

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

CITY OF WARREN GENERAL
EMPLOYEES' RETIREMENT
SYSTEM, individually and on behalf of
all others similarly situated,

Plaintiff,

v.

TALBOTT ROCHE and WILLIAM Y.
TAUSCHER,

Defendants.

C.A. No. 2019-0740-PAF

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL RECORD AND BENEFICIAL OWNERS OF BLACKHAWK NETWORK HOLDINGS, INC. ("BLACKHAWK" OR THE "COMPANY") COMMON STOCK WHO HELD SUCH STOCK AT ANY TIME FROM OCTOBER 18, 2017 THROUGH AND INCLUDING JUNE 15, 2018, INCLUDING ANY AND ALL OF THEIR REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, ESTATES, HEIRS, SUCCESSORS IN INTEREST, SUCCESSORS, PREDECESSORS IN INTEREST, PREDECESSORS, TRANSFEREES, AND ASSIGNS, IMMEDIATE AND REMOTE, AND ANY PERSON ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER, ANY OF THEM, AND EACH OF THEM, TOGETHER WITH THEIR RESPECTIVE SUCCESSORS IN INTEREST, SUCCESSORS, PREDECESSORS IN INTEREST, PREDECESSORS, TRANSFEREES, AND ASSIGNS.

PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THE ACTION (AS DEFINED HEREIN). IF THE COURT (AS DEFINED HEREIN) APPROVES THE PROPOSED SETTLEMENT DESCRIBED BELOW, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE PROPOSED SETTLEMENT, OR PURSUING THE RELEASED PLAINTIFF'S CLAIMS AGAINST THE RELEASED DEFENDANT PARTIES.

IF YOU HELD BLACKHAWK COMMON STOCK FOR THE BENEFIT OF OTHERS, READ THE SECTION BELOW ENTITLED "INSTRUCTIONS TO BROKERS AND OTHERS WHO HELD FOR THE BENEFIT OF OTHERS."

I. PURPOSE OF NOTICE

The purpose of this Notice of Pendency of Proposed Settlement of Class Action (this "Notice") is to inform you of the proposed settlement (the "Settlement") of the above-captioned lawsuit (the "Action") pending in the Court of Chancery of the State of Delaware (the "Court").¹

Pursuant to the Settlement, plaintiff City of Warren General Employees' Retirement System ("Plaintiff"), on behalf of itself and on behalf of the Class, has agreed to settle and dismiss with prejudice its claims against defendant Talbott Roche ("Defendant," together with the Plaintiff, the "Parties" and each a "Party").

This Settlement resolves all actual and potential claims arising from or relating to the acquisition of Blackhawk by Silver Lake and P2, whereby Blackhawk stockholders received \$45.25 in cash for each share of Blackhawk common stock. In consideration of the Settlement, a total of \$29.5 million (\$29,500,000) in cash will be deposited into an account and will be distributed to the Settlement Payment Recipients (described herein) according to the Plan of Allocation (described herein).

This Notice also informs you of your right to participate in a hearing before the Court to be held on October 5, 2022, at 11:00 a.m., in the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801 (the "Settlement Hearing") to determine whether the Class should be certified for settlement purposes using the definition proposed by the Parties in the Stipulation and pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2), whether the Court should approve the Settlement as fair, reasonable and adequate and in the best interests of the Class, whether the Plaintiff and the law firms of Cooch & Taylor P.A., Friedlander & Gorris, P.A., and Robbins Geller Rudman & Dowd LLP (together, "Plaintiff's Counsel") have adequately represented the interests of the Class in the Action, whether the Action should be dismissed with prejudice by entry of the Order and Final Judgment pursuant to the Stipulation, releasing the Released Plaintiff's Claims and Released

¹ The complete terms of the Settlement are set forth in the Stipulation and Agreement of Compromise and Settlement between the Plaintiff and Defendant thereto (collectively, the "Stipulation"), which can be viewed and/or downloaded at www.BlackhawkStockholderSettlement.com. All terms herein with initial capitalization shall, unless defined elsewhere in this Notice, have the meanings ascribed to them in Section III below.

Defendant's Claims against the respective released parties, and barring and enjoining prosecution of any and all released claims against any and all respective released parties, and to consider other matters, including a request by Plaintiff's Counsel for an award of attorneys' fees, costs, and expenses incurred in connection with the prosecution of the Action, and any objections to the Settlement and/or the application of Plaintiff's Counsel for an award of attorneys' fees, costs, and expenses.

This Notice describes the rights you may have under the Settlement and what steps you may, but are not required to, take in relation to the Settlement.

If the Court approves the Settlement, the Parties to the Action will ask the Court at the Settlement Hearing to enter a Judgment dismissing all claims asserted in the Action against the Released Defendant Parties with prejudice.

If you are a member of the Class, you will be bound by any judgment entered in the Action. You may not opt out of the Class.

II. BACKGROUND OF THE ACTION

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT. IT IS BASED ON STATEMENTS OF THE PARTIES AND 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.

On January 14, 2018, the board of directors (the "Board") of Blackhawk Network Holdings, Inc., a Delaware corporation, approved the Company's entry into an Agreement and Plan of Merger (the "Merger Agreement"), pursuant to which Blackhawk agreed to be acquired by Silver Lake and P2. On January 16, 2018, Blackhawk announced that it had entered into the Merger Agreement.

