of the State of Delaware, and the case is known as *In re Handy & Harman, Ltd. Stockholders Litigation*, Consol. C.A. No. 2017-0882-TMR. The judge presiding over this case is Vice Chancellor Tamika Montgomery-Reeves. In

litigation, the people who are suing are called plaintiffs, and those who are being sued are called defendants. In this case, Lead Plaintiff, on behalf of himself and the Class, sued Patrick A. DeMarco, Robert Frankfurt, Jack L. Howard, Warren G. Lichtenstein, John H. McNamara, Garen W. Smith, Jeffrey A. Svoboda, Steel Partners Holdings L.P., SPH Group Holdings LLC, and Steel Partners Holdings GP Inc. If the Settlement is approved by the Court, it will resolve all claims asserted against Defendants in the Action, and will bring the Action to an end.

4. The Court has scheduled a hearing to consider the fairness, reasonableness, and adequacy of the Settlement and the application by Class Counsel for an award of attorneys' fees, reimbursement of litigation expenses, and incentive award to Lead Plaintiff (the "Settlement Hearing"). See ¶¶ 58-66 below for details about the Settlement Hearing, including the location, date, and time of the hearing. The Court has certified the Action as an opt-out class action, pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2).

5. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, the settlement administrator selected by Lead Plaintiff and approved by the Court (the "Settlement Administrator") will make payments pursuant to the Settlement after any objections and appeals are resolved.

## **WHAT IS THIS CASE ABOUT?**

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO THE FOLLOWING MATTERS AND THESE RECITATIONS SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE SETTLING PARTIES.

6. On June 26, 2017, Handy & Harman Ltd. ("H&H" or the "Company") announced that it had entered into an agreement and plan of merger with Steel Partners (the "Merger Agreement"). The Merger Agreement contemplated (i) a tender offer by Steel Partners and a wholly

owned subsidiary to acquire the remaining 30% of H&H common stock not already owned by Steel Partners in exchange for 1.484 Series A preferred units of Steel Partners for each H&H share tendered by the Company's stockholders (the "Tender Offer" and the "Tender Offer Consideration"); followed by (ii) a merger pursuant to Section 251(h) of the General Corporation Law of the State of Delaware whereby the Company's stockholders that did not tender into the Tender Offer would receive the Tender Offer Consideration in exchange for their H&H shares (the "Merger").

7. On July 12, 2017, a putative H&H stockholder, Susan Paskowitz, filed a lawsuit in New York state court relating to the Merger, styled *Paskowitz v. Handy & Harman Ltd.*, Index No. 654747/2017 (N.Y. Sup. Ct.).

8. On August 16, 2017, Lead Plaintiff sent a books-and-records demand to the Company, pursuant to 8 *Del. C.* § 220 (the "220 Demand"). On October 9, 2017, H&H agreed to produce certain documents in response to the 220 Demand.

9. On October 11, 2017, the Tender Offer expired, with 2,352,456 H&H shares having been validly tendered and not validly withdrawn, representing approximately 89.5% of the outstanding H&H shares and approximately 58.6% of the outstanding H&H shares not already owned by Steel Partners.

10. On October 12, 2017, the Merger closed.

11. On November 14, 2017, H&H produced certain documents to Lead Plaintiff in response to the 220 Demand. On December 8, 2017, Lead Plaintiff filed suit against Defendants in this Court (the "Sciabacucchi Action").

12. On December 11, 2017, putative H&H stockholders filed an action, styled *Pill v. Steel Partners Holdings, L.P., et al.*, Index No. 657304/2017E (N.Y. Sup. Ct.), in New York against Steel Partners Holdings L.P. and Robert Frankfurt. The two New York actions were subsequently consolidated as *In Re Handy & Harman LTD. Stockholder Litigation*, Index No. 654747/2017 (the "Consolidated New York Action"). The only defendants in the Consolidated New York Action were Steel Partners Holdings L.P. and Robert Frankfurt.

13. On January 8, 2018, Steel Partners and certain other Defendants

moved to stay the Sciabacucchi Action in favor of the Consolidated New York Action (the “Motion to Stay”). The remaining Defendants joined the motion to stay, and Lead Plaintiff opposed. On March 22, 2018, the Court denied the Motion to Stay.

14. A second Delaware action was filed on April 30, 2018, styled *Levin v. Handy & Harman Ltd.*, No. 2017-0725-TMR (the “Levin Action”).

15. By its Decision and Order dated May 9, 2018, the court in the Consolidated New York Action partially granted defendants’ motion to dismiss the complaint to the extent of dismissing the claims in the Consolidated New York Action against Robert Frankfurt.

16. On June 15, 2018, the Court consolidated the Levin Action and the Sciabacucchi Action under the above caption; appointed Lead Plaintiff as lead plaintiff, and appointed his counsel, Block & Leviton LLP and Heyman Enerio Gattuso & Hirzel LLP, as Lead Counsel.

17. On June 26, 2018, Lead Plaintiff, Defendants, and the plaintiffs in the Consolidated New York Action (the “New York Plaintiffs”) participated in a full-day mediation session (the “Initial Mediation”) before David Geronemus Esq. of JAMS. Before the Initial Mediation, the parties to that mediation exchanged mediation statements and exhibits, which addressed the issues of both liability and damages. The Initial Mediation did not lead to resolution of the case.

18. On July 5, 2018, the Court entered an order granting Lead Plaintiff’s Motion for Class Certification and certified a non-opt-out class defined as follows:

All record holders and beneficial owners of common stock of Handy & Harman, Ltd. (“H&H”) (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing individuals) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners.

19. On July 26, 2018, the court in the Consolidated New York Action stated that it would certify an overlapping class action in the Consolidated New York Action unless Lead Plaintiff and Class Counsel agreed to (1) not oppose a motion by the New York Plaintiffs to intervene in this Action; and (2) ask this Court to modify its order granting class certification to permit class members to opt-out. Lead Plaintiff and Class Counsel acceded to these conditions.

20. On August 9, 2018, at Lead Plaintiff's request, this Court modified the class definition, as follows:

All record holders and beneficial owners of common stock of Handy & Harman, Ltd. ("H&H") (except the Defendants herein; any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants; any current or former directors or officers of Defendants; the spouses, children, parents or siblings of said directors and officers; and any entity under the control of the foregoing individuals) whose common stock of H&H was exchanged for preferred shares of Steel Partners Holdings L.P. ("Steel Partners") upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners, **except such record holders and beneficial owners who submit, in a form approved by the Court, valid and timely requests for exclusion from the Class.**

(Emphasis added).

