



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ROBERT A. DAVIDOW,)
HOWARD MARKS, KEVIN)
BOYLAN, and MARC RAPAPORT,)
)
Plaintiffs,)
)
v.)
)
DOV SEIDMAN, LEE FELDMAN)
and MATS LEDERHAUSEN,)
)
Defendants.)
)

C.A. No. 2019-0150-MTZ

**STIPULATION AND [PROPOSED] ORDER
REGARDING VOLUNTARY DISMISSAL OF ACTION WITH
RESPECT TO HOWARD MARKS**

COMES NOW, Plaintiff Howard Marks (“Marks”), in his individual capacity, and Defendants Dov Seidman, Lee Feldman, and Mats Lederhausen (“Seidman,” “Feldman,” and “Lederhausen”) and request that the Court enter an Order of Voluntary Dismissal with respect to Howard Marks for the following reasons set forth:

WHEREAS, on February 25, 2019, Plaintiff Robert A. Davidow (“Davidow”) filed the Verified Complaint (Dkt. 1) in the above-captioned action (the “Action”) against LRN Corporation (“LRN”) and LRN directors Seidman, Feldman, and Lederhausen. The Action relates to a voluntary 2017 LRN tender offer (the “Tender Offer”) in which LRN founder Seidman highlighted that he would not sell any

shares, and, subsequently, in which the majority of individual LRN stockholders did not tender any shares. The vast majority of LRN's stockholders remained stockholders after the Tender Offer, most of whom tendered no shares at all;

WHEREAS, on June 30, 2020, the Court granted Plaintiff Marks' Motion to Intervene in the Action as a named Plaintiff and putative class representative (Dkt. 77);

WHEREAS, on July 8, 2020, Marks filed a Supplement to the Amended Class Action Complaint that he verified under penalty of perjury (Dkt. 79) (the "Supplement");

WHEREAS, the Supplement contained false and defamatory statements about Seidman, Feldman, and Lederhausen;

WHEREAS, on September 27, 2021, Seidman, Feldman, and Lederhausen sued Marks for defamation *per se* in an action in the Superior Court captioned *Feldman et al. v. Marks*, No. N21C-09-206 DJB, for impugning them in their business and profession by sending the false and defamatory Supplement to *The Financial Times*;

WHEREAS, on September 7, 2023, the Court considered Marks' and Davidow's adequacy to serve as class representatives (Dkt. 344)¹;

¹ The Court considered Marks' and Davidow's adequacy to serve as class representatives in the context of a September 7, 2023 settlement hearing.

WHEREAS, the Court disqualified Marks and Davidow as class representatives;

WHEREAS, in disqualifying Marks as a class representative, the Court found that “Marks made false statements in a sworn pleading submitted to this Court” (*i.e.*, the Supplement), which he sent to *The Financial Times*;

WHEREAS, in disqualifying Marks as a class representative, the Court found that Marks “[f]ell short of the standard of conduct in litigation this Court expects from its volunteer class champions.” The Court noted that “[a]t a minimum, a class representative purporting to advance claims held by others must have integrity, honesty, and the ability to put aside personal vendettas and abstain from false pleadings to this Court”²;

WHEREAS, on November 11, 2024, the Court denied certification of interlocutory review of its ruling finding Marks and Davidow each to be an inadequate class representative, stating that Marks “filed false allegations in seeking to intervene as class representative [and] sent them to [*The Financial Times*] for publication” (Dkt. 404);

² The Court also disqualified Davidow as a class representative because Davidow’s “spoliation [of documents] and discovery misconduct raises ‘serious questions’ as to the propriety, honesty, and credibility of the lead plaintiff.”