On March 2, 2018, Blackhawk filed with the U.S. Securities & Exchange Commission ("SEC") a definitive merger proxy statement on Schedule 14A (the "Proxy Statement"). On March 20, 2018, Blackhawk filed with the SEC on Form 8-K supplements to the definitive merger proxy statement.

On March 27, 2018, Plaintiff sent a letter to Blackhawk's board of directors demanding inspection of Blackhawk's books and records, pursuant to Section 220 of the Delaware General Corporation Law.

On March 30, 2018, stockholders of Blackhawk approved the Merger Agreement.

On April 3, 2018, Blackhawk responded to Plaintiff's inspection demand letter.

On May 11, 2018, Plaintiff filed a lawsuit in the Court, captioned *City of Warren General Employees' Retirement System v. Blackhawk Network Holdings, Inc.*, C.A. No. 2018-0339-TMR (Del. Ch.) (the "§220 Action"), seeking to compel inspection of Blackhawk's books and records.

On June 15, 2018, Blackhawk completed the transactions contemplated by the Merger Agreement, and Blackhawk was acquired by and became a wholly owned subsidiary of affiliates of Silver Lake and P2 (the "Acquisition").

On June 4, 2019, following negotiations between Plaintiff's Counsel and Blackhawk's counsel, Blackhawk produced books and records for inspection by Plaintiff to resolve the §220 Action.

On September 13, 2019, Plaintiff filed its Verified Class Action Complaint against Talbott Roche, Blackhawk's CEO, and William Y. Tauscher, Blackhawk's Executive Chairman at the time of the Acquisition, in their capacities as officers of Blackhawk, alleging that Roche and Tauscher had breached their fiduciary duties to the Company and its stockholders in connection with the Acquisition (the "Complaint").

Beginning in November 2019, the Parties engaged in discovery, including preparing, serving and responding to requests for production of documents and interrogatories, serving subpoenas on third parties, engaging in various written and oral communications concerning the scope of document production, and producing documents. Plaintiff ultimately obtained and reviewed over 288,000 pages of documents from Defendant and eight third parties, including Blackhawk's financial advisor, Blackhawk's public relations advisor, Silver Lake, P2, certain former stockholders of Blackhawk, and the entity referred to as "Party A" in the Proxy.

On January 7, 2020, Roche and Tauscher moved to dismiss Plaintiff's Complaint (the "Motion to Dismiss"), arguing, among other things, that the Complaint failed to allege facts sufficient to state a claim against Roche and Tauscher for breach of their fiduciary duties as Blackhawk officers.

After briefing and oral argument, on November 30, 2020, the Court issued a Memorandum Opinion granting the Motion to Dismiss in part and denying it in part. The Court dismissed all claims against Tauscher and dismissed Plaintiff's claim that Roche breached her fiduciary duty of loyalty in connection with the Acquisition. The Court concluded that the Complaint sufficiently pleaded a claim that Roche breached her fiduciary duty of care with respect to certain disclosures in the Proxy Statement.

Beginning in early 2021, counsel for Plaintiff and Defendant and representatives of Defendant's directors and officers liability ("D&O") insurers engaged in settlement discussions directly and through a mediator. This included a May 21, 2021 mediation before Hon. Layn R. Phillips. Although the parties did not reach a resolution at the mediation, they continued discussions over the ensuing months. Following several additional discussions among Judge Phillips and Counsel for the Parties and representatives of Defendant's D&O insurers, Plaintiff and Defendant ultimately reached an agreement in principle to settle the Action for \$29,500,000, in cash, subject to Court approval, the definitive terms of which are reflected in the Stipulation.

The Settlement is intended to fully, finally, and forever release, resolve, remise, compromise, settle, and discharge the Released Plaintiff's Claims and the Released Defendant's Claims with prejudice.

The entry by the Parties into the Stipulation is not, and shall not be construed as or deemed to be evidence of, an admission as to the merit or lack of merit of any claims or defenses that were asserted or could have been asserted in the Action.

Plaintiff continues to believe that its claim has legal merit, but nevertheless recognizes and acknowledges the risk and uncertainty of prosecuting this Action and collecting any damages from Defendant and believes that the Settlement set forth in the Stipulation and described below provides substantial and immediate benefits for the Class.

Defendant denies any and all allegations of wrongdoing, fault, liability, or damage whatsoever and denies that Plaintiff has asserted a valid legal claim against her; denies that she engaged in or committed any breach of duty, wrongdoing, or violation of law; denies that Plaintiff or any of the other Class Members suffered any damage whatsoever; denies that she acted improperly in any way; and believes that she acted properly, in good faith and in a manner consistent with all legal duties at all times. Specifically, Defendant denies that she acted contrary to the best interests of Blackhawk and its stockholders, and further believes that the sale process leading up to the Acquisition was intended to achieve, and did achieve, the best price reasonably available for Blackhawk stockholders. 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 the Defendant 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 Defendant has or could have asserted.

Defendant enters into the Settlement and the Stipulation solely because she considers it desirable that the Action be settled and dismissed with prejudice in order to, among other things, (1) eliminate the uncertainties, burden, inconvenience, distraction, and expense of further litigation, and (2) finally put to rest and terminate all claims that were or could have been asserted in the Action against the Released Defendant Parties. Nothing in the Stipulation shall be construed as an admission by Defendant of any wrongdoing, fault, liability, or damages whatsoever.

