

GIBSON DUNN

# 2019 Mid-Year Activism Update

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Gibson Dunn  
2019 Mid-Year Activism Update

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October 7, 2019

To Our Clients and Friends:

This Client Alert provides an update on shareholder activism activity involving NYSE- and Nasdaq-listed companies with equity market capitalizations in excess of \$1 billion during the first half of 2019. As is typically the case during proxy season, shareholder activism rose during the first half of 2019 relative to the second half of 2018 as reflected in the number of public actions (51 vs. 40), in the number of activist investors that launched campaigns (33 vs. 29) and in the number of companies involved (46 vs. 34). As compared to the same period of 2018, however, shareholder activism activity declined, as reflected by the number of public actions in the first half of 2018 (51 vs. 62), the number of activist investors that launched campaigns (33 vs. 41) and the number of companies involved (46 vs. 54).

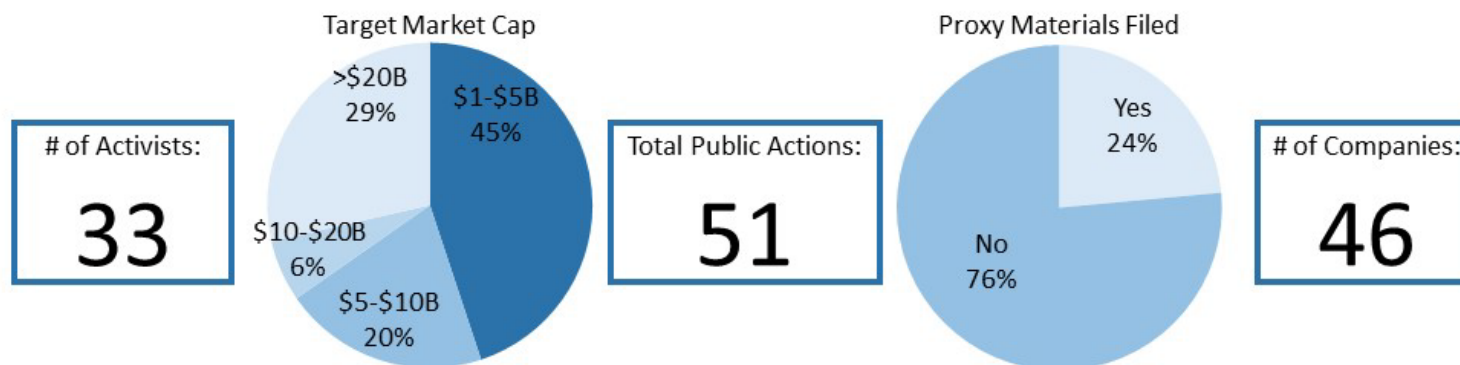
The types of companies targeted by shareholder activists changed in certain respects as well. During the second half of 2018, activists focused primarily on smaller public companies, as nearly two-thirds of those that were the subject of campaigns had market capitalizations of less than \$5 billion and only 17% had market capitalizations in excess of \$20 billion. By contrast, in the first half of 2019, companies with a capitalization of less than \$5 billion represented only 45% of those targeted by activists, and companies with market capitalizations in excess of \$20 billion comprised 29% of those companies targeted. The campaigns launched by NorthStar Asset Management against Alphabet and Facebook, Pershing Square against United Technologies Corporation and Starboard against Bristol-Myers Squibb and Appaloosa (all companies with market capitalizations in excess of \$50 billion) stood in contrast with the second half of 2018, when comparatively few campaigns involving companies with market capitalizations in excess of \$50 billion were launched.

The rationales for activist campaigns during the first half of 2019 remained consistent with that of the second half of 2018. In both cases, the leading campaign types were focused on board composition, mergers and acquisitions and business strategy. These three rationales collectively comprised approximately 75% of campaigns during both time periods, with other rationales (governance, return of capital, management changes and control) representing a small minority. The frequency with which activists engaged in proxy solicitation increased, however, from 15% of campaigns in the second half of 2018 to 24% of campaigns in the first half of 2019. (Note that the data provided in this Client Alert includes more campaign rationales than the number of campaigns, as certain activist campaigns had multiple rationales.)

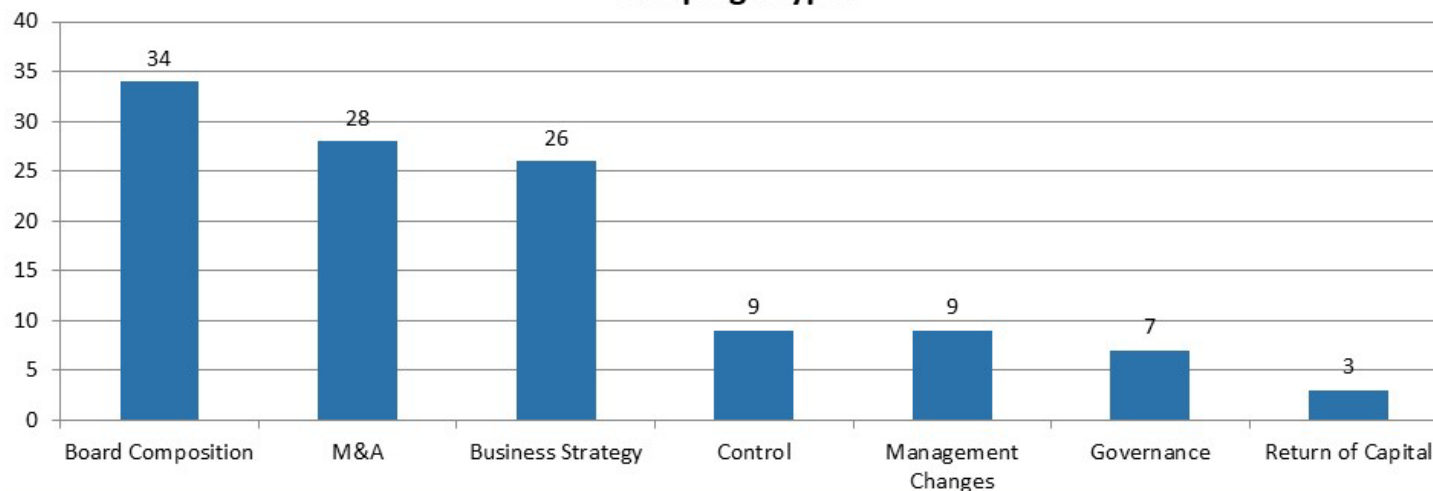
A total of 17 settlement agreements were reached in the first half of 2019, and most maintained the key terms that have emerged as typical in recent years. Consistent with the second half of 2018, well over 90% of settlement agreements provided for voting agreements and standstill periods, and over 85% of settlement agreements included minimum and/or maximum share ownership levels and non-disparagement clauses. We delve further into the data and the details in the latter half of this edition of this Client Alert.

We hope you find this Client Alert informative. If you have any questions, please do not hesitate to reach out to a member of your Gibson Dunn team.

## By the Numbers – H1 2019 Public Activism Trends



### Campaign Types



\*Study covers selected activist campaigns involving NYSE and Nasdaq-traded companies with equity market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed).

\*\*All data is derived from the data compiled from the campaigns studied for the H1 2019 Activism Update.

