



GRANTED WITH MODIFICATIONS

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Case No. 2018-0056-KSJM



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

RICHARD NORWOOD, individually)
and on behalf of all others similarly)
situated,)

Plaintiff,)

v.)

STAN LEE, and GILL CHAMPION,)
Defendants.)

C.A. No.: 2018-0056-KSJM

CLASS ACTION

[PROPOSED] SCHEDULING ORDER

The Parties to the above-captioned stockholder class action (the “Action”) having applied pursuant to Delaware Court of Chancery Rule 23(e) for an order approving the proposed settlement of the Action in accordance with the Stipulation and Agreement of Settlement, entered into by the Parties on September 7, 2022 (the “Stipulation”), and for dismissal of the Action on the merits with prejudice upon the terms and conditions set forth in the Stipulation (“Settlement”); the Stipulation contemplating certification by this Court of a class of stockholders of POW! Entertainment, Inc. (“POW”) in the Action; the Court having read and considered the Stipulation and Exhibits; and all Parties having consented to the entry of this Order;

NOW, THEREFORE, this ___ day of _____, 2022, upon application of the Parties, **IT IS HEREBY ORDERED** that:

1. Except for terms defined herein, the Court adopts and incorporates the definitions in the Stipulation for purposes of this Order.

2. For purposes of settlement only, and pending the Settlement Hearing (defined below), a non-opt out class is conditionally certified pursuant to Delaware Court of Chancery Rules 23(a)(1), (b)(1) and (b)(3), consisting of:

Any and all record holders and beneficial holders of POW common stock who held or owned such stock on October 23, 2017, the date of the closing of the Merger, including any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, trustees, executors, administrators, estates, heirs, assigns and transferees, immediate and remote, and any person or entity acting on behalf of, or claiming under, any of them. Excluded from the Class are Defendants, members of the immediate family of any Defendant, any entity in which a Defendant has or had a controlling interest, and, legal representatives, heirs, successors-in-interest, transferees and assigns of any such excluded person or entity. Also excluded from the Class is any Person who exercised their appraisal rights under Section 262 of the General Corporation Law of the State of Delaware and their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, trustees, executors, administrators, estates, heirs, assigns and transferees, immediate and remote, and any person or entity acting on behalf of, or claiming under, any of them.

3. The Court preliminarily certifies Class Plaintiff Richard Norwood as representative of the Class.

4. The law firms of Faruqi & Faruqi, LLP and Cooch and Taylor, P.A. are preliminarily certified as Class Counsel.

5. The Settlement Hearing to review the Settlement shall be held on _____, 202__, at __:__.m., in the Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801 to:

- a. determine whether the proposed Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of the Class;
- b. determine whether to certify the Class pursuant to Delaware Court of Chancery Rules 23(a)(1), 23(b)(1) and 23(b)(3) for settlement purposes only;
- c. determine whether Plaintiff and Class Counsel have adequately represented the Class;
- d. determine whether the Released Plaintiff Claims against the Released Defendant Parties should be dismissed with prejudice;
- e. determine whether a Final Order and Judgment (the “Judgment”) should be entered;
- f. determine whether and in what amount any Fee and Expense Award should be paid to Class Counsel out of the Settlement Amount and whether and in what amount any Service Award should be paid to Class Plaintiff;

- g. hear and determine any objections to the Settlement or the application of Class Counsel for an award of attorneys' fees and expenses and for an award to Class Plaintiff; and
- h. consider any other matters that may properly be brought before the Court in connection with the Stipulation.

6. The Court may adjourn and reconvene the Settlement Hearing, including the consideration of the Fee Application, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof, or a notation on the docket in the Action.

7. The Court may approve the Settlement, according to the terms and conditions of the Stipulation, with such modifications as may be consented to by the Parties or as otherwise permitted pursuant to the Stipulation, with or without further notice to the Class. Further, the Court may render its Order and Final Judgment, and order the payment of the Fee and Expense Award, all without further notice to the Class.

8. The Court approves the appointment of Huntington National Bank as the Escrow Agent to manage and administer the Settlement Fund for the benefit of the Class.

9. The Court appoints Analytics Consulting LLC (the “Settlement Administrator”) to administer the notice procedure under the supervision of Class Counsel, as more fully set forth below.

10. As soon as practicable after entry of this Order, and in no event fewer than sixty (60) days prior to the Settlement Hearing (the “Notice Date”), the Settlement Administrator shall cause a copy of the Notice, substantially in the form attached as Exhibit 2 to the Stipulation, to be mailed by first-class mail to all former stockholders of record of POW who are members of the Class at his, her, their or its last known address appearing in records maintained by or on behalf of POW, its successors-in-interest or their respective transfer agents. The Settlement Administrator shall ask record owners who were not also the beneficial owners of the common stock of POW to forward the Notice to the beneficial owners of those shares. The Settlement Administrator shall use reasonable efforts to give notice to such beneficial owners by: (i) making additional copies of the Notice available to any record holder who, prior to the Settlement Hearing, requests the same for distribution to beneficial owners; or (ii) mailing additional copies of the Notice to beneficial owners as reasonably requested by record holders who provide names and addresses for such beneficial holders.

11. No later than ten (10) business days after the Notice Date (the “Publication Notice Date”), the Settlement Administrator shall cause the Summary

Notice, substantially in the form attached to the Stipulation as Exhibit 3, to be published once in *Investor's Business Daily* and to be transmitted once over *PR Newswire*.