Plaintiff, for itself and on behalf of the Class, and Defendant agree that the Settlement is intended to and will resolve all actual or potential claims arising from or related to the Acquisition on behalf of the Class and that this Settlement achieves a global and complete release of all claims arising from or related to the Acquisition.

III. DEFINITIONS

In addition to the terms defined elsewhere in this Notice, the following capitalized terms, used in this Notice, shall have the meanings specified below:

- (a) "Administrator" means the firm of Gilardi & Co. LLC.
- (b) "Class" means a non-opt-out class consisting of any and all Persons who held outstanding shares of Blackhawk Network Holdings, Inc. common stock, either of record or beneficially, at any time during the Class Period, including any and all of their representatives, trustees, executors, administrators, estates, heirs, successors in interest, successors, predecessors in interest, predecessors, transferees, and assigns, immediate and remote, and any Person acting for or on behalf of, or claiming under, any of them, and each of them, together with their respective successors in interest, successors, predecessors in interest, predecessors, transferees, and assigns, but excluding the Excluded Persons.
- (c) "Class Member" means a member of the Class.
- (d) "Class Period" means October 18, 2017 through and including June 15, 2018.
- (e) "DTC Participants" means the participants of the Depository Trust Company ("DTC") for whom Cede & Co., Inc. ("Cede") as nominee for DTC, was the holder of record of Blackhawk common stock at the time such shares were converted into the right to receive the merger consideration in connection with the Acquisition.
- (f) "Effective Date" means the first business day following the date the Judgment becomes Final.
- (g) "Eligible Beneficial Owner" means the ultimate beneficial owner of any shares of Blackhawk common stock held of record by Cede at the time such shares were converted into the right to receive the merger consideration in connection with the Acquisition, provided that no Excluded Person may be an Eligible Beneficial Owner.

(h) "Eligible Record Holder" means the record holder of any shares of Blackhawk common stock, other than Cede, at the time such shares were converted into the right to receive the merger consideration in connection with the Acquisition, provided that no Excluded Person may be an Eligible Record Holder.

(i) "Excluded Persons" means Talbott Roche, William Y. Tauscher, Jerry N. Ulrich, David C. Tate, Kirsten Richesson, Sachin Dhawan, Anil D. Aggarwal, Richard H. Bard, Steven A. Burd, Robert L. Edwards, Mohan Gyani, Paul Hazen, Arun Sarin, Jane J. Thompson, P2, and Silver Lake, as well as the members of their immediate families, and any entity in which any of them has a controlling interest, and the legal representatives, heirs, successors, or assignees of any such excluded party. Excluded Persons also include any trusts, estates, entities, or accounts that held Company shares for the benefit of any of the foregoing.

(j) "Fee and Expense Award" means an award to Plaintiff's 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 and any other expenses or costs that have been, could be, or could have been asserted by Plaintiff's Counsel or any other counsel, or any Class Member.

(k) "Final," when referring to the Judgment, means the later of (i) entry of the Judgment and the expiration of any time for appeal, reconsideration, reargument, rehearing, or other review of the Judgment, or (ii) if any appeal or application for reconsideration, reargument, rehearing or other review is filed and not dismissed or withdrawn, issuance of a decision upholding the Judgment in all material respects, which is no longer subject to appeal, reconsideration, reargument, rehearing or other review, by certiorari or otherwise, and the expiration of all times for the filing of any petition for reconsideration, reargument, rehearing, appeal, or review of the Judgment or any order affirming the Judgment; provided, however, that any disputes or appeals relating solely to the amount, payment, or allocation of the Fee and Expense Award, or to the allocation or distribution of the Net Settlement Fund (including the Plan of Allocation), 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 Judgment.

(l) "Insurance Carriers" means the issuers of the D&O insurance policies for the April 19, 2017 to April 19, 2018 policy year for the Defendant and Blackhawk (the "D&O Policies").

(m) "Judgment" means the Order and Final Judgment to be entered in the Action in all material respects in the form attached as Exhibit C to the Stipulation.

(n) "Net Settlement Fund" means the Settlement Fund as defined herein less: (i) any Fee and Expense Award, and interest thereon; (ii) administrative costs; (iii) Taxes and Tax Expenses; and (iv) other Court-approved deductions.

(o) "Person" means a natural person, individual, corporation, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity.

(p) "P2" means P2 Capital Partners, LLC and any affiliates thereof, including P2 Capital Master Fund I, L.P., P2 Capital Master Fund VI, L.P., and P2 Capital Master Fund XII, L.P.

(q) "Released Defendant Parties" means Defendant and Blackhawk and any and all of their past or present families, parents, subsidiaries, affiliates, predecessors, or successors, as well as any and all of their current or former officers, directors, executives, employees, associates, partners, limited partners, general partners, partnerships, principals, members, managers, joint ventures, stockholders, members of their immediate families, agents or other persons acting on their behalf, underwriters, insurers, reinsurers, attorneys, advisors, consultants, bankers, financial advisors, publicists, independent certified public accountants, auditors, accountants, successors, assigns, creditors, administrators, heirs, estates, or personal or legal representatives. For the avoidance of doubt, Released Defendant Parties include: (i) all past and present officers and directors of Blackhawk and any affiliates thereof; (ii) BHN Holdings, Inc., BHN Intermediate Holdings, Inc., and BHN Merger Sub, Inc. and any affiliates thereof; (iii) Silver Lake; (iv) P2; (v) Piper Sandler Companies and any affiliates thereof; (vi) Wachtell, Lipton, Rosen & Katz and Potter Anderson & Corroon LLP; and (vii) the Insurance Carriers.