WHEREAS, on December 19, 2024, the Delaware Supreme Court denied Marks' and Davidow's interlocutory appeal of the Court's ruling finding them each to be an inadequate class representative;

WHEREAS, on September 23, 2024, Judge Danielle J. Brennan of the Superior Court granted summary judgment in favor of Seidman, Feldman, and Lederhausen, finding Marks liable for defamation *per se*. The Superior Court found that "Marks made a defamatory statement concerning [Seidman, Feldman, and Lederhausen]"; that "Marks knowingly sent false statements [about them] to *The Financial Times*" "one day after acknowledging the . . . false statements"; and that "Marks acted with knowledge of falsity when he sent the reporters the court filings" about Seidman, Feldman, and Lederhausen;

WHEREAS, in granting summary judgment to Seidman, Feldman, and Lederhausen, the Superior Court found that "[i]t can go without saying that being maligned in this fashion is a detriment to [Seidman, Feldman, and Lederhausen's] character and business," that Marks' false and defamatory accusation "impugned [them] in their business" and "could potentially deter others from associating with [them] or investing in their new endeavors," and thus that Marks' false accusation against Seidman, Feldman, and Lederhausen "constitutes defamation *per se*";

WHEREAS, on October 23, 2024, the Superior Court declined to certify Marks' interlocutory appeal of its summary judgment ruling;

WHEREAS, on November 21, 2024, the Delaware Supreme Court dismissed Marks' interlocutory appeal of the Superior Court's summary judgment ruling finding Marks liable for defamation *per se*;

WHEREAS, because the Superior Court found that Marks committed defamation *per se* against Seidman, Feldman, and Lederhausen, "the law presumes damages";

WHEREAS, the Superior Court scheduled a trial to commence on January 12, 2026 solely for a jury to determine the amount of Seidman, Feldman, and Lederhausen's compensatory damages for reputational and emotional harm, and the amount of punitive damages to assess against Marks;

WHEREAS, on January 11, 2026, Marks and Seidman, Feldman, and Lederhausen agreed to a non-confidential settlement;

WHEREAS, as part of Marks' and Seidman, Feldman, and Lederhausen's non-confidential settlement, Marks has agreed to pay a total settlement amount of \$18,000,000.00 to resolve Seidman, Feldman, and Lederhausen's claims for compensatory and punitive damages for defamation *per se*, with a meaningful sum to be donated by Seidman, Feldman, and Lederhausen to charity, including to The HOW Institute for Society and other charities;

WHEREAS, Seidman, Feldman, and Lederhausen have agreed to dismiss their claims in the Superior Court action with prejudice;

WHEREAS, Marks has agreed to waive the protections of the confidentiality order entered in the Superior Court action as to certain documents and testimony Marks produced in that action, including the deposition testimony quoted below;

WHEREAS, Marks has agreed to withdraw and repudiate his claims against Seidman, Feldman, and Lederhausen in this Action;

WHEREAS, Marks acknowledges that the Court has previously determined that he was disqualified to serve as a class representative for any and all purposes, and that he is dismissing his claim in this Action with prejudice as to himself only;

WHEREAS, Marks was deposed under oath in the Superior Court action on August 14, 2025. Marks testified, *inter alia*, that at the time Marks joined this Action and filed the Supplement, Marks “did not personally have any evidence” of the core allegation of a “secret sales process” underway at the time of the Tender Offer, as alleged in the Complaint;

WHEREAS, during discovery in this Action, Seidman, Feldman, and Lederhausen “waived their attorney-client privilege with respect to communications concerning the . . . Tender Offer, and they and their attorneys produced hundreds of pages of privileged documents.” They “also produced their text messages. In total, the Parties and third parties produced more than 43,000 documents spanning more than 210,000 pages.” Those documents revealed that Seidman asked his attorneys to

draft the Tender Offer documents “[w]ith a ‘flavor’ to discourage people to sell; i.e. A ‘flavor’ of if you don’t need to sell, don’t”;

WHEREAS, Marks agreed in his testimony that “[t]o this day, [Marks has] never seen any evidence there was a secret sale process going on during the tender offer”;