21. On August 20, 2018, the New York Plaintiffs moved to intervene in this Action and asked the Court to have the New York Plaintiffs replace Lead Plaintiff as the lead plaintiff and have the New York Plaintiffs' counsel replace Class Counsel as class counsel.

22. On August 31, 2018, the notice administrator, Kurtzman Carson Consultants LLC (the "Notice Administrator"), mailed the Court-approved notice to the Class.

23. On September 5, 2018, the Court granted the New York Plaintiffs' motion to intervene and denied their request to modify the leadership structure.

24. On October 15, 2018, the New York Plaintiffs voluntarily discontinued the Consolidated New York Action.

25. The opt-out deadline was October 30, 2018. The Notice Administrator received two timely and valid opt-out requests from three Class members (Lois Henry, Joseph C. Prickett, and Patricia C. Prickett) who owned a combined total of 15 shares of H&H at the time of the Merger.

26. From the time that the Sciabacucchi Action was filed through the agreement-in-principle in May 2019, the Parties conducted extensive fact discovery. Defendants and third parties produced more than 230,000 pages of documents and Class Counsel deposed seven witnesses, including certain Defendants, Steel Partners employees, and relevant non-parties. Seven additional depositions had also been scheduled by Class Counsel prior to entering into the Settlement.

27. Counsel for Lead Plaintiff, Defendants and their respective insurers (“Insurers”) were scheduled to participate in a mediation on April 8, 2019. On April 6, 2019, Class Counsel informed Defendants that they would not participate in the mediation scheduled for April 8, 2019. Defendants and their insurance carriers did attend a full-day mediation session on April 8, 2019 before Robert Meyer, Esq., of JAMS.

28. On May 7, 2019, counsel for Lead Plaintiff, Defendants, and the Insurers participated in a full-day mediation session before Mr. Meyer (the “Second Mediation”). Before the Second Mediation, the Settling Parties exchanged mediation statements and exhibits, which addressed the issues of both liability and damages. At approximately 11:00 p.m. PST on May 7, 2019, Lead Plaintiff and Defendants reached an agreement in principle to settle the Action for \$30,000,000 in cash, subject to certain funding requirements and Court approval.

29. On May 25, 2019, Defendants confirmed that the funding requirements were satisfied.

30. On May 29, 2019, Lead Plaintiff and Defendants informed the Court of the settlement in principle of the Action.

31. On July 9, 2019, Lead Plaintiff and Defendants entered into a Stipulation of Settlement memorializing the final terms and conditions of the Settlement (the “Stipulation”).



32. On \_\_\_\_\_, 2019, the Court entered a Scheduling Order directing that notice of the settlement be provided to potential Class Members, and scheduling the Settlement Hearing to consider whether to grant final approval to the Settlement. In the Scheduling Order, the Court clarified the definition of the Class to provide, for avoidance of doubt, that the Class does not include any person or entity that exercised his, her, or its right to seek appraisal pursuant to 8 Del. C. § 262 and subsequently released all claims arising from the Transaction.

33. Based upon their investigation and prosecution of the Action, Lead Plaintiff and Class Counsel have concluded that the terms and conditions of the Settlement and the Stipulation are fair, reasonable and adequate to Lead Plaintiff and the other members of the Class and in their best interests. Based on their direct oversight of the prosecution of this matter, Lead Plaintiff has agreed to settle the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering: (i) the substantial benefits that Lead Plaintiff and the other members of the Class will receive from the resolution of the Action; (ii) the attendant risks of litigation; and (iii) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

34. Defendants deny all allegations of wrongdoing, fault, liability, or damage to Lead Plaintiff as well as each and every other member of the Class, and further deny that Lead Plaintiff has asserted a valid claim as to any of them. Defendants further deny that they engaged in any wrongdoing or committed any violation of law or breach of duty and believe that they acted properly, in good faith, and in a manner consistent with their legal duties and are entering into the Settlement and Stipulation solely to avoid the substantial burden, expense, inconvenience and distraction of continued litigation and to resolve each of the Released Plaintiff's Claims as against the Released Defendant Parties. The Settlement and the Stipulation shall in no event be construed as, or deemed to be, evidence of or an admission or concession on the part of any of the Defendants with respect to any claim or factual allegation or of any fault or liability or wrongdoing or damage whatsoever or any infirmity in the defenses that any of the Defendants have or could have asserted.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?**

35. If you are a member of the Class, you are subject to the Settlement. The Class certified by the Court consists of:

all record holders and beneficial owners of common stock of Handy & Harman, Ltd. (“H&H”) (a) who tendered common stock of H&H for preferred shares of Steel Partners Holdings L.P. (“Steel Partners”) in the tender offer commenced by Steel Partners on or about September 13, 2017; or (b) whose common stock of H&H was exchanged for preferred shares of Steel Partners upon the close of the transaction contemplated by the Agreement and Plan of Merger, dated as of June 26, 2017 between H&H and Steel Partners; but excluding (i) Defendants; any current or former directors or executive officers of Defendants; the spouses, children, parents, or siblings of said directors and executive officers; and any entity formed for the benefit of or under the control of the foregoing individuals; (ii) record holders and beneficial owners that submitted valid and timely requests for exclusion from the Class; and (iii) record holders and beneficial owners that exercised statutory appraisal rights pursuant to 8 *Del. C.* § 262 and subsequently released all claims arising from the foregoing tender offer and transaction.

**PLEASE NOTE:** The Class was certified as an “opt-out” class pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), 23(b)(2).

### **WHAT ARE THE TERMS OF THE SETTLEMENT?**

36. In consideration of the settlement of the Released Plaintiff’s Claims (defined in ¶ 49 below) against Defendants and the other Released Defendant Parties (defined in ¶ 50 below), Defendants shall deposit or cause their Insurers to deposit \$30,000,000 in cash (the “Settlement Payment”) into an interest-bearing escrow account controlled by Class Counsel. Paragraphs 40-46 below describe the distribution of the Settlement proceeds to Eligible Class Members.