(r) "Released Defendant's Claims" means any and all claims, complaints, liabilities, causes of action, or sanctions, including Unknown Claims, that have been or could have been asserted in the Action or the §220 Action, or in any court, tribunal, forum, or proceeding, which arise out of or relate in any way to the institution, prosecution, settlement, or dismissal of the Action or the §220 Action; provided, however, that the Released Defendant's Claims shall not include (i) any claims to enforce the Stipulation or (ii) any claims to enforce a final order and judgment entered by the Court.

(s) “Released Plaintiff Parties” means (i) Plaintiff, all other Class Members, and Plaintiff’s Counsel, and (ii) their legal representatives, heirs, executors, administrators, predecessors, successors, predecessors-in-interest, successors-in-interest and assigns of any of the foregoing.

(t) “Released Plaintiff’s Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, suits, duties, damages, diminution in value, costs, debts, expenses, interest, penalties, fines, sanctions, fees, attorneys’ fees, expert or consulting fees, actions, potential actions, causes of actions, suits, agreements, judgments, decrees, matters, issues, and controversies of any kind, nature, or description whatsoever, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or unapparent, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, fixed or contingent, including Unknown Claims (as defined herein), whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule (including claims within the exclusive jurisdiction of the federal courts, such as, but not limited to, federal securities claims or other claims based upon the purchase or sale of Blackhawk common stock), that (i) were alleged, asserted, set forth, or claimed in the Action; or (ii) could have been alleged, asserted, set forth, or claimed in the Action or in any other action or in any other court, tribunal, or proceeding by Plaintiff or any other members of the Class individually, or derivatively on behalf of Blackhawk or as a member of the Class, that are based upon, arise out of, result from, relate in any way to, or involve, directly or indirectly: (a) the Merger Agreement, the Acquisition or any element, term, condition, or circumstance of the Merger Agreement or the Acquisition, or the process leading up to the Merger Agreement and the Acquisition; (b) any actions, deliberations, negotiations, discussions, offers, inquiries, solicitations of interest, indications of interest, bids, due diligence, or any act or omission in connection with the review of strategic alternatives available to Blackhawk or the Acquisition, including the process of deliberation or negotiation by Silver Lake, P2, Blackhawk, Defendant, and any of their respective officers, directors, advisors, or agents; (c) the consideration received by Plaintiff and the Class in connection with the Acquisition; (d) any fiduciary obligations of the Board or Blackhawk’s officers relating to the Merger Agreement and the Acquisition, the process of deliberation or negotiation leading to the Merger Agreement and the Acquisition, or the disclosures or public statements relating to the Merger Agreement and the Acquisition; (e) all filings, disclosures and public statements relating to the Merger Agreement and the Acquisition, including the Proxy Statement; (f) the fees, expenses, or costs incurred in prosecuting, defending, or settling the Action, except to the extent of any Fee and Expense Award paid from the Settlement Fund pursuant to the Stipulation; (g) this Action or the §220 Action; or (h) the Settlement, the Settlement Amount, and the Settlement Fund, including the approval and financing of the foregoing; provided, however, that the Released Plaintiff’s Claims shall not include (i) any claims to enforce the Stipulation or (ii) any claims to enforce a final order and judgment entered by the Court.

(u) “Settlement Fund” means the principal amount of \$29.5 million (\$29,500,000) in cash, plus any interest that may accrue on that sum after it is deposited in the Account.

(v) “Silver Lake” means Silver Lake Group, L.L.C. and any affiliates thereof, including Silver Lake Partners V, L.P., Silver Lake Partners V DE (AIV), L.P., Silver Lake Technology Investors V L.P., SLP BHN Holdings, L.P. and affiliated investment vehicles, Silver Lake Technology Management, LLC, and Silver Lake Management Company V, L.L.C.

(w) “Unknown Claims” means any claims that a releasing Person does not know or suspect exists in his, her, or its favor at the time of the release of the Released Plaintiff’s Claims and Released Defendant’s Claims, which if known by him, her, or it, might have affected his, her, or its decision(s) with respect to the Settlement. With respect to any and all Released Plaintiff’s Claims and Released Defendant’s Claims, upon the Effective Date, Plaintiff and Defendant shall expressly waive, and each of the Class Members and Released Defendant Parties shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, relinquished, and released any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law or foreign law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff and Defendant acknowledge, and the Released Plaintiff Parties and the Released Defendant Parties 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 Defendant’s Claims, but that it is the intention of Plaintiff and Defendant, and by operation of law the Released Plaintiff Parties and the Released Defendant Parties, to completely, fully, finally, and forever extinguish any and all Released Plaintiff’s Claims and Released Defendant’s Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, without regard to the subsequent discovery of additional or different facts. Plaintiff and Defendant also acknowledge, and the Released Plaintiff Parties and the Released Defendant Parties by operation of law are deemed to acknowledge, that the inclusion of “Unknown Claims” in the definition of Released Plaintiff’s Claims and Released Defendant’s Claims is separately bargained for and is a key element of the Settlement.