## H1 2019 Activist Public Actions

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
40 North Management LLC	W.R. Grace & Co.	NYSE: GRA	5/8/18	\$5.09	14.0%	Board composition	N	In 2/19, Company entered into an agreement with 40 North to increase the size of the board from nine to 11 directors and to include two 40 North representatives on Company's slate of director nominees. In 3/19, Company issued proxy materials for its annual meeting of shareholders that included the election of the two directors as a voting matter. The Company then nominated those two directors.
Abrams Capital Management, L.P.	PG&E Corporation	NYSE: PCG	3/15/19	\$12.13	4.7%	Board composition; management changes	N	In 3/19, Abrams Capital, together with Knighthead Capital Management LLC and Redwood Capital Management, called for an overhaul in Company management. In 4/19, Company announced the selection of a permanent CEO and the appointment of 10 new directors and resignation of seven incumbent directors.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Appaloosa LP	Allergan plc	NYSE: AGN	2/19/19	\$54.88	0.96%	Board composition; M&A; management changes	N	In 2/19, Appaloosa sent a letter to Company's board calling for separation of roles of Chairman and CEO and action to address Company's underperformance. Later in 2/19, Company announced the appointment of a new director to the board and a resolution to separate the roles at a future date, to which Appaloosa responded with a letter to Company indicating that it was not satisfied and calling for a more immediate separation. Appaloosa also urged Company to consider a merger or sale of Company. In 4/19, Appaloosa reiterated its call for separation of roles and sale or merger, seeking investor support, but in 5/19, shareholders voted down the proposal. In 6/19, Company announced that it entered into an agreement to be acquired by AbbVie, Inc.
Barington Capital Group, L.P.	L Brands, Inc.	NYSE: LB	3/5/19	\$7.21	0.22%	Board composition; business strategy; M&A	N	In 3/19, Barington issued a letter to Company recommending action to improve Company performance and a more independent and diverse board. Barington also called for retention of a financial advisor for Company to explore the possibility of a spinoff or IPO. In 4/19, Company announced a slate of director nominees, including three independent directors. Company also announced that it entered into an agreement with Barington to appoint Barington to serve as special advisor to Company, and pursuant to which Barington agreed to vote its shares for Company's board nominees at the annual meeting.

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\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Biglari Capital Corp.	Cracker Barrel Old Country Store, Inc.	NASDAQ: CBRL	3/13/19	\$4.11	17.4%	Business strategy; M&A; return of capital	N	In 3/19, Biglari issued a letter to Company calling for a divestiture or elimination of one of its businesses, the publishing of financial data on new stores and the maintenance or increase of a special dividend of \$3.75 per share. In 4/19, Biglari reiterated its demand for a special dividend, threatened to commence a proxy contest to install a new director and demanded a meeting between Company and Biglari advisors to discuss a potential transaction.
BlueMountain Capital Management, LLC	PG&E Corporation	NYSE: PCG	1/17/19	\$12.13	1.4%	Board composition; business strategy; management changes	Y	In 1/19, BlueMountain issued two letters to Company challenging the board's plan to file for bankruptcy. Also in 1/19, BlueMountain issued a letter to Company's shareholders announcing its plan to nominate a full slate of directors to replace Company's current board. Later in 1/19, Company stated that it was filing for Chapter 11 bankruptcy. In 3/19, BlueMountain stated its intention to launch a proxy contest. In 4/19, Company appointed a new CEO and 10 new directors. Later in 4/19, Company entered into an agreement with BlueMountain to appoint a new independent director and to propose an increase the maximum size of the board. BlueMountain withdrew its 13-person slate.

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Caligan Partners LP	Knowles Corporation	NYSE: KN	3/11/19	\$1.66	2.3%	Board composition; control	Y	In 3/19, Caligan and Falcon Edge Capital, LP nominated two individuals for election to the board of Company. In 4/19, Caligan and Falcon Edge Capital filed a definitive proxy statement. In 5/19, Company entered into an agreement with Caligan, Falcon Edge Capital and Patriot Global Management, LP to appoint a new director, expanding the board to 10 directors, and to search for an additional independent director. The group agreed to withdraw its slate of director nominees and vote all of its shares in support of Company's full slate of directors.
Canyon Capital Advisors LLC	Navient Corporation	NASDAQ: NAVI	4/5/18	\$3.27	10.7%	Board composition; control; M&A	Y	In 2/19, Canyon with Platinum Equity Advisors issued a letter to Company expressing an interest in acquiring Company, which was rejected by Company shortly thereafter. Later in 2/19, Canyon withdrew its interest in acquiring Company and instead nominated a four-person slate for election to the board at Company's upcoming annual meeting. In 4/19, Canyon issued a preliminary proxy statement urging shareholders to support its four-person slate at the annual meeting. Later in 4/19, Company issued a letter to Company's shareholders urging them to vote for the re-election of the current board and expressing concerns over Canyon's attempt to take control of the board. In 5/19, Company announced that it reached a settlement with Canyon and will appoint two new directors, and Canyon agreed to withdraw its nomination notice and vote in favor of Company-nominated directors.

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## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Carl Icahn	Occidental Petroleum Corporation	NYSE: OXY	5/30/19	\$37.61	4.4%	Board composition; business strategy; M&A	Y	In 5/19, Icahn filed a lawsuit against Company to gain access to corporate records related to a proposed acquisition of Anadarko Petroleum Corp. In 6/19, Icahn filed a preliminary proxy statement calling for removal of four directors of Company, formation of a strategic review committee and changes to the charter and bylaws. Later in 6/19, Company issued an official statement in response, reiterating its determination to complete the acquisition of Anadarko Petroleum Corp.
Carl Icahn	Caesars Entertainment Corporation	NASDAQ: CZR	2/20/19	\$7.97	17.8%	Board composition; business strategy; M&A	N	In 2/19, Icahn stated an interest in Company exploring the possibility of a sale. In 3/19, Company entered into an agreement with Icahn pursuant to which three directors were appointed to the board to replace three incumbent directors, and Icahn received the right to appoint a fourth director if an acceptable CEO were not named within 45 days. In 6/19, Company announced entering into a definitive merger agreement with Eldorado Resorts.

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## H1 2019 Activist Public Actions *(continued)*

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Carl Icahn	Conduent Incorporated	NYSE: CNDT	5/16/17	\$2.02	15.0%	Board composition; business strategy; control; management changes	N	In 4/19, Michael Nevin, son-in-law of Icahn and managing director of Icahn Enterprises, resigned from Company's board and filed a resignation letter with a list of grievances. Company issued a statement in response, suggesting that Nevin's statement was a mischaracterization of events and later accusing the resignation letter to be a board takeover attempt by Icahn. Nevin was replaced by the general counsel of Icahn Enterprises. In 5/19, Company's CEO resigned and a portfolio manager of Icahn Capital was appointed to chair the search committee to identify a new chief executive.
Cevian Capital II GP Limited	Autoliv, Inc.	NYSE: ALV	3/1/18	\$6.15	9.6%	Board composition	N	In 3/19, Company announced that it had entered into an agreement with Cevian, pursuant to which Company agreed to nominate a designee of Cevian to the board. In exchange, Cevian agreed to standstill and voting provisions, including not acquiring more than 19.9% of Company's stock.

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Corvex Management LP	Centene Corporation	NYSE: CNC	N/A	\$21.68	0.34%	Business strategy; M&A	N	In 5/19, it was reported that Corvex and Sachem Head Capital Management LP were considering challenging Company's planned acquisition of WellCare Health Plans, Inc., and that Corvex and Sachem Head would consider urging Company to explore alternatives to its proposed acquisition, such as an acquisition of Company by Humana Inc. Later in 5/19, it was reported that Third Point LLC also opposed Company's proposed acquisition of WellCare. In 6/19, Humana stated that it would not seek a transaction with Company, and ISS recommended that shareholders of Company and WellCare support all proposals related to Company's acquisition of WellCare. Later in 6/19, shareholders of both Company and WellCare voted in favor of the \$15.3 billion transaction between Company and WellCare.
Corvex Management LP	MGM Resorts International	NYSE: MGM	1/17/19	\$15.35	3.8%	Board composition; business strategy	N	In 1/19, Company announced the appointment of Keith Meister, managing partner and chief investment officer of Corvex, to Company board and expanded the board from 12 seats to 13 seats. Later in 1/19, Meister was also appointed to a committee formed to evaluate Company's real estate portfolio.
D. E. Shaw Group	Louisiana-Pacific Corporation	NYSE: LPX	2/13/19	\$3.24	0.65%	Board composition; control	N	In 2/19, Company entered into an agreement with D. E. Shaw to provide D. E. Shaw with the option to appoint a director to Company's board. In exchange, D. E. Shaw agreed to vote all common shares in favor of the election of any directors nominated by the board and to abide by customary common stock acquisition limitations.

