

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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:

MIAMI FIREFIGHTERS’ RELIEF &
PENSION FUND and STEVEN J.
REYNOLDS, derivatively on behalf of XEROX
HOLDINGS CORPORATION,

Plaintiff,

v.

CARL C. ICAHN, HIGH RIVER LIMITED
PARTNERSHIP, ICAHN CAPITAL LP,
KEITH COZZA, GIOVANNI VISENTIN,
JONATHAN CHRISTODORO, JOSEPH
ESCHEVARRIA, NICHOLAS GRAZIANO,
CHERYL GORDON KRONGARD, and
ANDREW SCOTT LETIER,

Defendants,
and

XEROX HOLDINGS CORPORATION,

Nominal Defendant.

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Index No. 657447/2019
Part 61
Justice Nancy M. Bannon

NOTICE OF PROPOSED SETTLEMENT OF DERIVATIVE ACTION

TO: ALL RECORD SHAREHOLDERS AND BENEFICIAL OWNERS OF THE COMMON STOCK OF Xerox Holdings Corporation (“XEROX” OR THE “COMPANY”) AS OF MAY 6, 2024 (“XEROX SHAREHOLDERS”)

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT AND DISMISSAL OF THE ABOVE-CAPTIONED SHAREHOLDER DERIVATIVE ACTION BY ENTRY OF A JUDGMENT BY THE COURT AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS, WHICH MAY BE AFFECTED BY THESE LEGAL PROCEEDINGS. IF THE COURT APPROVES THE SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE SETTLEMENT AND PURSUING THE RELEASED CLAIMS.

THE RECITATION OF THE BACKGROUND AND CIRCUMSTANCES OF THE SETTLEMENT CONTAINED HEREIN DOES NOT CONSTITUTE THE FINDINGS OF

THE COURT. IT IS BASED ON REPRESENTATIONS MADE TO THE COURT BY COUNSEL FOR THE PARTIES.

THIS IS A DERIVATIVE SETTLEMENT FOR THE BENEFIT OF XEROX AND DOES NOT PROVIDE FOR ANY MONETARY RECOVERY FOR ANY INDIVIDUAL XEROX STOCKHOLDER.

NOTICE IS HEREBY PROVIDED TO YOU of the proposed settlement (the “Settlement”) of the above-captioned shareholder derivative lawsuit pursuant to Section 626(d) of the New York Business Corporation Law (“BCL”). This Notice is provided by Order of the Supreme Court of the State of New York, New York County (the “Court”). It is not an expression of any opinion by the Court. It is to notify you of the terms of the proposed Settlement, and your rights related thereto.

I. WHY THE COMPANY HAS ISSUED THIS NOTICE

Your rights may be affected by the Settlement of the above-captioned action (the “Action”). The present “Parties” to the Action are: (i) defendants Carl C. Icahn, High River Limited Partnership, and Icahn Capital LP (collectively, the “Icahn Defendants”), (ii) plaintiffs Miami Firefighters’ Relief & Pension Fund and Steven J. Reynolds (together, “Plaintiffs”), and (iii) nominal defendant Xerox. The Parties have agreed upon terms to settle the Action and have signed a written Stipulation of Settlement dated May 6, 2024 (the “Stipulation”) setting forth those terms.

On October 29, 2024, at 11:30 a.m., the Court will hold a hearing (the “Final Approval Hearing”) in the Action. The purpose of the Final Approval Hearing is to determine: (i) whether the terms of the Settlement are fair, reasonable, and adequate and should be approved; (ii) whether a final judgment should be entered; (iii) the amount of fees and expenses that Plaintiffs’ counsel will receive, and (iv) such other matters as may be necessary or proper under the circumstances.

II. SUMMARY OF THE ACTIONS

A. Procedural History

On December 13, 2019, plaintiff Miami Firefighters Relief & Pension Fund filed a shareholder derivative complaint (the “Complaint”) asserting claims, purportedly on behalf of Xerox, against the Icahn Defendants and certain of Xerox’s current or former directors (the “Director Defendants”). Shortly thereafter, plaintiff Steven J. Reynolds filed a similar shareholder derivative complaint. On January 15, 2020, the two cases were consolidated into a single case (the “Action”), with the Complaint becoming the operative pleading.

The Complaint asserts that the Icahn Defendants owed fiduciary duties to Xerox and breached those duties, along with the terms of a confidentiality agreement between Xerox and the Icahn Defendants, and were unjustly enriched, all as a result of the Icahn Defendants’ alleged purchases of HP Inc. (“HP”) common stock (“HP stock”). The Complaint alleges that the Icahn Defendants’ purchases of HP stock were made based on alleged material, nonpublic information indicating that Xerox planned to attempt to acquire HP. Plaintiffs also asserted that the Director Defendants breached fiduciary duties to Xerox by permitting the Icahn Defendants’ purchases of HP stock to occur.