WHEREAS, at the time Marks joined this Action and filed the Supplement, he signed on to allegations that Seidman, Feldman, and Lederhausen “coerced stockholders to tender their shares to LRN” in the Tender Offer, but Marks has since testified not only that Seidman “[n]ever coerced” Marks to sell his LRN shares, but that the opposite is true: Seidman personally “begged” Marks not to sell his LRN shares in the Tender Offer;

WHEREAS, Marks agreed in his testimony that even if this Action were “a meritless lawsuit, [he] would still accept proceeds from the lawsuit for [him] and [his] wife and [his] family even if those proceeds were paid directly out of the pockets of Mr. Seidman, Mr. Lederhausen and Mr. Feldman”;

WHEREAS, in light of the foregoing, Marks has now formally repudiated this Action by stating: “I repudiate this lawsuit and my entire participation in it. When I joined the lawsuit, I had no evidence to support the allegations in the lawsuit, including the ones I added to it. Now, with the evidence I have seen, this lawsuit in my view is without merit, which is why I am repudiating it.”;

WHEREAS, unless the Court objects, Marks has agreed to send a letter providing notice of his dismissal and repudiation to the putative class in this Action in the form attached hereto as Exhibit A; and

WHEREAS, Seidman, Feldman, and Lederhausen agree that Marks' dismissal of his individual claims in this Action is proper.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Marks and Seidman, Feldman, and Lederhausen, subject to the approval of the Court, that:

Pursuant to Court of Chancery Rule 41(a)(1)(ii), all claims in the Action asserted by Howard Marks are voluntarily dismissed with prejudice, with each party to bear its own costs, expenses, and attorneys' fees.

LAW OFFICE OF MICHAEL R. IPPOLITI, PA

/s/ Michael R. Ippoliti
Michael R. Ippoliti (#2545)
LAW OFFICE OF MICHAEL R. IPPOLITI, PA
Legal Arts Building
1225 N. King Street, Suite 900
Wilmington, DE 19801
(302) 428-1400

Attorney for Plaintiff Howard Marks

ABRAMS & BAYLISS LLP

/s/ A. Thompson Bayliss
A. Thompson Bayliss (#4379)
Daniel G. Paterno (#6365)
Christopher Fitzpatrick Cannataro (#6621)
Caleb H. Theriot (#7343)
ABRAMS & BAYLISS LLP
20 Montchanin Road, Suite 200
Wilmington, DE 19807
(302) 778-1000

OF COUNSEL:

Stephen Shackelford, Jr.
Shawn J. Rabin
SUSMAN GODFREY L.L.P.
One Manhattan West

New York, New York 10001
(212) 336-8330
sshackelford@susmangodfrey.com
srabin@susmangodfrey.com

*Attorneys for Defendants Dov Seidman,
Lee Feldman, and Mats Lederhausen*

Dated: February 9, 2026

SO ORDERED this _____ day of _____, 2026.

Vice Chancellor Morgan T. Zurn



EXHIBIT A

EXHIBIT A

Howard E. Marks
615 Arden Drive
Beverly Hills, CA 90210

February [x], 2026

To Whom It May Concern:

I write this letter to inform all LRN shareholders who participated in LRN's 2017 Tender Offer that I have withdrawn my participation as a named Plaintiff and class member in the lawsuit captioned *Davidow et al. v. Seidman et al.*, No. 2019-0150-MTZ (Del. Ch.), currently pending in the Delaware Court of Chancery, which concerns the conduct of LRN's Board of Directors in connection with that Tender Offer.

To effectuate my withdrawal, I have filed the enclosed stipulation of dismissal with prejudice with the Court. In it, I repudiate my participation in the lawsuit with the following statement: "I repudiate this lawsuit and my entire participation in it. When I joined the lawsuit, I had no evidence to support the allegations in the lawsuit, including the ones I added to it. Now, with the evidence I have seen, this lawsuit in my view is without merit, which is why I am repudiating it."

Respectfully,

Howard E. Marks