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D. E. Shaw Group	EQT Corporation	NYSE: EQT	1/11/19	\$4.04	4.6%	Board composition; business strategy; management changes	N	In 12/18, Toby and Derek Rice sent a letter to Company seeking leadership positions following Company's merger with Rice Energy Inc. and stating their intention to nominate directors at the upcoming annual meeting. In 1/19, D. E. Shaw sent a letter to Company's board encouraging Company to support the Rice brothers and criticizing Company's recent actions. D. E. Shaw's letter also pressured Company to move the annual shareholder meeting to an earlier date. In 6/19, D. E. Shaw reiterated its support for the Rice brothers and its seven nominees to Company's board. Also in 6/19, Company urged shareholders to support its nominees and not those of the Rice brothers.
Elliott Management Corporation	eBay Inc.	NASDAQ: EBAY	1/22/19	\$34.43	4.0%	Business strategy; M&A	N	In 1/19, Elliott sent a letter to Company urging the board to adopt a five-step plan including a separation of StubHub and Classifieds assets and a renewed focus on Company's core marketplace business. In 2/19, Company entered into cooperation agreements with Elliott and Starboard, granting three board seat appointments to Elliott in exchange for certain standstill, voting and other provisions.

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## H1 2019 Activist Public Actions *(continued)*

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Elliott Management Corporation	QEP Resources, Inc.	NYSE: QEP	1/7/19	\$1.72	4.9%	Control; M&A	N	In 1/19, Elliott made an offer to buy Company, stating that it believed Company to be undervalued. In 2/19, Company announced that its board had commenced an extensive review of strategic alternatives with the goal of maximizing shareholder value, including evaluation of a potential transaction with Elliott. In 6/19, it was reported that Elliott and Company were in advanced talks regarding a potential acquisition of Company by Elliott.
Engine Capital LP	AECOM	NYSE: ACM	2/12/19	\$5.96	0.39%	Board composition; governance; management changes	N	In 2/19, Engine issued an open letter to Company's shareholders regarding its concerns with Company's compensation practices and announcing its intention to vote "withhold" against all incumbent directors at Company's upcoming annual meeting. In 3/19, Company's shareholders voted in accordance with all of Company's recommendations, including with respect to election of directors and executive compensation.
Land & Buildings Investment Management, LLC	Taubman Centers, Inc.	NYSE: TCO	6/11/19	\$2.50	1.8%	Board composition; business strategy; M&A	N	In 6/19, Land & Buildings issued an open letter to Company shareholders urging Company to consider a sale of assets and stating its intention to nominate a slate of directors at the next shareholders' meeting.
Land & Buildings Investment Management, LLC	Marriott International, Inc.	NASDAQ: MAR	N/A	\$46.72	0.10%	Board composition; M&A	N	In 3/19, it was reported that Land & Buildings was seeking a board position with Company and was urging Company to consider a sale. Later in 3/19, Company announced that Land & Buildings had withdrawn its director nomination.

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## H1 2019 Activist Public Actions *(continued)*

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Legion Partners Asset Management, LLC	Bed Bath & Beyond Inc.	NASDAQ: BBBY	3/26/19	\$1.53	3.5%	Board composition; business strategy; management changes	Y	In 3/19, Legion Partners, together with Ancora Advisors, LLC and Macellum Advisors GP, LLC, stated their intention to file a proxy statement, calling for an overhaul in Company management, including the CEO, and proposing a slate of director candidates. In 4/19, Company replaced five of its directors; later in 4/19, the investment firms called for more meaningful change in Company management. In 5/19, Legion Partners filed a complaint against Company for allegedly taking steps to subvert the rights of shareholders in electing directors nominated by Legion Partners. Later in 5/19, in connection with a settlement agreement with the activists, Company's CEO resigned and Company announced the appointment of four new independent directors.
Legion Partners Asset Management, LLC	Vonage Holdings Corp.	NYSE: VG	3/15/19	\$2.75	1.93%	Board composition	N	In 3/19, Company entered into a cooperation agreement with Legion pursuant to which Company agreed to increase the size of the board and appoint a Legion director, and Legion agreed to vote in favor of Company's slate of director nominees.
Luxor Capital Group	MINDBODY, Inc.	NASDAQ: MB	1/11/19	N/A	24.3%	M&A	N	In 12/18, Company announced its intention to merge with an entity affiliated with Vista Equity Partners. In 1/19, Luxor stated that the proposed merger undervalued Company and stated its intention to engage in discussions with Company. In 2/19, the merger between Company and the entity affiliated with Vista Equity Partners was consummated.

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## H1 2019 Activist Public Actions *(continued)*

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Mangrove Partners	TransAlta Corporation	NYSE: TAC	3/15/19	\$2.42	9.4%	Board composition; control	N	In 3/19, Mangrove Partners, Bluescape Energy Partners LLC and Cove Key Bluescape Holdings LP entered into a cooperation agreement to coordinate with respect to certain efforts related to their ownership of Company, including voting for board nominees. Later in 3/19, the cooperating parties submitted nominees for election to Company's board in response to a strategic investment by Brookfield BRP Holdings (Canada) Inc. In 4/19, Mangrove stated that it would withhold its votes for three directors involved in assessing the Brookfield transaction. Later in 4/19, the parties terminated the cooperation agreement, and shareholders voted to elect all directors on Company's slate of nominees.
Neuberger Berman Group	Verint Systems Inc.	NASDAQ: VRNT	4/9/19	\$3.54	2.6%	Board composition; governance	Y	In 4/19, Company announced that Neuberger had advanced three director nominees for election to Company board, and stated that Company believed the nominations to be unwarranted. In 5/19, Company and Neuberger both issued proxy statements advancing separate slates of director nominees. In 6/19, Company announced that it had entered into a settlement agreement with Neuberger pursuant to which Neuberger agreed to withdraw its slate of nominees and vote in favor of Company's slate of nominees.

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## H1 2019 Activist Public Actions *(continued)*

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Neuberger Berman Group	Ashland Global Holdings Inc.	NYSE: ASH	1/14/19	\$5.02	3.9%	Board composition	N	In 1/19, Company announced that it was refreshing the board in consultation with Neuberger, including adding two independent director and appointing a lead independent director and appointing new board committee chairs. Neuberger agreed to vote for Company director nominees at upcoming election. In 4/19, Company announced appointment of a new director in consultation with Neuberger.
NorthStar Asset Management, Inc.	Facebook, Inc.	NASDAQ: FB	5/4/15	\$550.96	0.001%	Business strategy; governance	N	In 5/19, NorthStar urged shareholders to vote for a proposal to recapitalize shares of Company to eliminate special voting rights of a certain class of shares. In 6/19, Company announced that the shareholder proposal advocated by NorthStar had been rejected by shareholders.
NorthStar Asset Management, Inc.	Alphabet Inc.	NASDAQ: GOOG	5/3/16	\$751.03	0.003%	Business strategy; governance	N	In 5/19, NorthStar urged shareholders to vote for a proposal to recapitalize shares of Company to eliminate special voting rights of a certain class of shares. In 6/19, Company announced that the shareholder proposal advocated by NorthStar had been rejected by shareholders.

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## H1 2019 Activist Public Actions *(continued)*

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Paulson & Co, Inc.	Newmont Mining Corporation	NYSE: NEM	3/21/19	\$31.53	1.7%	M&A; return of capital	N	In 3/19, Paulson stated its opposition to Company's proposed merger with Goldcorp Inc. and suggested that shareholders vote against the merger or that Company modify the share exchange ratio. Later in 3/19, Company agreed to pay a special dividend to shareholders and Paulson stated that it would no longer oppose the merger. Also in 3/19, ISS stated its recommendation that shareholders vote to approve the merger. In 4/19, Company reported the consummation of its merger with Goldcorp.
Pershing Square Capital Management, L.P.	United Technologies Corporation	NYSE: UTX	2/28/18	\$112.35	0.67%	M&A	N	In 6/19, Company announced intention to merge with Raytheon Company. Also in 6/19, Pershing Square stated its opposition to proposed merger.
Praesidium Investment Management Company, LLC	Instructure, Inc.	NYSE: INST	4/16/19	\$1.55	7.5%	Business strategy; M&A	N	In 4/19, Praesidium acquired a 5% stake in Company and stated an intention to encourage Company to explore strategic options. In 6/19, Praesidium increased stake to 7.5% and disclosed its engaging in ongoing discussions with Company management regarding increasing shareholder value.

