

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE HOMEFED CORPORATION
STOCKHOLDER LITIGATION

Consolidated
C.A. No. 2019-0592-LWW

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF THE COMMON STOCK OF HOMEFED CORPORATION AS OF JULY 1, 2019, INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS-IN-INTEREST, SUCCESSORS, PREDECESSORS-IN-INTEREST, PREDECESSORS, ESTATES, HEIRS, ASSIGNS, AND TRANSFEREES, BUT EXCLUDING ALL EXCLUDED PERSONS (AS DEFINED BELOW).

IF YOU HELD COMMON STOCK FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

The purpose of this Notice of Pendency and Proposed Settlement of Class Action (the “Notice”) is to inform you of: (a) the pendency of the action styled *In re HomeFed Corporation Stockholder Litigation*, Consolidated C.A. No. 2019-0592-LWW (Del. Ch.) (the “Consolidated Stockholder Action”), which was brought in the Court of Chancery of the State of Delaware (the “Court”) by former stockholders of HomeFed Corporation (“HomeFed” or the “Company”) asserting claims on behalf of and for the benefit of a class of former HomeFed stockholders; (b) the Court’s determination to preliminarily certify the Consolidated Stockholder Action as a non-opt-out class action pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2); (c) the proposed settlement of the Consolidated Stockholder Action (the “Settlement”), subject to Court approval and other conditions of the Settlement being satisfied, as provided for in a Stipulation and Agreement of Compromise, Settlement, and Release Regarding the Consolidated Stockholder Action dated October 13, 2021 (the “Settlement Stipulation”), which was filed with the Court and is publicly available for review; and (d) your right to participate in a hearing to be held on February 15, 2022, at 11:00 a.m., before the Court at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801 (the “Settlement Hearing”).¹ The purpose of the Settlement Hearing to be held by the Court is to determine: (a) whether to certify the Class for settlement purposes only; (b) whether Co-Lead Plaintiffs and Class Counsel have adequately represented the Class; (c) whether the proposed Settlement should be approved as fair, reasonable, and adequate to the Class and in the best interests of the Class; (d) whether the Consolidated Stockholder Action should be dismissed with prejudice and all of the Released Claims (defined below) against the Released Parties (defined below) should be released; (e) whether an Order and Final Judgment (the “Order and Final Judgment”) approving the Settlement should be entered; (f) whether and in what amount any Fee and Expense Award (defined below) should be paid to Class Counsel out of the Settlement Amount (defined below); and (g) whether and in what amount any requested incentive award (“Incentive Award”) to Co-Lead Plaintiffs to be paid from any Fee and Expense Award to Class Counsel.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF THE CONSOLIDATED STOCKHOLDER ACTION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE

¹ Capitalized terms not defined in the Notice have the meaning set forth in the Settlement Stipulation, which is publicly available as indicated in Paragraph 62 below.

FAIRNESS, REASONABLENESS OR ADEQUACY OF THE PROPOSED SETTLEMENT, AND FROM PURSUING THE PLAINTIFF RELEASED CLAIMS.

The Settlement Stipulation was entered into as of October 13, 2021, by and among: (i) Plaintiffs Richard Rose and Dennis E. Murray, Sr. (together, “Co-Lead Plaintiffs”), on their own and on behalf of the Class (as defined herein); (ii) Defendants Jefferies Financial Group Inc. (formerly known as Leucadia National Corporation) (“Jefferies”), Brian Friedman, Jimmy Hallac, and Joseph Steinberg (the “Individual Jefferies Defendants,” and together with Jefferies, the “Jefferies Defendants”); (iii) Defendants Patrick Bienvenue and Paul Borden; (iv) Dismissed Parties Timothy Considine and Michael Lobatz (together with Messrs. Bienvenue and Borden, the “HomeFed Outside Directors”); and (v) Non-Party HomeFed Corporation (together with the Jefferies Defendants and the HomeFed Outside Directors, the “Defendants”) (Defendants and Co-Lead Plaintiffs together, the “Parties”).