IV. THE SETTLEMENT CONSIDERATION

In consideration of the Settlement, the insurers for the Released Defendant Parties shall deposit a total of \$29.5 million (\$29,500,000) in cash (the "Settlement Amount") into an account to be distributed to all Class Members entitled to receive a portion of the Settlement Fund pursuant to an approved Plan of Allocation. The Settlement Amount will not be paid by the Defendant.

V. THE PLAN OF ALLOCATION

Plaintiff's Counsel will work with the Administrator to oversee the administration of the Settlement and distribution of the Settlement Fund, and to ensure that the Settlement Payment Recipients do not include any Excluded Persons. The Settlement Fund will be administered by the Administrator and the Escrow Agent and shall be used (i) to pay all Administrative Costs; (ii) to pay any Fee and Expense Award; (iii) to pay any taxes and tax expenses; and (iv) following the payment of (i), (ii), and (iii) herein, for subsequent disbursement of the Net Settlement Fund to the Settlement Payment Recipients as provided below. This Section V describes the Plan of Allocation provided for under Section C of the Stipulation.

Following the Effective Date, the Administrator will disburse the Net Settlement Fund to the Settlement Payment Recipients (as defined below) on a per-share basis. Settlement Payment Recipients do not have to submit a claim form or take any other action in order to receive payment.

Only the Settlement Payment Recipients will qualify to share in the distribution of the Settlement Fund to the Class after payment of settlement administration expenses, attorneys' fees and expenses, and taxes and tax expenses.

RECEIPT OF THIS NOTICE DOES NOT NECESSARILY MEAN THAT YOU ARE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. ONLY HOLDERS OF BLACKHAWK COMMON STOCK AT THE TIME SUCH SHARES WERE CONVERTED INTO THE RIGHT TO RECEIVE THE MERGER CONSIDERATION IN CONNECTION WITH THE ACQUISITION, OTHER THAN THE EXCLUDED PERSONS, ARE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT (THE "SETTLEMENT PAYMENT RECIPIENTS").

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all the Settlement Payment Recipients. No person shall have any claim against Plaintiff, Plaintiff's Counsel, the Administrator retained to administer the Settlement Fund, or any other agent designated by Plaintiff's Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. Plaintiff and Defendant shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund and the Plan of Allocation, the determination, administration, calculation, or payment of any claim or nonperformance of the Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith, except as otherwise provided in the Stipulation.

The Settlement Fund will not be distributed to the Settlement Payment Recipients until the Court has approved the Settlement and the proposed Plan of Allocation (or such other allocation plan as the Court may approve), and the time periods for any petition for rehearing, appeal or review, whether by certiorari or otherwise, of the Judgment approving the Settlement and the Plan of Allocation have expired.

The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the claim of any Class Member. The Court has also reserved the right to modify the Plan of Allocation without further notice to Class Members.

As soon as practicable after the Effective Date, the Administrator will distribute the Net Settlement Fund to the Settlement Payment Recipients as set forth below.

(a) The Net Settlement Fund will be allocated and distributed on a per-share basis among the Settlement Payment Recipients (the "Initial Distribution"). For the avoidance of doubt, the Settlement Payment Recipients are the holders of Blackhawk common stock who received the Acquisition consideration, other than the Excluded Persons. Each Settlement Payment Recipient will receive a *pro rata* payment from the Net Settlement Fund equal to the product of (i) the number of "Eligible Shares" held by the Settlement Payment Recipient, where Eligible Shares are shares held by stockholders at closing and for which stockholders received Acquisition consideration, 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.

(b) With respect to Blackhawk common stock held of record at the closing by DTC through its nominee Cede, the Administrator will cause the relevant portion of the Net Settlement Fund to be allocated to Eligible Beneficial Owners who held their shares through DTC Participants by first distributing that portion of the Net Settlement Fund among the DTC Participants by paying each DTC Participant the Per-Share Recovery times its respective Closing Security Position (described herein). For each DTC Participant, the Closing Security Position means the number of shares of Blackhawk common stock reflected on the DTC allocation report used by DTC to distribute the Acquisition consideration, less any shares that were held by an Excluded Person at the time of the Acquisition. The Administrator will take all appropriate steps to instruct DTC Participants to distribute the portion of the Net Settlement Fund that they receive to the Eligible

Beneficial Holders on a *pro rata* basis in accordance with each Eligible Beneficial Owner's "Closing Beneficial Ownership Position," which means, for each Eligible Beneficial Owner, the number of shares of Blackhawk common stock beneficially owned by such Eligible Beneficial Owner as of closing, for which the Eligible Beneficial Owner received payment of the Acquisition consideration, in a similar manner to that in which the DTC Participants distributed proceeds in connection with the Acquisition. Defendant and Defendant's Counsel shall make commercially reasonable efforts to cooperate with Plaintiff's Counsel and the Administrator to obtain information from the Excluded Persons and, as applicable, the relevant DTC Participants in order to ensure that no portion of the Net Settlement Fund is distributed to any Excluded Person, including information sufficient (a) to identify the number of shares of Blackhawk common stock beneficially owned by each Excluded Person as of closing, (b) to identify the DTC Participant through which such shares were held as of closing, and (c) to enable the relevant DTC Participant to identify and exclude from payment all shares of Blackhawk common stock beneficially owned by each Excluded Person as of closing (collectively, the "Excluded Person Information").