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## H1 2019 Activist Public Actions *(continued)*

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Saba Capital Management, L.P.	BlackRock Credit Allocation Income Trust	NYSE: BTZ	5/2/19	\$1.41	5.2%	Board composition; control; governance	Y	In 5/19, Saba announced that it acquired an approximately 5% stake in Company and advanced a slate of four trustee nominees to the board. In 6/19, Saba issued a proxy solicitation advancing its slate of four nominees and calling for declassification of the board so that all trustees would be elected on an annual basis. Company issued a proxy urging shareholders to reject Saba's proposals. Also in 6/19, Saba filed a complaint with the Delaware Court of Chancery against Company, seeking an order to, among other things, prevent Company from precluding Saba's nominees from election to the board.
Sachem Head Capital Management LP	Eagle Materials Inc.	NYSE: EXP	3/28/19	\$4.01	8.9%	Board composition; governance; M&A	Y	In 3/19, Sachem Head announced that it had acquired an 8.9% stake in Company and that it planned to engage in discussions with Company and was considering the solicitation of proxies. In 5/19, Sachem Head launched a proxy contest nominating two candidates to Company's board. Later in 5/19, Company announced that it would spin out its heavy materials and light materials businesses, and Sachem Head withdrew its director nominations.
Sachem Head Capital Management LP	Zayo Group Holdings, Inc.	NYSE: ZAYO	2/11/19	\$7.75	2.5%	Business strategy; M&A	N	In 2/19, Sachem Head sent Company a letter urging a sale. In 3/19, Company announced it was exploring strategic alternatives. In 5/19, it was announced that Company would be acquired by affiliates of Digital Colony Partners and EQT Infrastructure IV Fund for \$14.3 billion.

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Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
SailingStone Capital Partners LLC	Turquoise Hill Resources Ltd.	NYSE: TRQ	2/1/18	\$2.50	12.9%	Board composition	N	In 4/19, SailingStone sent a letter to Company shareholders urging them to vote against directors nominated by Company. In 5/19, the directors nominated by Company were elected by the shareholders.
Sarissa Capital Management LP	Ironwood Pharmaceuticals, Inc.	NASDAQ: IRWD	5/1/18	\$1.70	6.2%	Business strategy; M&A	N	In 1/19, Company announced new CEOs of Company and of entity to be spun-off from Company, Cycleron Therapeutics, Inc. In 4/19, Company announced completion of spinoff. In 5/19, Sarissa increased stake in Company to over 6%, and stated that it supported the spinoff but believed that the Company's business model would continue to destroy shareholder value.
Southeastern Asset Management, Inc.	CenturyLink, Inc.	NYSE: CTL	2/19/19	\$12.82	6.9%	Board composition; M&A	N	In 2/19, Southeastern announced that it would seek to add directors to Company's board and encourage Company to consider a sale of Company's fiber business. Company issued a response stating that it was engaging in discussions with Southeastern.
SQN Investors LP	Yelp Inc.	NYSE: YELP	12/10/18	\$2.64	4.0%	Board composition; business strategy; M&A	Y	In 1/19, SQN issued a press release and presentation demanding three new members on Company board along with a review of strategic alternatives including a sale of Company. In 2/19, SQN filed a preliminary proxy solicitation to advance its slate of directors. Later in 2/19, Company announced that it would replace three directors. In 3/19, SQN withdrew proxy contest and stated its support for the refreshed Yelp board but called on board to name a new chair and hold management accountable.

\*Study covers selected activist campaigns involving NYSE-listed and Nasdaq-listed companies with market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed), and all information is derived from publicly available sources.

\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Starboard Value LP	AECOM	NYSE: ACM	6/20/19	\$5.96	4.0%	Business strategy; M&A	N	In 6/19, Starboard announced that it had acquired a 4% stake in Company and urged Company to consider a sale of its construction business.
Starboard Value LP	Cerner Corporation	NASDAQ: CERN	4/9/19	\$23.85	1.2%	Board composition; business strategy; return of capital	N	In 2/19, Starboard acquired a 1.2% stake in Company. In 4/19, Starboard and Company entered into an agreement in which Starboard agreed to vote for the Company's slate of directors in return for Company's appointment of four directors, including two Starboard designees. Company also approved an increase to its share repurchase program.
Starboard Value LP	Zayo Group Holdings, Inc.	NYSE: ZAYO	3/7/19	\$7.75	4.0%	Business strategy; M&A	N	In 3/19, Starboard announced it had acquired a 4% stake in Company and sent a letter urging Company to review strategic alternatives or to make substantial changes to improve corporate governance. In 3/19, Company announced it was exploring strategic alternatives. In 5/19, it was announced that Company would be acquired by affiliates of Digital Colony Partners and EQT Infrastructure IV Fund for \$14.3 billion.
Starboard Value LP	eBay Inc.	NASDAQ: EBAY	N/A	\$34.43	0.72%	Business strategy; M&A	N	In 1/19, it was reported that Starboard, along with Elliott, was pushing for change at Company, including encouraging Company to consider an asset sale. In 2/19, Company entered into cooperation agreements with Elliott and Starboard, granting one board seat appointment to Starboard in exchange for certain standstill, voting and other provisions.

\*Study covers selected activist campaigns involving NYSE-listed and Nasdaq-listed companies with market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed), and all information is derived from publicly available sources.

\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Starboard Value LP	Bristol-Myers Squibb Company	NYSE: BMY	2/20/19	\$74.18	0.27%	Board composition; M&A	Y	In 2/19, Company revealed that Starboard had advanced five candidates for nomination to Company's board, and that Company and Starboard were engaged in discussions. Later in 2/19, Starboard issued an open letter to Company shareholders urging shareholders to vote against Company's proposed acquisition of Celgene Corporation. In 3/19, Starboard filed a preliminary proxy statement urging shareholders to vote against the merger. Later in 3/19, ISS and Glass Lewis recommended the merger and Starboard subsequently rescinded its proxy solicitation. In 4/19, shareholders approved the merger.
Starboard Value LP	GCP Applied Technologies Inc.	NYSE: GCP	2/27/19	\$1.64	7.3%	Board composition; business strategy	N	In 2/19, Company issued an open letter to shareholders revealing that Starboard had acquired a 4.6% stake in Company and had proposed five nominees to Company's board. Company also stated that it was in discussions with Starboard. In 3/19, Starboard and Company entered into an agreement in which Company would expand board to include two new directors, and Starboard would withdraw its slate of nominees.

\*Study covers selected activist campaigns involving NYSE-listed and Nasdaq-listed companies with market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed), and all information is derived from publicly available sources.

\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Starboard Value LP	Magellan Health, Inc.	NASDAQ: MGLN	2/22/19	\$1.78	9.9%	Board composition; M&A	Y	In 2/19, Starboard announced that it intended to advance a slate of six director nominees in Company's upcoming shareholders' meeting and issued a letter to shareholders promoting the slate and urging the board to consider a sale of Company. In 3/19, Company entered into an agreement with Starboard in which Company would expand the board and add four of Starboard's nominees, and Starboard would vote in favor of Company's director slate and would withdraw Starboard's slate.
Starboard Value LP	Dollar Tree, Inc.	NASDAQ: DLTR	1/7/19	\$25.51	1.7%	Board composition; business strategy; control; M&A	N	In 1/19, Starboard announced that it planned to advance a slate of seven director nominees at the upcoming shareholder meeting and recommended that Company explore strategic alternatives such as a sale. In 3/19, Company announced new pricing strategy in its stores. In 4/19, Starboard announced that it was withdrawing its slate of nominees and supported Company's strategic initiatives.
Triam Fund Management, L.P.	Legg Mason, Inc.	NYSE: LM	5/20/19	\$3.32	4.5%	Board composition; control; management changes	N	In 5/19, Company announced that it would appoint two representatives of Triam to Company board, and that Company and Triam would mutually agree on a third director to be advanced as a nominee on Company's upcoming slate.