This Notice describes the rights you may have with respect to the Consolidated Stockholder Action and pursuant to the Settlement Stipulation and what steps you may take, but are not required to take, in relation to the Settlement. If the Court approves the Settlement, the Parties will ask the Court at the Settlement Hearing to enter an Order and Final Judgment dismissing the Consolidated Stockholder Action with prejudice in accordance with the terms of the Settlement Stipulation.

WHAT IS THE PURPOSE OF THIS NOTICE?

1. The purpose of this Notice is to explain the Consolidated Stockholder Action, the terms of the proposed Settlement, and how the Settlement affects the legal rights of HomeFed stockholders and Class Members (as defined below).

2. In a class action, one or more people and/or entities who were stockholders at the time the claim arose sue on behalf of and for the benefit of the individual class members, seeking to enforce the class members’ legal rights.

3. As described more fully in Paragraph 59 below, Class Members have the right to object to the proposed Settlement, the application by Class Counsel (the “Fee and Expense Application”) for an award of fees and expenses (the “Fee and Expense Award”), and the application for an Incentive Award. Class Members have the right to appear and be heard at the Settlement Hearing, which will be held before the Delaware Court of Chancery on February 15, 2022, at 11:00 a.m., at the Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801.

4. The Court has reserved the right to adjourn or continue the Settlement Hearing, including consideration of the application by Class Counsel for a Fee and Expense Award and the application for an Incentive Award, without further notice to you other than by announcement at the Settlement Hearing or any adjournment thereof, or notation on the docket in the Consolidated Stockholder Action. The Court has further reserved the right to approve the Settlement, at or after the Settlement Hearing, with such modifications as may be consented to by the Parties and without further notice of any kind.

**WHAT IS THIS CASE ABOUT?
WHAT HAS HAPPENED SO FAR?**

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THE

CONSOLIDATED STOCKHOLDER ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY OR MAY NOT WISH TO TAKE IN RELATION TO THIS LITIGATION.

5. On April 12, 2019, Jefferies and HomeFed entered into an Agreement and Plan of Merger (such merger agreement with any amendments thereto, the “Merger Agreement”), pursuant to which Jefferies would acquire the shares of HomeFed not already owned by Jefferies in a merger transaction (the “Merger”) offering HomeFed stockholders two shares of Jefferies stock for each share of HomeFed stock they owned (the “Merger Consideration”);

6. On May 20, 2019, HomeFed filed a definitive proxy statement pursuant to Section 14(a) of the Securities Exchange Act of 1934 with the United States Securities and Exchange Commission relating to the Merger (such proxy statement together with any amendments or supplements thereto, the “Proxy”);

7. Between May 7, 2019 and June 13, 2019, Co-Lead Plaintiffs, among others, made books and records demands on HomeFed pursuant to Section 220 of the Delaware General Corporation Law, and HomeFed provided documents to Co-Lead Plaintiffs in response to such books and records demands;

8. On June 28, 2019, the HomeFed stockholders voted to approve the Merger;

9. On July 1, 2019, the Merger closed;

10. On August 1, 2019, Co-Lead Plaintiffs commenced an action bearing the caption *Rose v. Steinberg, et al.*, C.A. No. 2019-0592-AGB (the “Rose Action”), on behalf of themselves and all other similarly situated former HomeFed stockholders, against the Jefferies Defendants and the HomeFed Outside Directors, asserting claims for breaches of fiduciary duty in connection with the Merger;

11. On August 27, 2019, Plaintiff Louis Geser (“Geser”) commenced an action bearing the caption *Geser v. Jefferies Financial Group Inc., et al.*, C.A. No. 2019-0681-AGB (the “Geser Action”), on behalf of himself and all other similarly situated former HomeFed stockholders, against the Jefferies Defendants and the HomeFed Outside Directors, asserting claims for breaches of fiduciary duty in connection with the Merger;