## WHAT ARE LEAD PLAINTIFF'S REASONS FOR THE SETTLEMENT?

37. Lead Plaintiff and Class Counsel state that they have brought their claims in good faith and continue to believe that their claims have legal merit, and that their diligent prosecution of the claims asserted in the Action has led to a Settlement that provides a substantial recovery for the Class.

38. Lead Plaintiff and Class Counsel have conducted an extensive investigation relating to the claims and the underlying events and transactions alleged in the Action, including documents produced in connection with the 220 Demand. Class Counsel have analyzed the evidence adduced during their investigation, and have also researched the applicable law with respect to the claims asserted in the Action and the potential defenses thereto.

39. In negotiating and evaluating the terms of the Settlement, Lead Plaintiff and Class Counsel considered the significant legal and factual defenses to Lead Plaintiff's claims and the expense, length, and risk inherent in such litigation. In light of the risks of continued litigation, Lead Plaintiff and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Class. Lead Plaintiff and Class Counsel believe that the Settlement provides a significant benefit to the Class, namely \$30,000,000 in cash (less certain deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller or no recovery after trial and appeals, possibly years in the future.

## HOW WILL I RECEIVE PAYMENT FROM THE SETTLEMENT?

40. **Please Note: If you are eligible to receive a payment from the Net Settlement Fund, you do not have to submit a claim form or take any other action in order to receive your payment.**

41. If the Settlement is approved by the Court and the Effective Date (as defined in the Stipulation) occurs, the Settlement Payment plus any and all interest earned thereon (the "Settlement Fund"), less any Notice Costs and Administrative Costs, and Court-awarded attorneys' fees and litigation expenses, including any incentive award to Lead Plaintiff (the "Net Settlement Fund"), will be distributed on a *pro rata* basis to "Eligible Class Members."

The “Eligible Class Members” consist of Class Members who tendered in the Tender Offer and/or held shares of H&H common stock at the Closing and therefore received or were entitled to receive the Transaction Consideration for their Eligible Shares.<sup>2</sup> For the avoidance of doubt, Eligible Class Members excludes all Excluded Stockholders. Pursuant to the terms of the Stipulation, each Eligible Class Member will be eligible to receive a *pro rata* payment from the Net Settlement Fund equal to the product of (i) the number of Eligible Shares held by the Eligible Class Member and (ii) the “Per-Share Recovery” for the Settlement, which will be determined by dividing the total amount of the Net Settlement Fund by the total number of Eligible Shares.

42. Pursuant to the terms of the Stipulation, payments from the Net Settlement Fund to Eligible Class Members will be made in the same manner in which Eligible Class Members received the Transaction Consideration. Accordingly, if your shares of H&H common stock were held in “street name” and the Transaction Consideration was deposited into your brokerage account, your broker will be responsible for depositing your Settlement payment into that same brokerage account.

43. Class Counsel will work with the Settlement Administrator to oversee the administration of the Settlement and distribution of the Settlement Fund. Following the Effective Date, the Net Settlement Fund will be disbursed on a per-share basis to the holders of H&H common stock who received Transaction Consideration, whether through the voluntary Tender Offer or the mandatory Merger, other than Excluded Stockholders (the “Settlement Payment Recipients”).

44. For most stockholders, the Settlement Fund will be distributed in the same manner as the Transaction Consideration. If you held shares through Cede & Co., as nominee for the Depository Trust Company (“DTC”) (which is likely true of the large majority of stockholders, including those who held shares through a brokerage firm) and were paid Transaction Consideration in connection with the Tender Offer or the Merger, the Settlement Administrator will pay your *pro rata* share of the Net Settlement Fund to you through DTC,

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<sup>2</sup> As defined in the Stipulation, “Eligible Shares” means shares of H&H common stock tendered in the Tender Offer by Eligible Class Members and/or held by Eligible Class Members at the Closing and for which Eligible Class Members received or were entitled to receive the Transaction Consideration, except for the Excluded Shares (as defined in the Stipulation).

by paying the money to DTC with instructions to distribute such payment to the brokers (for further credit to their customers) on whose behalf DTC owns the stock of record. If you held shares of record, the Administrator will pay your pro rata share of the Net Settlement Fund directly to you.

45. If there is any balance remaining in the Net Settlement Fund after six (6) months from the initial distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise), the Settlement Administrator shall, if feasible, distribute such balance among Settlement Payment Recipients who cashed the checks they received in connection with the initial distribution in an equitable and economic fashion in the same manner as the initial distribution. Thereafter, any balance that still remains in the Net Settlement Fund that is not feasible to be re-distributed shall be distributed, after provision for all anticipated expenses, in accordance with Delaware's unclaimed property law.

46. No payment under the Settlement shall be made (a) in respect to H&H common stock held by Defendants or any other Excluded Stockholder, or (b) to any former stockholder of H&H for any shares of H&H common stock that such stockholder sold into the market, rather than tendering in the Tender Offer or exchanging in the Merger.

**WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED? WHAT CLAIMS WILL THE SETTLEMENT RELEASE?**

47. If the Settlement is approved, the Court will enter a judgment (the "Judgment"). Pursuant to the Judgment, the Action will be dismissed with prejudice and the following releases will occur:

48. **Release of Claims by Lead Plaintiff and the Class:** Upon the Effective Date of the Settlement (as defined in the Stipulation), Lead Plaintiff and all Class Members, on behalf of themselves and their successors and assigns in their capacities as such, shall thereupon be deemed to have fully, finally and forever, released, settled and discharged the Released Defendant Parties (as defined below) from and with respect to every one of the Released Plaintiff's Claims (as defined below), and shall thereupon be forever barred and enjoined from commencing, instituting, prosecuting, or continuing to prosecute any Released Plaintiff's Claims against any of the Released Defendant Parties.