\*Study covers selected activist campaigns involving NYSE-listed and Nasdaq-listed companies with market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed), and all information is derived from publicly available sources.

\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## H1 2019 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership* *	Type of Campaign	2019 Proxy Solicitation (Y/N)	Latest News (as of 6/30/19 unless noted)
Voce Capital Management LLC	Argo Group International Holdings, Ltd.	NYSE: ARGO	2/4/19	\$2.53	5.8%	Board composition; business strategy; governance; management changes	Y	In 2/19, Voce disclosed a 5.6% stake in Company and announced intention to engage in discussions with Company. Later in 2/19, Voce advanced a slate of director nominees. In 5/19, ISS recommended that shareholders vote in favor of Company's proposed nominees. Also in 5/19, Voce withdrew slate and accused Company of lobbying after two state regulators revoked their approval for Voce's solicitation. Later in 5/19, Company shareholders voted to elect all Company nominees.

\*Study covers selected activist campaigns involving NYSE-listed and Nasdaq-listed companies with market capitalizations of greater than \$1 billion as of June 30, 2019 (unless company is no longer listed), and all information is derived from publicly available sources.

\*\*Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

## By the Numbers – Trends in Settlement Agreements (2014 – H1 2019)

H1 2019 Board Representation Analysis

Category	Average
Board Seats Granted	1.8
Total Board Size*	11.3
Percent of Board*	16.2%

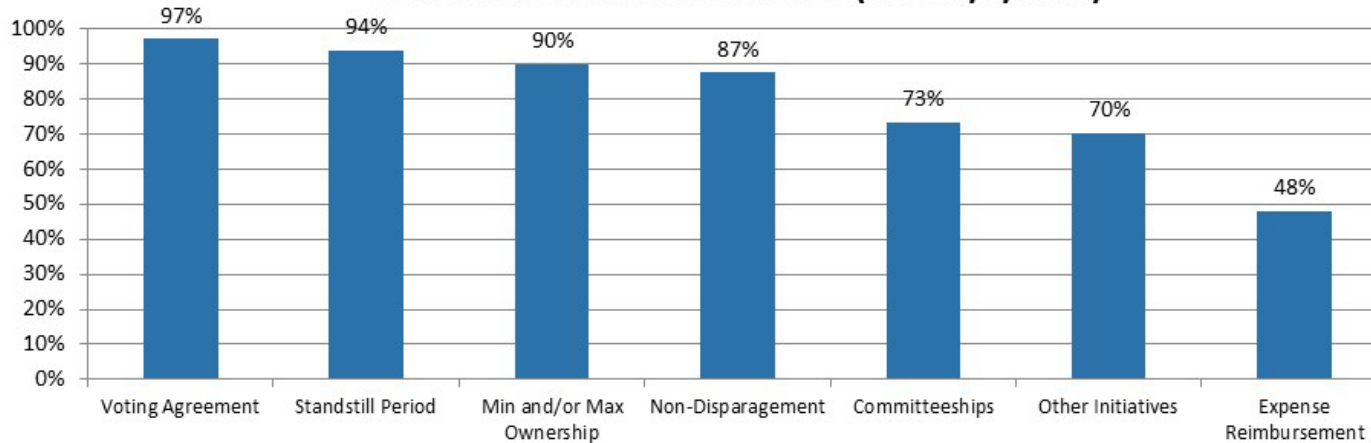
\*Following settlement agreement

2014-H1 2019 Board Representation Analysis

Category	Average
Board Seats Granted	2.1
Total Board Size*	11.0
Percent of Board*	19.6%

\*Following settlement agreement

### Common Settlement Provisions (since 1/1/2014)



\*All data represented here is derived from the data compiled from the campaigns studied for Activism Update and includes 12 agreements filed in 2014, 22 agreements filed in 2015, 30 agreements filed in 2016, 16 agreements filed in 2017, 30 agreements filed in 2018 and 17 agreements filed in H1 2019.



## H1 2019 Settlement Agreement Key Terms

	40 North Management LLC	Abrams Capital Management, L.P. (with Knighthead Capital Management and Redwood Capital Management)
<b>Company</b>	W.R. Grace & Co.	PG&E Corporation
<b>Agreement Date</b>	February 20, 2019	March 15, 2019
<b>Board Seats</b>	2/11 (one 40 North designee and one independent director).	None.
<b>Standstill (including term)</b>	Yes; until the later of (i) 45 days prior to the expiration of the notice period for the nomination of directors or non-Rule 14a-8 proposals (whichever is earlier, if different) at the Company's 2020 annual meeting, or, if earlier, March 15, 2020 and (ii) the 15th day following the day that the 40 North Board designee is no longer a director, or, if earlier, one day after the 2021 annual meeting; however at any time prior to the last day of the original standstill period, 40 North may elect to extend the annual meeting to the 2021 annual meeting as the measuring date of the standstill period.	None.
<b>Committee Membership</b>	Both the 40 North designee and the independent director shall be appointed to each existing committee and any committee established after the date of the agreement	None.
<b>Other Strategic Initiatives</b>	During the standstill period, the Company shall not adopt or enter into a stockholder rights plan or amend its charter or bylaws or pass any board resolution, in each case, in a manner that would prohibit, impair or frustrate the ability of 40 North to purchase common stock up to the permitted maximum.	The Company will collaborate with Abrams Capital, Knighthead Capital and Redwood Capital with respect to the appointment of a majority of new independent directors on the Board and the selection of a new CEO.
<b>Voting</b>	At any annual or special meeting during the standstill period 40 North shall vote (i) in favor of all nominees for Director recommended by the Board of Directors, (ii) against any nominees for Director not recommended by the Board of	No restrictions on voting.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	40 North Management LLC	Abrams Capital Management, L.P. (with Knighthead Capital Management and Redwood Capital Management)
	Directors and (iii) against any proposals to remove any Director.	
<b>Min/Max Ownership</b>	<p><b>Min:</b> If 40 North’s aggregate “net long position” decreases to below 6,679,927 shares, the 40 North Board designee will immediately resign.</p> <p><b>Max:</b> During the standstill period, individual or collective beneficial ownership of 40 North, Standard Industries and their affiliates cannot exceed 19% of Company common stock.</p>	<p><b>Max:</b> Neither Abrams Capital, Knighthead Capital and Redwood Capital nor any of their managed or controlled funds may increase its beneficial ownership in Company above its ownership as of the date of the Agreement while it is a party to the agreement.</p>
<b>Expense Reimbursement</b>	None.	Parties will bear their pro rata share of fees and expenses (determined with reference to the number of parties to the agreement).
<b>Non-Disparagement</b>	Yes.	None.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	<b>Barington Capital Group, L.P.</b>	<b>BlueMountain Capital Management, LLC</b>
<b>Company</b>	L Brands, Inc.	PG&E Corporation
<b>Agreement Date</b>	April 18, 2019	April 22, 2019
<b>Board Seats</b>	None.	2/15 (a BlueMountain designee and an industry expert on each of the boards of directors of Company (the “Company Board”) and Pacific Gas and Electric Company (the “Utility Board”)).
<b>Standstill (including term)</b>	Yes; as of the date that is 20 business days prior to the expiration of the notice period for the nomination of directors commencing with the Company’s 2020 annual meeting, the Company shall notify Barington whether it desires to continue to engage them as a special advisor until the next Termination Date (to which Barington must agree). If the Company notifies Barington that it does not wish to continue to engage it as “special advisor” then the term of the agreement shall expire 15 business days prior to the nomination deadline for the next annual meeting of shareholders, commencing with the 2020 annual meeting.	Yes; as of the date BlueMountain is required to withdraw the notice for nomination of directors until the earliest of (i) 30 days prior to the expiration of the notice period for the nomination of directors to the Company Board commencing with the Company’s 2020 annual meeting, (ii) the effective date of any Chapter 11 plan of reorganization that contemplates changing to composition of the Board and (iii) a material breach of the Agreement by the Company, the Company Board or the Utility Board.
<b>Committee Membership</b>	None.	Yes, at the Board’s discretion.
<b>Other Strategic Initiatives</b>	<p>Barington shall serve as “special advisor” to the Company and, in connection therewith, to attend one board meeting and at least four meetings with representatives of senior management and at least one with the Company’s CEO and at least one with the Company’s Lead Independent Director during which it may present Barington’s views on the Company’s business, strategy, board composition and potential candidates for nomination.</p> <p>The Company shall also provide proposed drafts of announcements on Form 8-K to Barington at least two business days prior to filing and will consider in good faith any comments provided by Barington in connection therewith.</p>	<ul style="list-style-type: none"> <li>• Appointment of BlueMountain representative as a “safety consultant” to the Company CEO</li> <li>• Resignation of Chairman of the Board of the Company from the Company Board and the Utility Board</li> </ul>