12. On September 3, 2019, the Court entered an Order, which consolidated the Rose Action and the Geser Action for all purposes (the “Consolidated Stockholder Action”) and, among other things, appointed plaintiffs in the Rose Action as Co-Lead Plaintiffs in the Consolidated Action, appointed the law firms of Andrews & Springer LLC, Friedman Oster & Tejtell PLLC, and Labaton Sucharow LLP as Co-Lead Counsel in the Consolidated Action, and designated the law firm of Wolf Popper LLP as Additional Counsel;

13. On September 16, 2019, Co-Lead Plaintiffs designated the Verified Class Action Complaint filed in the Rose Action as the operative complaint in the Consolidated Action (the “Complaint”);

14. On November 4, 2019, each of the Jefferies Defendants and the HomeFed Outside Directors filed motions to dismiss the Complaint under Court of Chancery Rule 12(b)(6) (the “Motions to Dismiss”);

15. On December 17, 2019, Co-Lead Plaintiffs voluntarily dismissed their claims against Messrs. Considine and Lobatz without prejudice;

16. On April 3, 2020, the Court heard arguments on the Motions to Dismiss;

17. On July 13, 2020, the Court issued a memorandum opinion denying the Motions to Dismiss;

18. On January 12, 2021, the Court entered a Stipulation and Order for the Production and Exchange of Confidential and Highly Confidential Information (the “Confidentiality Order”);

19. Between August 2020 and April 2021, the Parties engaged in document and other written discovery: (i) Co-Lead Plaintiffs propounded requests for the production of documents to Defendants, served interrogatories directed to Defendants, and served subpoenas on three third-parties; (ii) in response to Co-Lead Plaintiffs’ discovery requests propounded on Defendants and third-parties, Co-Lead Plaintiffs received 168,019 pages of documents; and (iii) during this time period, Co-Lead Counsel also interviewed representatives from two of HomeFed’s largest minority stockholders;

20. Between April 2021 and August 2021, the Parties engaged in discussions concerning, among other things, the merits of the claims asserted in the Consolidated Stockholder Action;

21. On September 3, 2021, the Parties engaged in a full-day mediation with Robert A. Meyer, Esq., of JAMS, which resulted in the Parties’ agreement to a double-blind mediator’s proposal of \$15,000,000 in full settlement of the claims and defenses asserted in the Consolidated Action and a class-wide release of any and all known and unknown claims against Defendants relating to the Merger, as set forth more fully in the Settlement Stipulation.

WHAT ARE THE TERMS OF THE SETTLEMENT?

22. Set forth below is a summary of the principal terms of the proposed Settlement, as agreed to by the Parties, subject to the approval of the Court. The following statements are a summary. Please refer to the Settlement Stipulation, which is publicly available as indicated in Paragraph 62 below, for a full and complete statement of the terms of the Settlement.

Certain Relevant Definitions:

23. “Account” means an account which is to be maintained by Class Counsel, into which the Settlement Amount shall be deposited and maintained as is customary in settlement accounts of this nature.

24. “Administrative Costs” means all costs and expenses associated with disbursing the Settlement Amount, calculating any payment owed to any Eligible Closing Date Stockholder or resolving any dispute relating thereto, or any other cost or expense otherwise incurred by the Administrator in administering or carrying out the terms of the Settlement.

25. “Administrator” means the class action settlement administrator selected by Class Counsel in connection with the Settlement.

26. “Class” means a non-opt-out class for settlement purposes only, and pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2), consisting of any record holders and beneficial owners of HomeFed common stock whose shares of HomeFed common stock were converted on July 1, 2019 (the “Class Shares”) in their capacities as holders of Class Shares, together with their respective successors-in-interest, successors, predecessors-in-interest, predecessors, estates, heirs, assigns, and transferees, in each case in their capacities as holders or beneficial owners of Class Shares, excluding (i) the Jefferies Defendants and the HomeFed Outside Directors, and each of their respective immediate family members, affiliates, investors, partners, limited partners, parent companies, subsidiaries, legal representatives, heirs, estates, predecessors, successors, and assigns; and (ii) any entity in which any of the Jefferies Defendants or the HomeFed Outside Directors has or had a direct or indirect controlling interest (each an “Excluded Person”).