49. “Released Plaintiff’s Claims” means any and all Claims asserted by Lead Plaintiff in the Action on behalf of himself and the Class, and any and all Claims, including Unknown Claims, arising out of the same set of operative facts as the claims asserted by Lead Plaintiff against Released Defendant Parties in the Action and relating to the ownership of H&H common stock, including but not limited to Claims arising out of (i) the Transaction, (ii) any deliberations or negotiations in connection with the Transaction, including all deliberations and negotiations by each of H&H, Steel Partners and any of their respective officers, directors, agents, or advisors, (iii) the consideration received by Class Members in connection with the Transaction, (iv) the disclosures, SEC filings, public filings, periodic reports, press releases, recommendation statements, tender offer statements and materials, or other statements issued, made available or filed relating, directly or indirectly, to the Transaction, including without limitation claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts), (v) investments in (including, but not limited to, purchases, sales, exercises of rights with respect to and decisions to hold) securities issued by any of Steel Partners, H&H or their respective affiliates which investments related directly or indirectly to the Transaction, (vi) the fiduciary obligations of the Released Defendant Parties in connection with the Transaction, (vii) the fees, expenses or costs incurred in prosecuting, defending or settling the Action, (viii) any of the allegations in any complaint or amendment(s) thereto filed in the Action; or (ix) any deliberations, negotiations, representations, omissions or other conduct leading to the execution of this Stipulation; provided, however, that the Released Plaintiff’s Claims shall not include claims to enforce this Stipulation.

50. “Released Defendant Parties” means (i) Defendants; (ii) the Immediate Family of any Defendant and Defendants’ past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, “Defendant Affiliates”); (iii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Defendants’ Counsel) of Defendants and their respective Defendant Affiliates; (iv) all firms, trusts, corporations, or other entities in which any of the Defendants or their Defendant Affiliates have a financial interest; and (v) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

51. **Release of Claims by Defendants:** Upon the Effective Date of the Settlement, each of Defendants, on behalf of themselves and their successors and assigns in their capacities as such shall thereupon be deemed to have fully, finally and forever, released, settled and discharged the Released Plaintiff Parties (as defined below) from and with respect to every one of the Released Defendants' Claims (as defined below), and shall thereupon be forever barred and enjoined from commencing, instituting or prosecuting any of the Released Defendants' Claims against any of the Released Plaintiff Parties.

52. "Released Defendants' Claims" means any and all Claims, including Unknown Claims (as defined below), that have been or could have been asserted in the Action, or in any court, tribunal, forum or proceeding, by Defendants or any of their respective successors and assigns against any of the Released Plaintiff Parties, that arise out of the institution, prosecution, settlement or dismissal of the Action; provided, however, that the Released Defendants' Claims shall not include Claims to enforce the Stipulation. For the avoidance of doubt, Released Defendants' Claims shall not include Claims by Defendants against their insurers or Duff & Phelps LLC collectively with the parents, subsidiaries, affiliates, employees, and agents of their insurers or Duff & Phelps LLC.

53. "Released Plaintiff Parties" means Lead Plaintiff and all other Class Members, members of each individual Class Member's Immediate Family, and all Class Members' past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, "**Plaintiff Affiliates**"); (ii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Class Counsel) of Lead Plaintiff and the Class Members and their respective Plaintiff Affiliates; (iii) all firms, trusts, corporations, or entities in which Lead Plaintiff or any other Class Members or their Plaintiff Affiliates have a financial interest; and (iv) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

54. Regarding the Released Plaintiff's Claims and Released Defendants' Claims, upon the Effective Date of the Settlement, the Settling Parties shall be deemed to have waived all provisions, rights, and benefits conferred by any law of the United States, any law of any state, or principle

of common law which governs or limits a person's release of Unknown Claims (as defined below) to the fullest extent permitted by law, and to have relinquished, to the full extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, 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.

55. "Unknown Claims" means any Released Plaintiff's Claims that the Released Plaintiff Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff's Claims, and any Released Defendants' Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Claims, including those which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. Lead Plaintiff and Defendants acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Plaintiff's Claims and the Released Defendants' Claims, but that it is the intention of Lead Plaintiff and Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Plaintiff's Claims and Released Defendants' Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Lead Plaintiff and Defendants also acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that the inclusion of "Unknown Claims" in the definition of the Released Plaintiff's Claims and the Released Defendants' Claims was separately bargained for and is a key element of the Settlement.

56. By Order of the Court, (i) all proceedings in the Action, other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation, have been stayed; and (ii) pending final determination by the Court of whether the Settlement should be approved, Lead Plaintiff and all other Class Members are barred and enjoined from commencing,



instituting, prosecuting, instigating, or continuing to prosecute, or in any way participating in the commencement or prosecution of, any Released Plaintiff's Claims, either directly, representatively, derivatively, or in any other capacity, against any and all of the Released Defendant Parties.

### **HOW WILL CLASS COUNSEL BE PAID?**

57. Class Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Class, nor have Class Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Class Counsel will apply to the Court for an award of attorneys' fees to Class Counsel from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund. Class Counsel will also apply to the Court for reimbursement of the litigation expenses in an amount not to exceed \$XXX. Class Counsel shall also request that the Court approve an incentive award to Lead Plaintiff, not to exceed \$10,000. Any incentive award paid to Lead Plaintiff shall be deducted from the fees paid to Class Counsel. The Court will determine the amount of any award of attorneys' fees, reimbursement of litigation expenses, or incentive award. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

### **WHEN AND WHERE WILL THE SETTLEMENT HEARING BE HELD? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

58. **Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can receive a payment from the Settlement without attending the Settlement Hearing. Please Note: The date and time of the Settlement Hearing may change without further written notice to the Class. You should monitor the Court's docket and the website maintained by the Claims Administrator, <http://www.handyharmanstockholderlitigation.com>, before making plans to attend the Settlement Hearing. You may also confirm the date and time of the Settlement Hearing by contacting Class Counsel as indicated in ¶ 67 below.**

59. The Court will consider the Settlement and all matters related to the Settlement at the Settlement Hearing. The Settlement Hearing will be held on \_\_\_\_\_, 2019 at \_\_:\_\_.m. at the Court of Chancery in the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, to determine, among other things, (i) whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the Class, and should be approved by the Court; (ii) whether the Action should be dismissed with prejudice and the Releases specified and described in the Stipulation (and in the Notice) should be granted; and (iii) whether Class Counsel's application for an award of attorneys' fees, reimbursement of litigation expenses, and an incentive award to Lead Plaintiff should be approved.