## H1 2019 Settlement Agreement Key Terms *(continued)*

	<b>Barington Capital Group, L.P.</b>	<b>BlueMountain Capital Management, LLC</b>
<b>Voting</b>	During the standstill period, unless contrary to a recommendation by ISS or Glass Lewis, Baring shall cause all of its shares to be voted on the Company’s proxy card (i) in favor of election of all director nominees recommended for election by the Company and against director nominees recommended for election by the shareholders and not the Board; (ii) to ratify the appointment of the Company’s accounting firm; and (iii) in any matter Barington desires with respect to a business combination, amendment to the charter or bylaws or other fundamental change to the company	During the standstill period, BlueMountain shall cause all of its shares to be voted in favor of election of all director nominees recommended for election to the Company Board and to the Utility Board, so long as the nominees consist solely of the 13 members of the Company Board immediately following execution of the Agreement <i>plus</i> the BlueMountain designee and the industry expert.
<b>Min/Max Ownership</b>	<b>Min:</b> Barington must beneficially own at least 500,000 shares.	<b>Max:</b> BlueMountain cannot beneficially own or control 5% or more of Company or Utility stock
<b>Expense Reimbursement</b>	Yes (\$225,000). Barington is also entitled to reimbursement for role as “special advisor” up to \$62,500 per quarter during the standstill period.	If BlueMountain files an application for reimbursement of costs, fees and expenses under Section 503(b) of the Bankruptcy Code, the Company will not take a position in Bankruptcy court with respect to such application that is inconsistent with other shareholders of the Company seeking similar reimbursement.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Caligan Partners LP	Canyon Capital Advisors LLC
<b>Company</b>	Knowles Corporation	Navient Corporation
<b>Agreement Date</b>	May 9, 2019	May 2, 2019
<b>Board Seats</b>	1/10	2/10 during the standstill period (otherwise 2/12)
<b>Standstill (including term)</b>	Yes; no earlier than the date that is 30 calendar days prior to the expiration of the notice period for the nomination of directors for election to the Board at the Company's 2021 annual meeting.	Yes; until 12:01 A.M., New York City time on the earlier of (i) 10 business days prior to the expiration of the notice period for the nomination of directors for election to the Board at the Company's 2020 annual meeting, and (ii) December 31, 2019.
<b>Committee Membership</b>	At least one committee (subject to SEC and stock exchange rules).	<ul style="list-style-type: none"> <li>At least one Canyon Capital director will be appointed to the Nominations and Governance Committee and to the Compensation and Personnel Committee.</li> <li>Existing director (Frederick Arnold) to be appointed to the Finance and Operations Committee.</li> </ul>
<b>Other Strategic Initiatives</b>	None.	<ul style="list-style-type: none"> <li>Replace current Chairman of the Board with one of the Board's current independent directors effective as of the 2019 annual meeting.</li> <li>Finance Committee to retain one or more financial advisors or consultants to assist the Finance Committee with its oversight and review of the Company's practices and policies, including with respect to (i) multi-year balance sheet, income statement and cash flow projections and (ii) expenses.</li> </ul>
<b>Voting</b>	During the standstill period, unless contrary to a recommendation by ISS and Glass Lewis, Caligan shall cause all of its shares to be voted on the Company's proxy card in favor of the Board's recommendations with respect to (i) election, removal and/or replacement of directors and (ii) any other proposal	At the 2019 annual meeting, Canyon Capital will cause all of its shares to be voted on the Company's proxy card (i) in favor of each director nominated and recommended by the Board for election at the 2019 annual meeting and against the removal of any member of the Board, and

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Caligan Partners LP	Canyon Capital Advisors LLC
	submitted to the stockholders at a stockholder meeting other than with respect to an extraordinary transaction.	(ii) in accordance with each proposal specified in the Company's proxy statement for the 2019 unless either ISS or Glass Lewis issues a recommendation against the Board's position.
<b>Min/Max Ownership</b>	<p><b>Min:</b> If Caligan's aggregate net long position decreases to below 4,549,989 shares, Caligan's director designee will immediately resign.</p> <p><b>Max:</b> Caligan cannot beneficially own or control 10% or more interest in Company stock (unless the Board otherwise approves an increase in the cap).</p>	<p><b>Min:</b> Canyon Capital must beneficially own 7.5% percent of the issued and outstanding shares of common stock to retain its right to designate a director.</p> <p><b>Max:</b> Canyon Capital may not acquire ownership or control in excess of 14.9% of the issued and outstanding shares of common stock.</p>
<b>Expense Reimbursement</b>	Yes, up to \$750,000.	Yes, up to \$2,750,000.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Carl Icahn	Cevian Capital II GP Limited
<b>Company</b>	Caesars Entertainment Corporation	Autoliv, Inc.
<b>Agreement Date</b>	March 1, 2019	March 1, 2019
<b>Board Seats</b>	3/8 (two Icahn designees and one independent director) or 4/8 (three Icahn designees and one independent director) if the Board has not appointed a new CEO that is acceptable to the Icahn designees on April 15, 2019.	1/10
<b>Standstill (including term)</b>	Yes; until the date that no Icahn designee is on the Board and Icahn no longer has a right to designate a replacement.	Yes; until 30 days following the time that Cevian's designee is no longer on the Board.
<b>Committee Membership</b>	<ul style="list-style-type: none"> <li>Two Icahn representatives appointed to the Strategy and Finance Committee (which shall not have more than five members).</li> <li>One new independent director appointed to the Audit Committee.</li> <li>One Icahn representative appointed to the Compensation and Management Development Committee (which shall not have more than five members).</li> <li>One Icahn representative appointed to the Governance and Corporate Responsibility committee (which shall not have more than five members).</li> <li>Two new Icahn representatives appointed to the Ad Hoc CEO Search Committee (which shall not have more than four members).</li> </ul>	None.
<b>Other Strategic Initiatives</b>	<ul style="list-style-type: none"> <li>So long as an Icahn representative remains on the Board, the Board shall not exceed 12 directors without the approval of the Icahn.</li> <li>So long as an Icahn representative remains on the Board, the Board shall not (i) form an Executive Committee, (ii) form any new committee without offering to at least one Icahn</li> </ul>	None.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Carl Icahn	Cevian Capital II GP Limited
	<p>representative the opportunity to be a member (unless the committee has more than three members then two or more Icahn appointees should be appointed) or (iii) consider certain material transactions except at the full Board level or in a committee of which at least one Icahn representative is a member.</p> <ul style="list-style-type: none"> <li>• Company will submit a resolution to its shareholders in connection with the 2019 annual meeting to: <ul style="list-style-type: none"> <li>• amend the Charter to provide that so long as Icahn holds an aggregate net long position of 3% of the common stock, the Company shall not adopt a rights plan with a beneficial ownership trigger below 20% and any such plan must be ratified by shareholders within 135 days of adoption or it shall automatically expire. Further, the Board may, with the approval of the Icahn designees adopt a rights plan to protect the Company's net operating losses; and</li> <li>• amend the Company's charter and bylaws to provide that stockholders holding at least 15% of common stock may call a special meeting.</li> </ul> </li> </ul>	
<b>Voting</b>	<p>At the 2019 annual meeting, Icahn shall vote all shares (i) in favor of the election of directors nominated by the Board, (ii) against any proposed directors that are not nominated by the Board, (iii) in favor of the appointment of the Company's auditors and (iv) in favor of adopting the proposals regarding the rights plan and the special meeting.</p>	<p>During the standstill period, unless contrary to a recommendation by ISS, Cevian will cause all Cevian shares to be voted on the Company's proxy card (i) in favor of election of all director nominees recommended for election by the Company and against director nominees recommended for election by the shareholders and not the Board and (ii) in accordance with the Board's recommendations on any proposal not related to an extraordinary transaction.</p>
<b>Min/Max Ownership</b>	<ul style="list-style-type: none"> <li>• <b>Min:</b> If Icahn's aggregate net long position decreases below:</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Min:</b> If Cevian's holdings in Company fall below 8% of common stock, the</li> </ul>