27. “Closing” means July 1, 2019.

28. “DTC Participants” means the participants of the Depository Trust Company (“DTC”) for whom Cede & Co., as nominee for DTC, was the holder of record of HomeFed common stock and whose customers were the beneficial owners of such common stock at the time of the Closing.

29. “Eligible Closing Date Beneficial Holder” means the ultimate beneficial owner of any shares of HomeFed common stock held of record by Cede & Co. at the Closing, provided that no Excluded Person may be an Eligible Closing Date Beneficial Holder.

30. “Eligible Closing Date Record Holder” means the record holder of any shares of HomeFed common stock, other than Cede & Co., at the Closing, provided that no Excluded Person may be an Eligible Closing Date Record Holder.

31. “Eligible Closing Date Stockholders” means Eligible Closing Date Beneficial Holders and Eligible Closing Date Record Holders.

32. “Final” when referring to any order or award entered by the Court, means that one of the following has occurred: (i) the time for the filing or noticing of any motion for reconsideration, appeal, or other review of the order or award has expired without any such filing or notice; or (ii) the order or award has been affirmed in all material respects on an appeal or after reconsideration or other review and is no longer subject to review upon appeal, reconsideration, or other review, and the time for any petition for reconsideration, reargument, appeal, or review of such order or award (or any order affirming it) has expired; provided, however, that any disputes or appeals relating solely to the amount, payment, or allocation of attorneys’ fees and expenses shall have no effect on finality for purposes of determining the date on which the Order and Final Judgment became Final, and shall not prevent, limit, or otherwise affect the Order and Final Judgment.

33. “Net Settlement Amount” means the Settlement Amount as defined herein plus any interest accrued thereon after its deposit in the Account less Administrative Costs and any Fee and Expense Award.

The Settlement Amount:

34. In consideration for the full and final release, settlement, dismissal, and discharge of any and all Released Claims (defined below) against the Released Parties (defined below), the Parties agreed to a payment of fifteen million dollars and no cents (\$15,000,000.00) in cash (the “Settlement Amount”) to be paid or caused to be paid by Defendants.

Distribution of Settlement Amount/Plan of Allocation:

35. The Administrator shall allocate the Net Settlement Amount among Eligible Closing Date Stockholders on a *pro rata*, per-share basis and distribute the Net Settlement Amount to Eligible Closing Date Stockholders.

36. For Eligible Closing Date Beneficial Holders whose Merger Consideration was distributed through Cede & Co., as nominee for DTC, the Administrator shall send their portion of the Net Settlement Amount to DTC for distribution.

37. The Administrator shall instruct DTC Participants to distribute the Eligible Closing Date Beneficial Holders’ portion of the Net Settlement Amount to Eligible Closing Date Beneficial Holders in the same manner in which the DTC Participants distributed proceeds in connection with the Merger.

38. The Administrator shall provide DTC Participants with a list of Excluded Persons and direct the DTC Participants not to distribute any payment to any Excluded Person.

39. DTC's sole obligation in connection with the Settlement shall be to distribute the Eligible Closing Date Beneficial Holders' portion of the Net Settlement Amount to DTC Participants in accordance with the Settlement Stipulation and DTC rules and procedures, and DTC shall not be responsible for any errors in the calculation of any distribution or for any failure by the Administrator, Defendants, or Class Counsel to identify the Excluded Persons.

40. For Eligible Closing Date Record Holders, the Administrator shall send their portion of the Net Settlement Amount to the address listed on the stockholder register or other relevant books and records of HomeFed or its transfer agent.

41. Defendants shall have no responsibility or liability for any claims, payments or determinations that the Administrator makes with respect to any Class Member claims for payment in connection with the Settlement.

WHAT ARE THE PARTIES' REASONS FOR THE SETTLEMENT?