60. Any Class Member may object to the Settlement or Class Counsel's application for an award of attorneys' fees, reimbursement of litigation expenses, and an incentive award to the Lead Plaintiff. Objections must be in writing. Class Members must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Register in Chancery at the address set forth below on or before \_\_\_\_\_, 2019. Class Members must also serve the papers on Representative Class Counsel and Representative Defendants' Counsel by hand or overnight delivery at the addresses set forth below so that the papers are *received* on or before \_\_\_\_\_, 2019:

**Representative Class Counsel:**

Kurt M. Heyman, Esquire  
Melissa Donimirski, Esquire  
Aaron M. Nelson, Esquire  
Heyman Enerio Gattuso & Hirzel LLP  
300 Delaware Ave, Suite 200  
Wilmington, DE 19801

**Representative Defendants' Counsel:**

A. Thompson Bayliss, Esquire  
Daniel J. McBride, Esquire  
Matthew L. Miller, Esquire  
Abrams & Bayliss LLP  
20 Montchanin Road, Suite 200  
Wilmington, DE 19807

Thomas Uebler, Esquire  
McCollow D'Emilio Smith Uebler LLC  
Little Falls Centre Two  
2751 Centerville Road, Suite 401  
Wilmington, DE 19808

61. Any objection: (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 Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; (d) must state the objection is being filed with respect to "*In re Handy & Harman, Ltd. Stockholder Litigation*"; and (e) must include documentation sufficient to prove that the objector is a member of the Class. Documentation establishing membership in the Class must consist of copies of a brokerage account statement or an authorized statement from the objector's broker containing the transactional and holding information found in an account statement.

62. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

63. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement or Class Counsel's application for an award of attorneys' fees and litigation expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Register in Chancery and serve it on Class Counsel and Defendants' Counsel at the addresses set forth in ¶ 60 above so that it is *received* on or before \_\_\_\_\_, 2019. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

64. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Representative Class Counsel and Representative Defendants' Counsel at the addresses set forth in ¶ 60 above so that the notice is *received* on or before \_\_\_\_\_, 2019.

65. The Settlement Hearing may be adjourned by the Court without

further written notice to the Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Class Counsel.

**66. Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement and/or Class Counsel's application for an award of attorneys' fees and litigation expenses and an incentive award to the Lead Plaintiff, or any other matter related to the Settlement, in the Action or in any other action or proceeding. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

**CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?**

67. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in the Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801. Additionally, copies of the Stipulation, the Complaint, and any related orders entered by the Court will be posted on the following website: <http://www.handyharmanstockholderlitigation.com>. If you have questions regarding the Settlement, you may contact the Settlement Administrator at In re Handy & Harman, Ltd. Stockholder Litigation, Settlement Administrator, c/o KCC Class Action Services, P.O. Box 404020, Louisville, KY 40233-4020, [info@handyharmanstockholderlitigation.com](mailto:info@handyharmanstockholderlitigation.com), or the following Class Counsel:

Jason M. Leviton  
Joel A. Fleming  
Amanda R. Crawford  
Block & Leviton LLP  
260 Franklin Street, Suite 1860  
Boston, MA 02110  
(617) 398-5600

Kurt M. Heyman  
Melissa N. Donimirski  
Aaron M. Nelson  
Heyman Enerio Gattuso & Hirzel LLP  
300 Delaware Avenue, Suite 200  
Wilmington, DE 19801  
(302) 472-7300

**NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP  
ON BEHALF OF OTHERS.**

68. Brokers and other nominees that held shares of H&H common stock as record holders for the benefit of another person or entity shall either (a) within seven calendar days of receipt of this Notice, request from the Settlement Administrator sufficient copies of this Notice to forward to all such beneficial owners and within seven calendar days of receipt of this Notice forward them to all such beneficial owners; or (b) within seven calendar days of receipt of this Notice, send a list of the names and addresses of all such beneficial owners to *In re Handy & Harman, Ltd. Stockholder Litigation*, Settlement Administrator, c/o KCC Class Action Services, P.O. Box 404020, Louisville, KY 40233-4020, in which event the Settlement Administrator shall promptly mail this Notice to such beneficial owners. Upon full compliance with these instructions, such nominees may seek reimbursement of their reasonable expenses actually incurred by providing the Settlement Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice may also be obtained from the Settlement website, <http://www.handyharmanstockholderlitigation.com>, or by emailing the Settlement Administrator at [nominees@handyharmanstockholderlitigation.com](mailto:nominees@handyharmanstockholderlitigation.com).

**DO NOT CALL OR WRITE THE COURT OR THE  
OFFICE OF THE REGISTER IN CHANCERY  
REGARDING THIS NOTICE.**

Dated: \_\_\_\_\_, 2019

BY ORDER OF THE  
COURT OF CHANCERY  
OF THE STATE OF  
DELAWARE



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE HANDY & HARMAN, LTD :  
STOCKHOLDERS LITIGATION : Consol. C.A. No. 2017-0882-TMR  
:

**SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT  
OF STOCKHOLDER CLASS ACTION, SETTLEMENT HEARING,  
AND RIGHT TO APPEAR**

TO: ALL RECORD HOLDERS AND BENEFICIAL COMMON STOCKHOLDERS OF HANDY & HARMAN, LTD. (“H&H” OR THE “COMPANY”) (A) WHO TENDERED COMMON STOCK OF H&H IN EXCHANGE FOR PREFERRED SHARES OF STEEL PARTNERS HOLDINGS L.P. (“STEEL PARTNERS”) IN THE TENDER OFFER COMMENCED BY STEEL PARTNERS ON OR ABOUT SEPTEMBER 13, 2017; OR (B) WHOSE COMMON STOCK OF H&H WAS EXCHANGED FOR PREFERRED SHARES OF STEEL PARTNERS UPON THE CLOSE OF THE TRANSACTION CONTEMPLATED BY THE AGREEMENT AND PLAN OF MERGER, DATED AS OF JUNE 26, 2017 BETWEEN H&H AND STEEL PARTNERS, AS WELL AS ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS IN INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER, ANY OF THEM, AND EACH OF THEM, TOGETHER WITH THEIR PREDECESSORS AND SUCCESSORS AND ASSIGNS.

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION.**

**YOU ARE HEREBY NOTIFIED**, pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) and an Order of the Delaware Court of Chancery (the “Court”), that the above-captioned consolidated stockholder class action (the “Action”) has been certified as an opt-out class action on behalf of the Class, except for certain persons and entities who are excluded from the Class by definition as set forth in the Stipulation and Agreement of Settlement, Compromise and Release dated July 9, 2019 (the “Stipulation”) and the full printed Notice of Pendency and

Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear (the “Notice”).