(c) With respect to Blackhawk common stock held of record at the Closing other than by Cede, as nominee for DTC (a "Closing Non-Cede Record Position"), the Administrator will distribute the pro rata amount of the Net Settlement Fund attributable to the Eligible Record Holders by paying directly to each Eligible Record Holder an amount equal to the Per-Share Recovery times the number of shares of Blackhawk common stock comprising such Closing Non-Cede Record Position.

(d) Distributions will be made after the Court has finally approved the Settlement. All checks shall become stale 120 days from the date of issuance, at which time all funds remaining for such stale checks shall be irrevocably forfeited.

(e) All Administrative Costs, including the costs of any re-distribution of the Net Settlement Fund, will be paid from the Account.

(f) If there is any balance remaining in the Net Settlement Fund six (6) months after the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, amounts returned by an Excluded Person who erroneously receives settlement payments, or otherwise), the Administrator will, if feasible, distribute such balance among the Settlement Payment Recipients who deposited the funds sent in the initial distribution, in the same manner as the initial distribution. If the cost of making such a further distribution or distributions is unreasonably high relative to the amount remaining in the Net Settlement Fund, Plaintiff's Counsel may instruct the Administrator to distribute any balance which still remains in the Net Settlement Fund, after provision for all anticipated expenses, to the Delaware Combined Campaign for Justice. Neither the Released Defendant Parties nor their indemnitors or insurers shall have any reversionary interest in the Net Settlement Fund.

(g) The Settlement is not a claims-made settlement. Upon the occurrence of the Effective Date, Defendant, Released Defendant Parties, and any other person or entity who or which paid any portion of the Settlement Amount shall have no right to the return of the Settlement Amount or any portion thereof for any reason whatsoever, including the inability to locate Class Members or the failure of the Settlement Payment Recipients to deposit settlement funds distributed by the Administrator.

VI. THE RELEASES

Pursuant to the Stipulation, in consideration of the benefits provided by the Settlement, the Judgment is proposed to, among other things, provide for the full and complete dismissal of the Action with prejudice on the merits as to Defendant without fees, costs, or expenses to any Party or any of its attorneys, experts, advisors, agents, or representatives (except as provided in the Stipulation) and provide for the following releases.

Upon the Effective Date, Plaintiff and each and every member of the Class, on behalf of themselves and any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, representatives, family members, trustees, executors, administrators, estates, heirs, assigns and 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, shall, or shall be deemed to, fully, finally, and forever, release, settle, and discharge the Released Defendant Parties from and with respect to every one of the Released Plaintiff's Claims on the terms and conditions set forth in the Stipulation, and shall thereupon be forever barred and enjoined from commencing, instituting, instigating, facilitating, asserting, maintaining, participating in, or prosecuting any Released Plaintiff's Claims against any of the Released Defendant Parties.

Upon the Effective Date, Defendant, on behalf of herself and any other person or entity who could assert any of the Released Defendant's Claims on her behalf, and, to the fullest extent permitted by law, including in light of the releases set forth in Paragraph 20 of the Stipulation, the other Released Defendant Parties, shall, or shall be deemed to, fully, finally, and forever release, settle, and discharge the Released Plaintiff Parties from and with respect to every one of the Released Defendant's Claims on the terms and conditions set forth in the Stipulation, and shall thereupon be forever barred and enjoined from commencing, instituting, instigating, facilitating, asserting, maintaining, participating in, or prosecuting any of the Released Defendant's Claims against any of the Released Plaintiff Parties. Defendant and Defendant's Counsel do not claim to have authority to release claims on behalf of the other Released Defendant Parties. Plaintiff and Plaintiff's Counsel agree that the enforceability of the releases by those parties as set forth in the Stipulation is not a condition of the Stipulation or the Settlement, including the releases set forth in Paragraph 20 of the Stipulation.

THE SETTLEMENT OF THE ACTION, IF APPROVED BY THE COURT, ON THE TERMS AND CONDITIONS SET FORTH IN THE STIPULATION WILL INCLUDE, BUT NOT BE LIMITED TO, A RELEASE OF ALL CLAIMS WHICH WERE OR COULD HAVE BEEN ASSERTED IN THIS ACTION.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF THE CLAIMS MADE BY PLAINTIFF OR THE DEFENSES OF DEFENDANT. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RELIEF IN ANY FORM OR RECOVERY IN ANY AMOUNT COULD BE HAD IF THE ACTION WAS NOT SETTLED.

VII. CLASS CERTIFICATION DETERMINATION

On July 12, 2022, in accordance with the proposed class definition in the Stipulation, the Court entered the Scheduling Order preliminarily certifying, for settlement purposes only, a non-opt-out class, pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) consisting of the Class Members.