42. The Settlement set forth in the Settlement Stipulation reflects the results of the Parties' negotiations and the final terms of their agreement, which was reached only after arm's length negotiations among the Parties, who were all represented by counsel with extensive experience and expertise in stockholder class action litigation.

43. The Parties recognize the time and expense that would be incurred by further litigation and the uncertainties inherent in such litigation and the uncertainties inherent in the Consolidated Stockholder Action and wish to settle and resolve the claims asserted by Co-Lead Plaintiffs (including claims asserted by Geser) and the Class and all claims relating to or arising out of the Merger, the Merger Consideration, the sales process leading to the Merger, or the disclosures made in connection with the Merger. The Settlement is not evidence of the validity or invalidity of any claims or defenses in the Consolidated Stockholder Action or any other actions or proceedings, or of any wrongdoing by any of the Defendants or of any damages or injury to Co-Lead Plaintiffs, Geser, or any Class Member.

44. The entry by Co-Lead Plaintiffs into this Settlement Agreement is not an admission as to the lack of merit of any claims asserted in the Consolidated Stockholder Action but rather, in negotiating and evaluating the terms of this Settlement Agreement, Class Counsel (as defined below) considered: (1) the legal and factual defenses to Co-Lead Plaintiffs' and the Class Members' claims that Defendants raised and might have raised throughout the pendency of the Consolidated Stockholder Action; and (2) the benefits to be provided to the Class through the payment of the Settlement Amount (as defined below) and, based upon their evaluation, Co-Lead Plaintiffs and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is fair, reasonable, and adequate to Co-Lead Plaintiffs and the Class and that it confers substantial benefits upon the Class, particularly when compared to the risk and uncertainties of continued litigation.

45. Defendants have denied, and continue to deny, all allegations of wrongdoing, fault, liability, or damage with respect to all claims asserted or that could be asserted in the Consolidated Stockholder Action or any other action, in any court or tribunal, relating to the Merger, including any allegations that Defendants have committed any violations of law, that they have acted improperly in any way, and that they have any liability or owe any damages of any kind to Co-Lead Plaintiffs and/or the Class. Defendants maintain that their conduct was at all times proper and in compliance with applicable law, and that if the case proceeded to trial and a decision were issued by the Court, they would have prevailed on all claims asserted against them. Defendants affirmatively assert that the Merger provided HomeFed stockholders, including Plaintiffs and the Class, with substantial benefits. Defendants also deny that HomeFed stockholders were harmed by any conduct of Defendants alleged in the Consolidated Stockholder Action or that could have been alleged in the Consolidated Stockholder Action. Each of the Defendants asserts that, at all relevant times, such Defendant acted in good faith and in a manner believed to be in the best interests of HomeFed and all of its stockholders.

46. Defendants, however, recognize the uncertainty and risk in any litigation, and the difficulties and substantial burdens, expense, and time that may be necessary to defend the Consolidated Stockholder Action through the conclusion of trial, post-trial motions, and appeals. Defendants are entering into this Settlement Agreement solely because they consider it desirable that the Consolidated Stockholder Action be settled and dismissed with prejudice in order to, among other things: (1) eliminate the uncertainty, burden, inconvenience, expense, and distraction of further litigation in the Consolidated Stockholder Action; and (2) terminate all claims that were or could have been asserted by Co-Lead Plaintiffs (including claims that were or could have been asserted by Geser) or any other Class Member against Defendants in the Consolidated Stockholder Action or in any other action, in any court or tribunal, relating to or arising out of the Merger, the Merger Consideration, the sales process leading to the Merger, or the disclosures made in connection with 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 the Order and Final Judgment approving the Settlement in accordance with the Settlement Stipulation, at which time the Consolidated Stockholder Action will be dismissed with prejudice on the merits.