## H1 2019 Settlement Agreement Key Terms *(continued)*

	Carl Icahn	Cevian Capital II GP Limited
	<ul style="list-style-type: none"> <li>• 5% of the common stock, then one Icahn representative must resign from the Board and any committees on which he or she then sits; or</li> <li>• 3% of the common stock, then both Icahn representatives and the new independent director must resign from the Board and any committees on which they sit.</li> </ul>	<p>Company designee must resign from the Board and any committees on which he or she sits.</p> <ul style="list-style-type: none"> <li>• <b>Max:</b> Cevian cannot beneficially own 19.9% or more interest in Company stock.</li> </ul>
<b>Expense Reimbursement</b>	None.	None.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	D. E. Shaw Group	Elliott Management Corporation
<b>Company</b>	Louisiana-Pacific Corporation	eBay Inc.
<b>Agreement Date</b>	February 13, 2019	February 28, 2019
<b>Board Seats</b>	1/9	3/15 (two initially, an Elliott designee and a new independent director, and one additional independent director following the 2019 annual meeting)
<b>Standstill (including term)</b>	Yes; until 45 calendar days prior to the expiration of the notice period for the nomination of directors for election to the Board at the Company's 2020 annual meeting.	Yes; (i) in the event the additional independent director is selected by Elliott prior to the Outside Date then the later of (y) the date of the conclusion, including the final certification of results, of the 2020 annual meeting and (z) 30 days following the date on which the Elliott designee is no longer on the Board or (ii) in the event the additional independent director is selected by Elliott prior to the Outside Date then the later of (y) the Outside Date and (z) 30 days following the date on which the Elliott designee is no longer on the Board.  "Outside Date" means, the date that is the earlier of (i) 30 days prior to the first anniversary of the expiration of the notice period for the nomination of non-proxy access directors for election to the Board at the Company's 2019 annual meeting and (ii) 30 days prior to the expiration of the notice period for the nomination of non-proxy access directors for election to the Board at the Company's 2020 annual meeting.
<b>Committee Membership</b>	The D. E. Shaw director will be appointed to the Nominating Committee and the Compensation Committee.	None.
<b>Other Strategic Initiatives</b>	None.	<ul style="list-style-type: none"> <li>• Elliott to work with Company to identify list of director candidates.</li> <li>• One current member of the Board will resign within one year.</li> </ul>

## H1 2019 Settlement Agreement Key Terms *(continued)*

	D. E. Shaw Group	Elliott Management Corporation
<b>Voting</b>	In connection with the 2019 annual meeting and any special meeting before the Company's 2020 annual meeting, D. E. Shaw will cause all D. E. Shaw shares to vote in favor of the election of any directors who are nominated by the Board.	During the standstill period, Elliott shall vote all shares (i) in favor of the election of directors nominated by the Board, (ii) against any proposed directors that are not nominated by the Board, (iii) against any proposals or resolutions to remove any member of the Board and (iv) in accordance with the Board's recommendations on any proposal not related to an extraordinary transaction
<b>Min/Max Ownership</b>	<b>Max:</b> 10% of the common stock of the Company.	<ul style="list-style-type: none"> <li>• <b>Min:</b> Aggregate net long position of at least 2% of Company common stock</li> <li>• <b>Max:</b> Beneficial ownership of no more than 7.5% (or 9.9% after the additional independent director is added to the Board) of Company common stock</li> </ul>
<b>Expense Reimbursement</b>	None.	None.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	<b>Legion Partners Asset Management, LLC (with Macellum Advisors and Ancora Advisors)</b>	<b>Legion Partners Asset Management, LLC</b>
<b>Company</b>	Bed Bath & Beyond Inc.	Vonage Holdings Corp.
<b>Agreement Date</b>	May 28, 2019	March 15, 2019
<b>Board Seats</b>	4/13	1/9
<b>Standstill (including term)</b>	Yes; until 30 calendar days prior to the expiration of the notice period for the nomination of non-proxy access directors for election to the Board at the Company's 2021 annual meeting.	Yes; until 15 calendar days prior to the expiration of the notice period for the nomination of directors for election to the Board at the Company's 2020 annual meeting.
<b>Committee Membership</b>	<ul style="list-style-type: none"> <li>Two investor group director designees appointed to the Business Transformation and Strategy Review Committee.</li> <li>Two investor group director designees appointed to the CEO Search Committee.</li> <li>Other appointments so that at least one investor group director designee is on each committee.</li> </ul>	Board to determine appropriate committee assignments taking into account the composition of the Board, committee assignments and needs of the committees.
<b>Other Strategic Initiatives</b>	<ul style="list-style-type: none"> <li>It is anticipated that two additional directors will depart from the Board by the end of fiscal year 2021.</li> </ul>	None.
<b>Voting</b>	During the standstill period, the investor group shall vote all shares (i) in favor of the election of directors nominated by the Board, (ii) against any proposed directors that are not nominated by the Board, (iii) in accordance with the Board's recommendations on any proposal not related to Voting Exempt Matter, unless ISS and Glass Lewis recommend against such proposal and (iv) not execute any proxy card or voting instruction form in respect of a shareholders' meeting other than the proxy card and related voting instruction being solicited by the Board.	During the standstill period, Legion agrees to appear at each stockholder meeting or otherwise call all shares it beneficially owns to be counted for purposes of establishing a quorum and vote all shares (i) in favor of the election of directors nominated by the Board, (ii) against any proposed directors that are not nominated by the Board, (iii) unless ISS and Glass Lewis recommend otherwise (except in accordance with the Board's recommendations on any proposal that is not an Extraordinary Matter (unless ISS and Glass Lewis recommend otherwise, except with respect to proposals relating to