At the Settlement Hearing, the Court will determine if (a) the Class Members are so numerous that their joinder in the Action would be impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of Plaintiff are typical of the claims of the Class; (d) in connection with the prosecution of the Action and the Settlement, Plaintiff and Plaintiff's Counsel have and will fairly and adequately represent and protect the interests of the Class; (e) the prosecution of separate actions by individual Class Members would create a risk of inconsistent adjudications that would establish incompatible standards of conduct for Defendant, and, as a practical matter, the disposition of the Action would influence the disposition of any pending or future identical suits, actions, or proceedings brought by other Class Members; and (f) Defendant is alleged to have acted or refused to act on grounds generally applicable to the Class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the Class as a whole.

VIII. REASONS FOR THE SETTLEMENT

Plaintiff and Plaintiff's Counsel have reviewed and analyzed the facts and circumstances relating to the claims asserted in the Action, as known by Plaintiff to date. Plaintiff's Counsel have reviewed a significant number of documents. Plaintiff's Counsel believe that they have received sufficient information to evaluate the merits of the proposed Settlement.

Plaintiff's Counsel has analyzed the evidence adduced during their investigation, and have researched the applicable law with respect to the claims of Plaintiff and the Class against Defendant and the potential defenses thereto. Based on this investigation and discovery, Plaintiff has decided to enter into the Settlement, after taking into account, among other things, (1) the substantial benefits to members of the Class from the Settlement; (2) the risks of continued litigation in the Action against Defendant, particularly given (a) the dismissal of Plaintiff's claim that Defendant breached her fiduciary duty of loyalty in connection with the merger, (b) the fact that, to Plaintiff's Counsel's knowledge, no officer has ever been held liable after trial in a Delaware court for damages arising solely from a breach of the fiduciary duty of care in connection with disclosures relating to an acquisition by a third party, and (c) the potential difficulty of collecting a very large judgment from Defendant; and (3) the conclusion reached by Plaintiff's Counsel that the Settlement upon the terms and provisions set forth in the Stipulation is fair, reasonable, adequate, and in the best interests of the Class and will result in a material benefit to them.

The entry by Plaintiff and Defendant into the Stipulation is not an admission as to the merit or lack of merit of any claims or defenses asserted in the Action. Each Party denies any and all allegations of wrongdoing, fault, liability, or damage in the Action. Neither the Stipulation, nor the fact or any terms of the Settlement, or any communications relating thereto, is evidence, or an admission, or concession by Plaintiff or Defendant or their counsel, any Class Member, or any of the Released Defendant Parties or Released Plaintiff 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.

IX. APPLICATION FOR ATTORNEYS' FEES, COSTS, AND EXPENSES

Concurrent with seeking final approval of the Settlement, Plaintiff's Counsel intend to petition the Court for an award for attorneys' fees in an aggregate amount not to exceed 19% of the Settlement Amount plus expenses incurred in connection with the Action and any interest on such attorneys' fees and expenses at the same rate and for the same periods as earned by the Settlement Fund until paid. Any such award will be paid out of, and not be in addition to, the Settlement Fund. This petition will be made no fewer than twenty-eight (28) calendar days before the Settlement Hearing.

X. SETTLEMENT HEARING

The Court has scheduled a Settlement Hearing, which will be held on October 5, 2022, at 11:00 a.m. (the "Settlement Hearing Date"), at the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, to: (a) determine whether the Class should be certified for settlement purposes using the definition proposed by the Parties in the Stipulation and pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2); (b) determine whether Plaintiff and Plaintiff's Counsel have adequately represented the interests of the Class in the Action; (c) determine whether the Court should approve the Settlement as fair, reasonable, and adequate and in the best interests of the Class; (d) determine whether the Action should be dismissed with prejudice by entry of Judgment pursuant to the Stipulation, releasing the Released Plaintiff's Claims and Released Defendant's Claims against the respective released parties, and barring and enjoining prosecution of any and all released claims against any and all respective released parties; (e) consider the application by Plaintiff's Counsel for attorneys' fees, costs, and payment of expenses; (f) hear and determine any objections to the Settlement and/or to the application of Plaintiff's Counsel for an award of attorneys' fees, costs, and expenses and/or to payment of an incentive award; and (g) rule on such other matters as the Court may deem appropriate.

The Court may adjourn and reconvene the Settlement Hearing, or any adjournment thereof, including the hearing on the application for attorneys' fees, costs, and expenses, without further notice to Class Members other than oral announcement at the Settlement Hearing or any adjournment thereof or a notation on the docket in the Action, and retains jurisdiction over the Parties and all Class Members to consider all further applications arising out of or connected with the proposed Settlement. In addition, Plaintiff's Counsel may seek, and the Court may grant, a postponement of the Settlement Hearing if the Administrator does not receive the DTC Information and the Excluded Person Information at least five business days before the scheduled date of the Settlement Hearing. The Court may also approve the Settlement at or after the Settlement Hearing with such modification(s) to the Stipulation as may be consented to by the Parties without further notice to Class Members. Further, the Court may render its judgment and order the payment of attorneys' fees, costs, and expenses, at or after the Settlement Hearing, with such modifications as may be consented to by the Parties and without further notice of any kind.