48. As of the Effective Date, the following releases will occur: (a) Co-Lead Plaintiffs, Geser, and all Class Members, on behalf of themselves, and any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, estates, heirs, assigns, and transferees, shall release and forever discharge all Plaintiff Released Claims as against all Defendant Released Parties, and shall be deemed to have covenanted not to sue any Defendant Released Party with respect to any Plaintiff Released Claim; and (b) Defendants, on behalf of themselves, and any and all of their respective successors-in-interest, successors, predecessors-in-interest, predecessors, estates, heirs, assigns, and transferees, shall release and forever discharge all Defendant Released Claims as against all Plaintiff Released Parties, and shall be deemed to have covenanted not to sue any Plaintiff Released Party with respect to any Defendant Released Claim.

Relevant Definitions:

49. “Defendant Released Claims” means any and all claims for relief, damages, compensation, demands, suits, actions, injuries, losses, costs, expenses, and/or causes of action of any kind or character, including Unknown Claims, whether at law or in equity, regardless of legal theory, whether foreseen or unforeseen, contingent or actual, liquidated or unliquidated, known or unknown, whether based on state, local, foreign, federal, statutory, regulatory, common, or other law or rule, which any Defendant ever had, now has, or may have against any of the Plaintiff Released Parties: (i) arising out of and/or relating in any way to the institution or prosecution of, participation in, and/or settlement of the Consolidated Stockholder Action; or (ii) that otherwise in any way relate to the Merger or the subject matter of the Consolidated Stockholder Action. For the avoidance of doubt, the Defendant Released Claims shall not include the right to enforce this Settlement Agreement or the Settlement.

50. “Defendant Released Parties” means the Jefferies Defendants, the HomeFed Outside Directors, HomeFed, and each of their respective past or present affiliates, parents, and subsidiaries, as well as each of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, affiliates, parents, subsidiaries, divisions, associated entities, stockholders, principals, officers, managers, directors, managing directors, members, managing members, managing agents, insurers, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, lenders,

commercial bankers, attorneys, personal or legal representatives, accountants, insurers, co-insurers, reinsurers, and associates.

51. “Plaintiff Released Claims” means any and all claims for relief, damages, compensation, demands, suits, actions, injuries, losses, costs, expenses, and/or causes of action of any kind or character, including Unknown Claims, whether at law or in equity, regardless of legal theory, whether foreseen or unforeseen, contingent or actual, liquidated or unliquidated, known or unknown, whether class or individual in nature, whether based on state, local, foreign, federal (including but not limited to any state securities laws), statutory, regulatory, common or other law or rule (including, but not limited to, any claims that could be asserted by any Class Member derivatively on behalf of HomeFed or Jefferies), whether asserted in state or federal court or any other tribunal, forum, or proceedings, which: (1) any Plaintiff or any Class Member ever had, now has, or may have against any of the Defendant Released Parties by virtue of having owned HomeFed or Jefferies common stock, and (2) are based upon, arise out of, involve, or relate to any of the facts, allegations, conduct, actions, inaction, breaches of fiduciary duty or other obligations, statements, misrepresentations, omissions, transactions, events or occurrences that were alleged, asserted, or claimed in the complaints filed in the Consolidated Stockholder Action, or that otherwise relate to the Merger, the sales process leading to the Merger, the Merger Agreement, the Merger Consideration, and any disclosure, failure to disclose, statement or securities filing by any Person relating to the Merger (including, but not limited to, the Proxy). For the avoidance of doubt, the Plaintiff Released Claims shall not include the right to enforce this Settlement Agreement or the Settlement.

52. “Plaintiff Released Parties” means Co-Lead Plaintiffs, and each of their respective past or present affiliates, parents, and subsidiaries, as well as each of their respective past or present family members, spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, foundations, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, affiliates, parents, subsidiaries, divisions, associated entities, stockholders, principals, officers, managers, directors, managing directors, members, managing members, managing agents, insurers, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, financial or investment advisors, advisors, consultants, investment bankers, entities providing any fairness opinion, underwriters, brokers, dealers, lenders, commercial bankers, attorneys, personal or legal representatives, accountants, insurers, co-insurers, reinsurers, and associates.

53. “Released Claims” means Plaintiff Released Claims and Defendant Released Claims, collectively or individually.