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Legion Partners Asset Management, LLC (with Macellum Advisors and Ancora Advisors)	Legion Partners Asset Management, LLC
	<p>“Voting Exempt Matter” means (i) an extraordinary transaction, (ii) implementation of a new takeover defense measure and (iii) adoption of a new or amended compensatory plans by the Company that require a shareholder vote.</p>	<p>the election or removal of directors)) and (iv) not execute any proxy card or voting instruction form in respect of a shareholders’ meeting other than the proxy card and related voting instruction being solicited by the Board (unless ISS and Glass Lewis recommend otherwise, except with respect to proposals relating to the election or removal of directors).</p> <p>“Extraordinary Matter” means (i) an extraordinary transaction of the Company and (ii) implementation of a new takeover defense measure.</p>
<b>Min/Max Ownership</b>	<ul style="list-style-type: none"> <li>• <b>Min:</b> Legion must maintain an aggregate net long position of 1.75% of Company common stock and the investor group must maintain an aggregate net long position of 2.5% of Company common stock.</li> <li>• <b>Max:</b> Investor group may not beneficially own an aggregate of more than 9.9% of shares of Company common stock.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Min:</b> Legion must beneficially own at least 1% of the outstanding shares of Common Stock of the Company.</li> <li>• <b>Max:</b> Legion may not beneficially own an aggregate of more than 9.9% of shares of Company common stock.</li> </ul>
<b>Expense Reimbursement</b>	Yes, up to \$1,050,000.	Yes, up to \$50,000.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Neuberger Berman Group	Starboard Value LP
<b>Company</b>	Verint Systems Inc	Cerner Corporation
<b>Agreement Date</b>	June 6, 2019	April 8, 2019
<b>Board Seats</b>	None.	4/11 (including two Starboard designees and two independent directors (the “new independent directors”)); after the 2019 annual meeting the size of the Board will be decreased to 10.
<b>Standstill (including term)</b>	Yes; until the earlier of (i) 15 business days prior to the expiration of the notice period for stockholder nominations for the Company’s 2020 annual meeting, (ii) the date that is 100 days prior to the first anniversary of the 2019 annual meeting or (iii) the date of a material breach by the Company.	Yes; until the earlier of (i) 15 business days prior to the expiration of the notice period for stockholder nominations for the Company’s 2020 annual meeting or (ii) the date that is 100 days prior to the first anniversary of the 2019 annual meeting.
<b>Committee Membership</b>	None.	<ul style="list-style-type: none"> <li>One Starboard designee on each committee (existing or newly created during the standstill period).</li> </ul> <p>Each of the new independent directors will be appointed to at least one committee in addition to the Finance &amp; Strategy Committee.</p>
<b>Other Strategic Initiatives</b>	The Corporate Governance & Nominating Committee will work to identify an additional director who has substantial experience as a senior operating executive in the software industry by December 31, 2019.	<ul style="list-style-type: none"> <li>Resignation of one Cerner director.</li> <li>Creation of a new Finance &amp; Strategy Committee to coordinate and oversee management’s review of the Company’s operational efficiency and margin expansion efforts and capital deployment strategy.</li> <li>Company will publicly identify the operating margin targets set forth in the press release to accompany the execution of the agreement.</li> <li>2019 annual meeting to be held no later than June 15, 2019.</li> </ul>
<b>Voting</b>	At the 2019 annual meeting, NB shall vote all shares (i) in favor of the election of the	At the 2019 annual meeting, Starboard shall vote all shares (i) in favor of all the Class III

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Neuberger Berman Group	Starboard Value LP
	agreed slate, (ii) in favor of the ratification of the appointment of the Company's auditors, (iii) in accordance with the Board's recommendation with respect to the Company's "say-on-pay" proposal and (iv) in accordance with the Board's recommendation with respect to the Company's 2019 long-term stock incentive plan.	nominees as directors to the Board, (ii) in favor of the ratification of the appointment of the Company's auditors, (iii) in favor of the approval of the compensation of the Company's named executive officers and (iv) in favor of the proposed amendment and restatement of the Company 2011 Omnibus Equity Incentive Plan, unless ISS or Glass Lewis recommend otherwise.
<b>Min/Max Ownership</b>	None.	<ul style="list-style-type: none"> <li>• <b>Min:</b> 1,872,197 shares of Cerner common stock.</li> </ul>
<b>Expense Reimbursement</b>	Yes, up to \$925,000.	Yes, up to \$275,000.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Starboard Value LP	Starboard Value LP
<b>Company</b>	eBay Inc.	GCP Applied Technologies Inc.
<b>Agreement Date</b>	February 28, 2019	March 11, 2019
<b>Board Seats</b>	1/15	2/10
<b>Standstill (including term)</b>	Yes; until the earlier of (i) 30 calendar days prior to the expiration of the notice period for stockholder nominations for the Company's 2020 annual meeting or (ii) the date that is 90 days prior to the first anniversary of the 2019 annual meeting.	Yes; until the earlier of (i) 15 business days prior to the expiration of the notice period for stockholder nominations for the Company's 2020 annual meeting or (ii) the date that is 100 days prior to the first anniversary of the 2019 annual meeting.
<b>Committee Membership</b>	<ul style="list-style-type: none"> <li>The Starboard board designee will be reasonably considered in good faith for membership on other committees of the Board to the same extent as other independent members of the Board.</li> </ul>	<ul style="list-style-type: none"> <li>The Starboard board designee will be reasonably considered in good faith for membership on other committee of the Board to the same extent as other independent members of the Board.</li> </ul>
<b>Other Strategic Initiatives</b>	<ul style="list-style-type: none"> <li>During the standstill period, unless Starboard consents, the Board shall not exceed 15 members (but following appointment of the Starboard designee it shall be no more than 16 members through the 2019 annual meeting).</li> </ul>	<ul style="list-style-type: none"> <li>During the standstill period, unless Starboard consents, the Board shall not exceed 10 members following the conclusion of the 2019 annual meeting.</li> </ul>
<b>Voting</b>	During the standstill period, Starboard shall vote all shares (i) in favor of all of the Company's nominees as directors to the Board and against all of nominees not recommended by the Board, (ii) against any proposal to remove any member from the Board and (iii) in accordance with recommendations by the Board for all other proposals or business that may be subject to stockholder action, unless ISS or Glass Lewis recommend otherwise.	In connection with the 2019 annual meeting, Starboard shall vote all shares (i) in favor of all of the Company's nominees as directors to the Board, (ii) in favor of the ratification of the appointment of the Company's auditor for the fiscal year ending December 31, 2019, (iii) in accordance with the Board's recommendation with respect to the Company's "say on pay proposal," unless ISS or Glass Lewis recommend otherwise and (iv) in accordance with the Board's recommendation with respect to any Company proposal or stockholder proposal presented at the 2019 annual meeting, unless ISS or Glass Lewis recommend otherwise (other than with respect to proposals relating to the election or removal of directors).



## H1 2019 Settlement Agreement Key Terms *(continued)*

	Starboard Value LP	Starboard Value LP
<b>Min/Max Ownership</b>	<ul style="list-style-type: none"> <li><b>Min:</b> 5,336,864 shares of Company common stock.</li> </ul>	<ul style="list-style-type: none"> <li><b>Min:</b> At least the lesser of 3.0% of the Company's then outstanding common stock and 2,170,000 shares of common stock.</li> </ul>
<b>Expense Reimbursement</b>	Yes, up to \$125,000.	Yes, up to \$200,000.
<b>Non-Disparagement</b>	Yes.	Yes.

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Starboard Value LP
<b>Company</b>	Magellan Health, Inc.
<b>Agreement Date</b>	March 28, 2019
<b>Board Seats</b>	4/13 (one Starboard designee and three independent director appointees)
<b>Standstill (including term)</b>	Yes; until the earlier of (i) 15 business days prior to the expiration of the notice period for stockholder nominations for the Company's 2020 annual meeting or (ii) the date that is 90 days prior to the first anniversary of the 2019 annual meeting.
<b>Committee Membership</b>	<ul style="list-style-type: none"> <li>• The Starboard designee and one new independent director designee appointed to the newly created Strategic Committee and the Starboard appointee shall serve as Chair.</li> <li>• One independent director appointee appointed to the Audit Committee.</li> <li>• The Starboard designee and one independent director appointee appointed to the Management Compensation Committee.</li> <li>• One independent director appointee appointed to the Nominating Committee.</li> <li>• During the standstill period, each existing and newly created committee and subcommittee of the Board shall include at least one of the four new directors.</li> </ul>
<b>Other Strategic Initiatives</b>	<ul style="list-style-type: none"> <li>• Creation of a new Strategic Committee to explore strategic alternatives for the Company, with the goal of creating value for the Company's shareholders.</li> </ul>
<b>Voting</b>	At the 2019 annual meeting, Starboard shall vote all shares (i) in favor of all the Company's director nominees, (ii) in favor of the ratification of the appointment of the Company's auditors for the 2019 fiscal year,

## H1 2019 Settlement Agreement Key Terms *(continued)*

	Starboard Value LP
	(iii) in accordance with the Board's recommendation with respect to the Company's "say on pay proposal," unless ISS or Glass Lewis recommend otherwise and (iv) in accordance with the Board's recommendation with respect to any Company proposal or stockholder proposal presented at any annual meeting, unless ISS or Glass Lewis recommend otherwise (other than with respect to proposals relating to the election of directors).
<b>Min/Max Ownership</b>	<ul style="list-style-type: none"> <li>• <b>Min:</b> At least the lesser of 3.0% of the Company's then outstanding common stock and 717,760 shares of common stock.</li> </ul>
<b>Expense Reimbursement</b>	Yes, up to \$275,000.
<b>Non-Disparagement</b>	Yes.