**YOU ARE ALSO HEREBY NOTIFIED** pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) and an Order of the Delaware Court of the Chancery (the “Court”) that the Lead Plaintiff in the above-captioned consolidated stockholder class action (the “Action”), on behalf of himself and the other members of the Class, has reached a proposed settlement of the Action with Defendants for a payment of \$30,000,000 in cash (the “Settlement”) on the terms and conditions set forth in the Stipulation and Agreement of Settlement, Compromise and Release dated June 28, 2019 (the “Stipulation”). If the Settlement is approved by the Court, it will resolve all claims in the Action.

A settlement hearing will be held on \_\_\_\_\_, 2019 at \_\_: \_\_ .m. at the Court of Chancery in the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801, to determine, among other things, (i) whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the Class, and should be approved by the Court; (ii) whether the Action should be dismissed with prejudice and the Releases specified and described in the Stipulation (and in the Notice) should be granted; and (iii) whether Class Counsel’s application for an award of attorneys’ fees, reimbursement of litigation expenses, and an incentive award to Lead Plaintiff should be approved.

**IF YOU ARE A MEMBER OF THE CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PENDING ACTION AND THE SETTLEMENT.** If you have not yet received the Notice, you may obtain copies of the Notice by contacting the Settlement Administrator at: In re Handy & Harman, Ltd. Stockholder Litigation, Settlement Administrator, c/o KCC Class Action Services, P.O. Box 404020, Louisville, KY 40233-4020, [info@handyharmanstockholderlitigation.com](mailto:info@handyharmanstockholderlitigation.com). Copies of the Notice can also be downloaded from the website maintained by the Settlement Administrator, <http://www.handyharmanstockholderlitigation.com>.

If the Settlement is approved by the Court and the Effective Date occurs, the Net Settlement Fund will be distributed on a pro rata basis to “Eligible Class Members.” The “Eligible Class Members” consist of Class Members who tendered in the Tender Offer and/or held shares of H&H common stock at the Closing and therefore received or were entitled to receive the Transaction Consideration for their Eligible Shares (as defined in the Stipulation). For the avoidance of doubt, Eligible Class Members excludes all Excluded Stockholders (as defined in the Stipulation). Pursuant to the terms of the Stipulation, each Eligible Class Member will be eligible

to receive a pro rata payment from the Net Settlement Fund equal to the product of (i) the number of Eligible Shares held by the Eligible Class Member and (ii) the “Per-Share Recovery” for the Settlement, which will be determined by dividing the total amount of the Net Settlement Fund by the total number of Eligible Shares. As explained in further detail in the Notice, pursuant to the Stipulation, payments from the Net Settlement Fund to Eligible Class Members will be made in the same manner in which Eligible Class Members received the Transaction Consideration. Eligible Class Members do not have to submit a claim form or take any other action in order to receive payment from the Settlement.

Any objections to the proposed Settlement and/or Class Counsel’s application for an award of attorneys’ fees, reimbursement of litigation expenses, and an incentive award to the Lead Plaintiff must be filed with the Register in Chancery and delivered to Class Counsel and Representative Defendants’ Counsel such that they are received no later than \_\_\_\_\_, 2019, in accordance with the instructions set forth in the Notice.

**All questions about this Notice and the proposed Settlement  
should be directed to the Settlement Administrator or  
Class Counsel.**

Requests for the Notice should be made to:

*In re Handy & Harman, Ltd. Stockholder Litigation*  
Settlement Administrator  
c/o KCC Class Action Services  
P.O. Box 404020  
Louisville, KY 40233-4020  
[info@handyharmanstockholderlitigation.com](mailto:info@handyharmanstockholderlitigation.com)  
<http://www.handyharmanstockholderlitigation.com>

Inquiries, other than requests for the Notice and Claim Form, should be made to the following Class Counsel:

Jason M. Leviton  
Joel A. Fleming  
Amanda R. Crawford  
Block & Leviton LLP  
260 Franklin Street, Suite 1860  
Boston, MA 02110

Kurt M. Heyman  
Melissa N. Donimirski  
Aaron M. Nelson  
Heyman Enerio Gattuso & Hirzel LLP  
300 Delaware Avenue, Suite 200  
Wilmington, DE 19801



(617) 398-5600

(302) 472-7300

Dated: \_\_\_\_\_, 2019

BY ORDER OF THE  
COURT OF CHANCERY  
OF THE STATE OF  
DELAWARE



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE HANDY & HARMAN, LTD :  
STOCKHOLDERS LITIGATION : Consol. C.A. No. 2017-0882-TMR  
:

**ORDER AND FINAL JUDGMENT**

On this \_\_\_ day of \_\_\_\_\_, 2019, 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 Compromise and Settlement (the “Stipulation”), including Exhibits A-D thereto, which are incorporated herein by reference, are fair, reasonable and adequate for the settlement of all Released Claims; whether and in what amount to grant an award of attorneys’ fees and expenses; whether to approve the payment of an incentive award to Lead Plaintiff; and whether an Order and Final Judgment should be entered in the above-captioned 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. Definitions. Capitalized terms not defined in this Order and Final Judgment have the meaning set forth in the Stipulation (certain of which are repeated here for ease of reference only).
2. Jurisdiction. The Court has jurisdiction over the subject matter of the above-captioned action, and all matters relating to the Settlement, as well as personal

jurisdiction over the Parties and the Class Members.

3. Sufficiency of Notice to the Class. The Court finds that the mailing of the Notice of Pendency and Proposed Settlement of Class Action, Settlement Hearing, and Right to Appear (the “Notice”) pursuant to and in the manner prescribed in the Scheduling Order entered on \_\_\_\_\_, 2019 (the “Scheduling Order”), which was mailed by first-class mail on \_\_\_\_\_, 2019, combined with the publication of the Summary Notice of Pendency and Proposed Settlement of Class Action (the “Summary Notice”) pursuant to and in the manner prescribed in the Scheduling Order, which was published on \_\_\_\_\_, 2019, (i) is the best notice reasonably practicable under the circumstances, (ii) constitutes due and sufficient notice to all persons entitled to receive notice of the Settlement, (iii) and meets the requirements of Court of Chancery Rule 23, due process, and applicable law. The Court further finds that all Class Members, as well as their transferees, heirs, executors, successors, and assigns, are bound by this Order and Final Judgment.

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

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

B. That the requirements of the Court of Chancery Rules and due process have been satisfied in connection with the Notice and the

Summary Notice.