54. “Released Parties” means Plaintiff Released Parties and Defendant Released Parties, collectively or individually.

55. “Unknown Claims” means any Released Claim that any Party or any Class Member does not know or suspect exists in his, her, or its favor at the time of the release of the Released Claims as against the Released Parties, including without limitation those which, if known, might have affected the decision to enter into the Settlement or to object or not to object to the Settlement. With respect to any of the Released Claims, the Parties stipulate and agree that, upon the occurrence of the Effective Date, the Parties shall expressly and, by operation of the Order and Final Judgment, each Class Member shall be deemed to have, and shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal. Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States, or principle of common 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.

The Parties acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims, but that it is the intention of the Parties, and by operation of law Class Members, to completely, fully, finally, and forever extinguish any and all Released 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. The Parties acknowledge, and Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition of “Released Claims” was separately bargained for and was a material element of the Settlement and was relied upon by each and all of Defendants in entering into this Settlement Agreement.

WHO ARE THE MEMBERS OF THE CLASS?

56. The Court has provisionally ordered that the Consolidated Stockholder Action shall be maintained as a non-opt-out class action pursuant to Court of Chancery Rule 23 on behalf of a class consisting of any record holders and beneficial owners of HomeFed common stock whose shares of HomeFed common stock were exchanged for Jefferies shares in connection with the Merger (the “Class Shares”) in their capacities as holders or beneficial owners of Class Shares, together with their respective successors-in-interest, successors, predecessors-in-interest, predecessors, estates, heirs, assigns, and transferees, in each case in their capacities as holders or beneficial owners of Class Shares.

57. Excluded from the Class are: (i) the Jefferies Defendants and the HomeFed Outside Directors, and each of their respective immediate family members, affiliates, investors, partners, limited partners, parent companies, subsidiaries, legal representatives, heirs, estates, predecessors, successors, and assigns; and (ii) any entity in which any of the Jefferies Defendants or the HomeFed Outside Directors has or had a direct or indirect controlling interest.

HOW WILL THE ATTORNEYS BE PAID?

58. Concurrent with seeking final approval of the Settlement, Class Counsel intends to make a Fee and Expense Application to the Court for a Fee and Expense Award in an aggregate amount of up to 23% of the Settlement Amount plus reimbursement of expenses incurred in connection with the Consolidated Stockholder Action. The Parties acknowledge and agree that the Fee and Expense Award shall be paid solely from, and not in addition to, the Settlement Amount. The Fee and Expense Application shall be the only request for attorneys’ fees and expenses filed by or on behalf of Co-Lead Plaintiffs and Class Counsel. Co-Lead Plaintiffs also intend to petition the Court for an Incentive Award of up to \$5,000 to be paid to each Co-Lead Plaintiff solely from the Fee and Expense Award.

WHEN AND WHERE WILL THE SETTLEMENT HEARING BE HELD? DO I HAVE THE RIGHT TO APPEAR AT THE SETTLEMENT HEARING?

59. The Court will consider the Settlement and all matters related to the Settlement, including the Fee and Expense Application, at the Settlement Hearing. The Settlement Hearing will be held before the Delaware Court of Chancery on February 15, 2022, at 11:00 a.m., either in person at the Court of Chancery, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, or by telephone or videoconference (in the discretion of the Court).

Please Note: The date and time of the Settlement Hearing may change without further written notice to Class Members. In addition, the ongoing COVID-19 health emergency is a fluid situation that creates the possibility that the Court may decide to conduct the Settlement Hearing by video or telephonic conference, or otherwise

allow Class Members to appear at the Settlement Hearing by phone or video, without further written notice to Class Members. In order to determine whether the date and time of the Settlement Hearing have changed, or whether Class Members must or may participate by phone or video, it is important that you monitor the Court's docket and the Settlement website, <https://abdataclassaction.com/about-us/cases/>, before making any plans to attend the Settlement Hearing. Any updates regarding the Settlement Hearing, including any changes to the date or time of the Settlement Hearing or updates regarding in-person or telephonic appearances at the Settlement Hearing, will be posted to the Settlement website, <https://abdataclassaction.com/about-us/cases/>. Also, if the Court requires or allows Class Members to participate in the Settlement Hearing by telephone or video conference, the information needed to access the conference will be posted to the Settlement website, <https://abdataclassaction.com/about-us/cases/>.