12. No later than the Notice Date, the Notice, Stipulation and Court Orders concerning the Settlement shall be posted on a website identified in the Notice to be created by the Settlement Administrator.

13. All reasonable costs and expenses incurred in providing such notice to the Class as provided for in paragraphs 10-12 shall be paid as provided in the Stipulation.

14. The form and method of notice specified herein is the best notice practicable and shall constitute due and sufficient notice of the Settlement Hearing to all persons entitled to receive such a notice, and fully satisfies the requirements of due process, Delaware Court of Chancery Rule 23, and applicable law. Class Counsel and/or the Settlement Administrator shall, no less than five (5) calendar days before the Settlement Hearing directed herein, file with the Court of Chancery an appropriate affidavit or declaration with respect to the preparation and mailing of the Notice to the Settlement Class and the publication of the Summary Notice pursuant to paragraphs 10 and 11 herein.

15. All proceedings in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed

and suspended until further order of this Court. Pending the Court's determination as to final approval of the Settlement, Class Plaintiff, Class Counsel, and all members of the Class, or any of them, are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any other action to the extent it asserts any Released Plaintiff Claim against any of the Released Defendant Parties.

16. Class Counsel shall file their brief in support of the Settlement and their application for attorneys' fees and expenses and for an award to Class Plaintiff, and any supporting documents thirty (30) days before the Settlement Hearing.

17. Any Class Member who objects to the Settlement or Class Counsel's application for attorneys' fees and expenses and for an award to Class Plaintiff, must, no later than fifteen (15) days prior to the Settlement Hearing, file with the Court of Chancery and serve upon the counsel listed below a statement that: (a) identifies the case known as *Norwood v. Lee, et al.*, C.A. No. 2018-0056-KSJM; (b) includes the Class Member's name, address, telephone number, and the number of shares owned as of October 23, 2017; (c) includes the basis for the objection; and (d) is signed by the Class Member.

18. A Class Member may also, but need not, appear in person or by his, her, their or its attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant. Any Class Member who wishes to appear at the

Settlement Hearing, however, must, no later than fifteen (15) days prior to the Settlement Hearing, file with the Court of Chancery and serve upon the counsel listed below a statement containing the information identified in paragraph 17 hereof, and: (a) a written notice of intention to appear; (b) the reasons that the Class Member desires to appear and be heard; and (c) all documents or writings the Class Member desires the Court to consider.

19. All documents identified in the two prior paragraphs that are required to be filed with the Court and served on counsel shall be filed by such person with the Register in Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, DE 19801 and on or before such filing, shall be served by hand delivery, email, or overnight mail on the following counsel of record:

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Attorneys for Defendant Gill Champion

20. Counsel for the Parties are directed to promptly furnish each other with copies of any and all objections or other stockholder correspondence related to the Settlement and/or the Settlement Hearing that might come into their possession unless it appears that such correspondence has already been received by other counsel.

21. Any Class Member who fails to object in the manner described in paragraph 17 above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in the Action or any other proceeding, or otherwise contesting the Settlement, or Class Counsel's application for attorneys' fees and for an award to Class Plaintiff, and shall be bound by the Judgment to be entered and the releases to be given.

22. Any reply in support of the Settlement in response to any objections, if any, must be filed five (5) days prior to the Settlement Hearing.

23. If the Court approves the Settlement following the Settlement Hearing, a Judgment will be entered as described in the Stipulation.

24. If the Court fails to enter the Judgment or fails to dismiss with prejudice the Released Plaintiff Claims as to all members of the Class, and unless counsel for each of the Parties, within ten (10) business days from such decision, agrees in writing to present to the Court for approval a modification to the Stipulation to which all Parties in their sole judgment and discretion may agree:

- a. the Stipulation (including Exhibits thereto) and the Term Sheet shall be null and void and of no force and effect, except for Section 11 of the Stipulation, governing termination of settlement and the effect of termination;
- b. the Settlement Fund shall be refunded (less any Administrative Costs that have reasonably been incurred) by the Escrow Agent to Defendants or Defendants' insurer within ten (10) business days after such cancellation or termination;
- c. the Parties shall be deemed to have excused performance of any obligation owed to or by any Party pursuant to any orders that may

have been entered by the Court in connection with the Stipulation (including Exhibits thereto) or the Term Sheet; and

- d. the Parties shall be deemed to be in the position they were in prior to the mediation held on January 13, 2022, and the statements made in connection with the mediation and negotiation of the Term Sheet, Stipulation, the Exhibits to the Stipulation and the Settlement shall not be deemed to prejudice in any way the positions of the Parties with respect to the claims asserted in the Action, or to constitute an admission of wrongdoing by any Party, and shall not be used nor entitle any Party to recover any fees, costs, or expenses incurred in connection with the Action, except for Notice and Administrative Costs or expenses paid, incurred, or due and owing consistent with the Stipulation.

25. The Court may, for good cause, extend any of the deadlines set forth in this Order without further notice to Class Members.

26. The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Chancellor Kathaleen St. Jude McCormick

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

Court: DE Court of Chancery Civil Action

Judge: Kathaleen St Jude McCormick

**File & Serve
Transaction ID:** 68053995

Current Date: Sep 19, 2022

Case Number: 2018-0056-KSJM

Case Name: CONF ORD 6.28.2021/Richard Norwood vs Stan Lee

Court Authorizer: Kathaleen St Jude McCormick

Court Authorizer

Comments:

The settlement hearing will be held on December 9, 2022, at 1:30 p.m. by Zoom.

/s/ Judge Kathaleen St Jude McCormick