5. Class Representative. The Court finds that Lead Plaintiff held Handy & Harman Ltd. (“H&H”) common stock at the time of the conduct complained of in the Action, otherwise has standing to prosecute the Action, and is an adequate representative of the Class.

6. Approval of Settlement and Entry of Final Judgment. The Court finds the Settlement to be fair, reasonable and adequate, and in the best interests of the Class Members, and hereby approves the Settlement set forth in the Stipulation in all respects pursuant to Court of Chancery Rule 23. The Settling Parties are hereby authorized and directed to implement, perform, and consummate the Settlement in accordance with the terms and provisions of the Stipulation, and the Register in Chancery is directed to enter and docket this Order and Final Judgment.

7. Releases Incorporated by Reference. The releases contained in the Stipulation, together with the definitions contained in the Stipulation (certain of which are repeated herein) are expressly incorporated herein in all respects and shall be effective as of the Effective Date.

8. “Released Defendants’ Claims” means any and all Claims, including Unknown Claims (as defined below), that have been or could have been asserted in the Action, or in any court, tribunal, forum or proceeding, by Defendants or any of their respective successors and assigns against any of the Released Plaintiff Parties,

that arise out of the institution, prosecution, settlement or dismissal of the Action; provided, however, that the Released Defendants' Claims shall not include Claims to enforce the Stipulation. For the avoidance of doubt, Released Defendants' Claims shall not include Claims by Defendants against their insurers or Duff & Phelps LLC collectively with the parents, subsidiaries, affiliates, employees, and agents of their insurers or Duff & Phelps LLC.

9. "Released Defendant Parties" means (i) Defendants; (ii) the Immediate Family of any Defendant and Defendants' past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, "**Defendant Affiliates**"); (iii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Defendants' Counsel) of Defendants and their respective Defendant Affiliates; (iv) all firms, trusts, corporations, or other entities in which any of the Defendants or their Defendant Affiliates have a financial interest; and (v) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

10. "Released Plaintiff's Claims" means any and all Claims asserted by Lead Plaintiff in the Action on behalf of himself and the Class, and any and all Claims, including Unknown Claims, arising out of the same set of operative facts as

the claims asserted by Lead Plaintiff against Released Defendant Parties in the Action and relating to the ownership of H&H common stock, including but not limited to Claims arising out of (i) the Transaction, (ii) any deliberations or negotiations in connection with the Transaction, including all deliberations and negotiations by each of H&H, Steel Partners and any of their respective officers, directors, agents, or advisors, (iii) the consideration received by Class Members in connection with the Transaction, (iv) the disclosures, SEC filings, public filings, periodic reports, press releases, recommendation statements, tender offer statements and materials, or other statements issued, made available or filed relating, directly or indirectly, to the Transaction, including without limitation claims under any and all federal securities laws (including those within the exclusive jurisdiction of the federal courts), (v) investments in (including, but not limited to, purchases, sales, exercises of rights with respect to and decisions to hold) securities issued by any of Steel Partners, H&H or their respective affiliates which investments related directly or indirectly to the Transaction, (vi) the fiduciary obligations of the Released Defendant Parties in connection with the Transaction, (vii) the fees, expenses or costs incurred in prosecuting, defending or settling the Action, (viii) any of the allegations in any complaint or amendment(s) thereto filed in the Action; or (ix) any deliberations, negotiations, representations, omissions or other conduct leading to the execution of this Stipulation; provided, however, that the Released Plaintiff's

Claims shall not include claims to enforce this Stipulation.

11. “Released Plaintiff Parties” means Lead Plaintiff and all other Class Members, members of each individual Class Member’s Immediate Family, and all Class Members’ past or present, direct or indirect, affiliates, associates, members, managers, partners, partnerships, investment funds, subsidiaries, parents, predecessors, and successors (collectively, “**Plaintiff Affiliates**”); (ii) all associates, members, managers, partners, officers, directors, employees, agents, bankers, advisors, insurers and attorneys (including Class Counsel) of Lead Plaintiff and the Class Members and their respective Plaintiff Affiliates; (iii) all firms, trusts, corporations, or entities in which Lead Plaintiff or any other Class Members or their Plaintiff Affiliates have a financial interest; and (iv) the legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

12. Express Release of Unknown Claims. Regarding the Released Plaintiff’s Claims and Released Defendants’ Claims, upon the Effective Date of the Settlement, the Settling Parties shall be deemed to have waived all provisions, rights, and benefits conferred by any law of the United States, any law of any state, or principle of common law which governs or limits a person’s release of Unknown Claims (as defined below) to the fullest extent permitted by law, and to have relinquished, to the full extent permitted by law, the provisions, rights, and benefits

of Section 1542 of the California Civil Code, 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.

13. “Unknown Claims” means any Released Plaintiff’s Claims that the Released Plaintiff Parties do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Plaintiff’s Claims, and any Released Defendants’ Claims that any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants’ Claims, including those which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. Lead Plaintiff and Defendants acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Plaintiff’s Claims and the Released Defendants’ Claims, but that it is the intention of Lead Plaintiff and Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Plaintiff’s Claims and Released Defendants’ Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the



subsequent discovery of additional or different facts. Lead Plaintiff and Defendants also acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that the inclusion of “Unknown Claims” in the definition of the Released Plaintiff’s Claims and the Released Defendants’ Claims was separately bargained for and is a key element of the Settlement.

14. Dismissal of Action. The Action is hereby dismissed with prejudice as to Defendants and Released Defendant Parties. The parties are to bear their own costs, except as otherwise provided in this Order and Final Judgment, the Scheduling Order, and the Stipulation.

15. Bar Order. Upon the Effective Date, Lead Plaintiff and all Class Members, 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 Defendant Released Parties from and with respect to the Released Plaintiff’s Claims, and shall thereupon be forever barred and enjoined from commencing, instituting, prosecuting, instigating, or continuing to prosecute, or in any way participating in the commencement or prosecution of, any Released Plaintiff’s Claims, either directly, representatively, derivatively, or in any other capacity, against any and all of the Released Defendant Parties. Upon the Effective Date, 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 Lead Plaintiff, the Class Members, and Class Counsel from and with respect to every one of the Released Defendants' Claims, and shall thereupon be forever barred and enjoined from commencing, instituting or prosecuting any of the Released Defendants' Claims against any of Lead Plaintiff, the Class Members, and Class Counsel.