60. Any Class Member who objects to the Settlement, the Fee and Expense Application by Class Counsel, or any request for an Incentive Award or who otherwise wishes to be heard, may appear in person or through his, her, or its attorney at the Settlement Hearing and present any evidence or argument that may be proper and relevant; provided, however, that no such person shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Order and Final Judgment to be entered thereon, or the allowance of fees and expenses to Class Counsel or any Incentive Award, or otherwise be heard with respect to the matters considered at the Settlement Hearing unless, no later than February 5, 2022, such person files with the Register in Chancery, Delaware Court of Chancery, 500 North King Street, Wilmington, DE, 19801, and serves upon the attorneys listed below: (a) a written and signed notice of intention to appear that includes the name, address, and telephone number of the objector and, if represented by counsel, the name, address, and telephone number 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 thereof 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 & Serve*Xpress*, by hand, by First-Class Mail, or by express service upon the following attorneys for the Parties such that they are received no later than February 5, 2022:

Peter B. Andrews, Esq.
Andrews & Springer LLC
4001 Kennett Pike, Suite 250
Wilmington, DE 19807

Jeremy S. Friedman, Esq.
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& Tunnell LLP
1201 North Market Street, 16th Floor
Wilmington, DE 19899

John P. Stigi III
Sheppard, Mullin, Richter
& Hampton LLP
333 South Hope Street, 43rd Floor
Los Angeles, CA 90071

61. Unless the Court otherwise directs, any person who fails to object in the manner prescribed above shall be deemed to have waived his, her, or its right to object and shall be forever barred from raising any objection to the Settlement, the Fee and Expense Application, the application for any Incentive Award, or any other matter related to the Settlement, in the Consolidated Stockholder Action or in any other action or proceeding.

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

62. This Notice does not purport to be a comprehensive description of the Consolidated Stockholder Action, the allegations related thereto, the terms of the Settlement, or the Settlement Hearing. For a more detailed statement of the matters involved in the Consolidated Stockholder Action, you may inspect the pleadings, the Settlement Stipulation, the Orders entered by the Court, and other papers filed in the Consolidated Stockholder Action 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, Delaware 19801, during regular business hours of each business day, or <https://abdataclassaction.com/about-us/cases/>. If you have questions regarding the Settlement, you may write or call Class Counsel:

Peter B. Andrews, Esq.
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Carl L. Stine, Esq.
Wolf Popper LLP
845 Third Avenue
New York, NY 10022
(212) 759-4600

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

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

63. Brokerage firms, banks, and other persons or entities who held shares of HomeFed common stock as record owners, but not as beneficial owners, are directed to either: (a) promptly request from the Administrator, sufficient copies of this Notice to forward to all such beneficial owners and after receipt of the requested copies promptly forward the copies of the Notice to all such beneficial owners; or (b) promptly provide a list of the names and addresses of all such beneficial owners to Fullfillment@abdata.com or HomeFed Corporation Settlement c/o A.B. Data, Ltd., P.O. Box 173024, Milwaukee, WI 53217-8091, after which the Administrator will promptly send copies of the Notice to such beneficial owners. Copies of this Notice may be obtained by calling toll-free at 1-877-999-2685. A copy of the Notice is also available for downloading from <https://abdataclassaction.com/about-us/cases/>.

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

Dated: November 12, 2021

Questions? Call 1-877-999-2685 or visit <https://abdataclassaction.com/about-us/cases/>

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HomeFed Corporation Settlement
c/o A.B. Data, Ltd.
P.O. Box 173024
Milwaukee, WI 53217

COURT-APPROVED NOTICE REGARDING
In re HomeFed Corporation Stockholder Litigation