XI. RIGHT TO APPEAR AND OBJECT

Any Class Member who objects to the Settlement and/or the Judgment to be entered by the Court, and/or Plaintiff's Counsel's application for attorneys' fees, costs, and expenses, or otherwise wishes to be heard, may appear personally or by counsel at the Settlement Hearing and present any evidence or argument that may be proper and relevant; **provided, however**, that no member of the Class may be heard and no papers or briefs submitted by or on behalf of any members of the Class shall be received and considered, except by Order of the Court for good cause shown, unless, no later than fourteen (14) calendar days before the Settlement Hearing (*i.e.*, by September 21, 2022), such person files with the Register in Chancery, the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, and serves upon the attorneys listed below: (a) a written and signed notice of intention to appear, which states the name, address, telephone number, and email address (if available) of the objector and, if represented, his, her, or its counsel; (b) documentation evidencing membership in the Class; (c) a written and 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, on or before such filing with the Court, by hand or first-class mail upon the following attorneys:

Joel Friedlander
Jeffrey M. Gorris
FRIEDLANDER & GORRIS, P.A.
1201 N. Market Street, Suite 2200
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William Savitt
Anitha Reddy
WACHTELL, LIPTON,
ROSEN & KATZ
51 West 52nd Street
New York, NY 10019
(212) 403-1000

Attorneys for Talbott Roche

Unless the Court otherwise directs, no person will be entitled to object to the approval of the Settlement, the Judgment to be entered in the Action, or the fee, cost, and expense application, nor will he, she, or it otherwise be entitled to be heard, except by serving and filing a written objection as described above.

Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including the right to appeal) and will be forever barred from raising such objection in this or any other action or proceeding.

Any Class Member who does not object to the Settlement, the fee, cost, and expense application, or any other matter stated above need not do anything.

XII. ORDER AND JUDGMENT OF THE COURT

If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate, and in the best interests of the Class, the Court will enter an Order and Judgment, which will, among other things:

- (a) Make final the Court's previous determination to certify the Class pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) for purposes of the Settlement;
- (b) Determine that Plaintiff and Plaintiff's Counsel have adequately represented the interests of the Class in the Action;
- (c) Determine that the form and manner of notice of the Settlement was the best notice practicable under the circumstances and fully complied with each of the requirements of due process, Delaware Court of Chancery Rule 23, and applicable law;
- (d) Determine that all members of the Class are bound by the Judgment;
- (e) Determine that the Settlement is fair, reasonable, and adequate and in the best interests of the Class;
- (f) Dismiss the Action with prejudice without the award of any fees, costs, or expenses or the grant of further relief except for the payments contemplated by the Stipulation;
- (g) Fully, finally, and forever release, settle, and discharge the Released Defendant Parties from and with respect to every one of the Released Plaintiff's Claims;
- (h) Bar and enjoin Plaintiff and any Class Members from instituting, commencing, or prosecuting any and all Released Plaintiff's Claims against any Released Defendant Party;
- (i) Award Plaintiff's Counsel such attorneys' fees, costs, and expenses as the Court deems fair and reasonable; and
- (j) Fully, finally, and forever, release, settle, and discharge the Released Plaintiff Parties from and with respect to every one of the Released Defendant's Claims.

XIII. INSTRUCTIONS TO BROKERS AND OTHERS WHO HELD FOR THE BENEFIT OF OTHERS

Brokerage firms, banks, and/or other persons or entities who held shares of Blackhawk common stock for the benefit of others must, within seven days of the receipt of this Notice either (a) provide to the Administrator at the address below the name and last known address of each person or organization for whom or which you held any such securities during such time periods; or (b) request additional copies of this Notice from the Administrator at the address below, which will be provided to you free of charge, and, within seven days of your receipt of such copies, mail the Notice directly to the beneficial owners of the securities referred to herein. You are entitled to reimbursement for your reasonable expenses incurred in connection with the foregoing, including reimbursement of postage expenses and the cost of ascertaining the names and addresses of beneficial owners. These expenses will be paid by the Administrator from the Settlement Fund upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Notice Administrator at notifications@gilardi.com or at the following address:

The Blackhawk Stockholder Settlement
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

XIV. SCOPE OF THE NOTICE

The Notice is not all-inclusive. The references in this Notice to the pleadings in the Action, the Stipulation, and other papers and proceedings are only summaries and do not purport to be comprehensive. For the full details of the Action, claims which have been asserted in the Action and the terms and conditions of the Settlement, including a complete copy of the Stipulation, Class Members are referred to the Court files in the Action. A complete copy of the Stipulation can also be found at www.BlackhawkStockholderSettlement.com.

You or your attorney may examine the Court files from the Action during regular business hours of each business day at the office of the Register in Chancery, the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801.

Questions or comments about the Settlement or the Action may be directed to counsel for the Plaintiff:

Joel E. Friedlander
Jeffrey M. Gorris
Friedlander & Gorris, P.A.
1201 N. Market Street, Suite 2200
Wilmington, DE 19801

Christopher H. Lyons
Robbins Geller Rudman & Dowd LLP
414 Union Street, Suite 900
Nashville, TN 37219

Randall J. Baron
Robbins Geller Rudman & Dowd LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

DO NOT WRITE OR TELEPHONE THE COURT.

Dated: August 9, 2022

BY ORDER OF THE COURT

Register in Chancery

The Blackhawk Stockholder Settlement
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

BHW

«3of9 barcode »

«BARCODE»

Postal Service: Please do not mark barcode

BHW «Claim Number»

«FIRST1» «LAST1»

«ADDRESS LINE 1» «ADDRESS LINE 2»

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«COUNTRY»