16. Class Counsel's Attorney's Fees and Expenses. Class Counsel are hereby awarded attorneys' fees in the amount of \$\_\_\_\_\_, and expenses in the amount of \$\_\_\_\_\_, which sums the Court finds to be fair and reasonable. Such sums shall be paid pursuant to the provisions of the Stipulation and shall be paid solely out of the Settlement Fund. Neither Lead Plaintiff, nor Class Counsel, shall make, or assist any other counsel in making, any application for an award of fees or expenses in any other jurisdiction.

17. Lead Plaintiff's Incentive Award. The Court approves the payment to Lead Plaintiff of an incentive award in the amount of \$\_\_\_\_\_ (which award shall be paid from the fees award to Class Counsel), which sum the Court finds to be fair and reasonable.

18. Termination of Settlement. If the Settlement is terminated pursuant to

the terms of the Stipulation or the Effective Date otherwise fails to occur, then this Order and Final Judgment and any related orders entered by the Court shall be treated as vacated, *nunc pro tunc*; the Settlement Amount deposited into the Account shall be refunded (less any Administrative Costs that have reasonably been incurred) by the Escrow Agent to the Company within ten business days after such cancellation or termination; the Stipulation shall be null and void and of no force and effect (except as otherwise provided for in the Stipulation); Lead Plaintiff and Defendants shall be deemed to have reverted to their respective litigation status immediately prior to May 7, 2019; Lead Plaintiff and Defendants shall negotiate a new trial schedule in good faith; Lead Plaintiff and Defendants shall proceed as if the Stipulation had not been executed and the related orders had not been entered; and all of their respective claims and defenses as to any issue in the Action shall be preserved without prejudice.

19. Order and Final Judgment Not Conditioned on Class Counsel's Attorney's Fees and Expenses. No proceedings or court order with respect to (i) the award of attorneys' fees and expenses to Lead Plaintiff's counsel or (ii) any incentive award to Lead Plaintiff shall in any way disturb or affect this Judgment (including precluding this Judgment from being Final or otherwise being entitled to preclusive effect), and any such proceedings or court order shall be considered separate from this Judgment.

20. Class Members Bound By Settlement. All Class Members shall be and are deemed bound by the Stipulation and this Order and Final Judgment. This Order and Final Judgment, including the release of all Settled Claims against the Released Plaintiff Parties and the Released Defendant Parties, 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, Lead Plaintiff or any Class Members, 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.

21. No Admission. Neither the Settlement, the Stipulation, nor this Order and Final Judgment shall constitute any evidence, or an admission or concession by Lead Plaintiff or Defendants or their counsel, or any Class Member, any Released Plaintiff Parties or Released Defendant Parties, of any fault, liability or wrongdoing whatsoever, as to any facts or claims alleged or asserted in the Action, or any other actions or proceedings, or as to the validity or merit of any of the claims or defenses alleged or asserted in any such action or proceeding. Neither the Stipulation nor this Order and Final Judgment, nor the facts or any terms of the Settlement is to be considered a finding or evidence of the validity or invalidity of any claims or defenses in the Action, any wrongdoing by Lead Plaintiff, Defendants, any Class Member, any Released Plaintiff Parties or Released Defendant Parties, or any

damages or injury to Lead Plaintiff, Defendants, any Class Member or any Released Plaintiff Parties or Released Defendant Parties. Neither this Order and Final Judgment, nor any of the terms and provisions of the 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 (i) 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 Released Defendant Party, or of any infirmity of any defense, or of any damage to Lead Plaintiff or any other Class Member, or (ii) otherwise be used to create or give rise to any inference or presumption against any Defendant or any Released Defendant Party concerning any fact or any purported liability, fault, or wrongdoing of Defendants or any Released Defendant Party or any injury or damages to any person or entity, or (b) shall otherwise be admissible, referred to or used in any proceeding of any nature, for any purpose whatsoever; provided, however, that the 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 Stipulation and Judgment has res judicata, collateral estoppel, or other issue or claim preclusion effect or to otherwise consummate or enforce the Stipulation, the Settlement, and this Order and Final Judgment or to secure any insurance rights or proceeds of any Defendants or any Released Defendant Party, or as otherwise required by law.

22. Extensions of Stipulation Dates. Without further order of this Court, the Parties may agree in writing to:

- (i) amendments, modifications, and expansions of the 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 Stipulation; and
- (ii) reasonable extensions of time to carry out any of the provisions of the Stipulation or this Order and Final Judgment.

23. Retention of Jurisdiction. Without affecting the finality of this Order and Final Judgment in any way, this Court reserves jurisdiction over all matters relating to the administration, interpretation, implementation, and enforcement of the Settlement.

Dated: \_\_\_\_\_, 2019

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Vice Chancellor Montgomery-Reeves

HEYMAN ENERIO  
GATTUSO & HIRZEL  
LLP  
PRACTICING THE ART OF LAW

EFiled: Jul 10 2019 04:16PM EDT  
Transaction ID 63532234  
Case No. 2017-0882-TMR



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July 10, 2019

**VIA E-FILING  
& HAND DELIVERY**

The Honorable Tamika Montgomery-Reeves  
Leonard L. Williams Justice Center  
Court of Chancery  
500 North King Street  
Wilmington DE 19801

RE: *In Re Handy & Harman, Ltd. Stockholders Litigation,*  
C.A. No. 2017-0882-TMR

Dear Vice Chancellor Montgomery-Reeves:

Enclosed with this letter are copies of the parties' executed Stipulation of Compromise and Settlement and related Exhibits, including (A) a Proposed Scheduling Order; (B) a Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear; (C) a Summary Notice of Pendency and Proposed Settlement of Stockholder Class Action, Settlement Hearing, and Right to Appear; and (D) a Proposed Order and Final Judgment Approving Settlement.



The Honorable Tamika Montgomery-Reeves  
July 10, 2019  
Page 2

We respectfully request entry of the Proposed Scheduling Order (Exhibit A) at the Court's earliest convenience so that the parties may issue the Notices (Exhibits B and C).

Counsel are available should Your Honor have any questions.

Respectfully,

*/s/ Kurt M. Heyman*

Kurt M. Heyman (# 3054)

*Words: 108*

KMH/cmw  
Enclosure

cc: A. Thompson Bayliss, Esquire (via e-filing)  
Daniel J. McBride, Esquire (via e-filing)  
Thomas A. Uebler, Esquire (via e-filing)