On December 14, 2020, the Court issued an order dismissing the Action in its entirety. Plaintiffs appealed the Court’s December 14, 2020 dismissal order only as to the claims against the Icahn Defendants, and on November 18, 2021, the Supreme Court for the State of New York,

Appellate Division, First Judicial Department reversed the Court's dismissal of Plaintiffs' claims against the Icahn Defendants and remanded the Action to the Court.

Following remand, Xerox's board of directors (the "Xerox Board") formed a special litigation committee ("SLC") to investigate Plaintiffs' remaining claims asserted against the Icahn Defendants. On March 18, 2022, the SLC moved to dismiss the Action after investigating Plaintiffs' claims. On March 25, 2022, the Icahn Defendants moved for summary judgment. On April 4, 2022, the Plaintiffs cross-moved for partial summary judgment. On July 5, 2022, the Court denied these motions without prejudice to their renewal after Plaintiffs obtained limited discovery ordered by the Court.

On September 29 and 30, 2022, the SLC renewed its motion to dismiss as one for summary judgment, the Icahn Defendants renewed their motion for summary judgment, and Plaintiffs renewed their cross-motion for partial summary judgment. Also on September 30, 2022, Plaintiffs and the SLC filed supplemental briefing with respect to the limited discovery ordered by the Court. On October 24, 2022, Plaintiffs and the SLC responded to each other's supplemental briefs.

On January 6, 2023, the Court denied the Icahn Defendants' and the SLC's motions for summary judgment and did not grant the Plaintiffs' cross-motion for partial summary judgment. Also on January 6, 2023, the Court "strongly recommend[ed] that the parties seek a consensual resolution of these cases."

On January 24 and 25, 2023, respectively, the SLC and the Icahn Defendants appealed the Court's decision denying their motions for summary judgment. On February 1, 2023, the Icahn Defendants asked the Court to stay the case pending appeal, a request that Plaintiffs opposed and Xerox joined. On February 3, 2023, the Court declined to stay the Action. On February 8, 2023, Plaintiffs cross-appealed the Court's failure to grant their cross-motion for summary judgment. These three appeals (collectively, the "Appellate Action") remain pending and have been fully briefed, but not yet argued. On March 8, 2023, the SLC moved the Appellate Division for a stay pending the Appellate Action. After full briefing, that request was denied by the Appellate Division on April 13, 2023.

The Parties have engaged in discovery in the Action since the denial of the SLC's and the Icahn Defendants' motions for summary judgment. Xerox and the Icahn Defendants collectively produced approximately seventy thousand pages of documents (including native files) in response to Plaintiffs' requests for documents. Plaintiffs have taken the depositions of both SLC members and two percipient witnesses and noticed an additional eight depositions.

B. Settlement Negotiations

Counsel for the Parties, with the assistance of mediator Dennis Glazer, Esq. (the "Mediator") have engaged in extensive arms' length discussion and negotiations regarding a potential resolution of the claims asserted in the Action. Following these discussions and negotiations, on March 6, 2024, the Parties executed a memorandum of understanding, memorializing the terms of the settlement (the "Settlement") that is set forth in this Stipulation.

III. TERMS OF THE PROPOSED SETTLEMENT

The principal terms, conditions, and other matters that are part of the Settlement, which are subject to approval by the Court, are summarized below. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the text of the Stipulation, which

has been filed with the Court and is available at Xerox's Investor Relations website: <https://investors.xerox.com/>.

In connection with and conditioned upon the settlement of the Action becoming "Final" (as defined in the Stipulation), Xerox shall implement and maintain the Corporate Governance Improvements detailed below. The Corporate Governance Improvements require Xerox, within ninety (90) days of the Judgment becoming final, to implement the following "Corporate Governance Improvements":

1. Xerox's Board of Directors (the "Xerox Board") will select and appoint to the Xerox Board two new independent directors (the "New Directors"). In selecting the New Directors, the Xerox Board will identify a diverse group of highly qualified independent candidates with experience and skills relevant to the successful oversight of Xerox's strategy, including experience and skills in operations, the technology industry, senior leadership, business transformation, international business, risk management, talent management, regulatory/legal compliance, and finance/accounting. In addition, the Xerox Board may retain a search firm to aid in selecting the New Directors and to ensure that the Xerox Board has access to a broad pool of qualified candidates. A final group of candidates will be interviewed by directors currently serving on the Xerox Board and by members of Xerox's management, and the candidates that the Xerox Board determines are most qualified will be appointed as the New Directors.

2. The Xerox Board will constitute a new Strategic Review Committee (the "SRC") consisting of three independent directors serving on the Xerox Board, including one of the New Directors. Neither any officer of Xerox nor any director appointed to the Xerox Board by Deason shall serve on the SRC. The SRC shall:

(a) have a mandate to review (but not necessarily recommend) material, value-enhancing possibilities for Xerox, including (without limitation) a recapitalization, a reorganization, targeted M&A activity, spin-offs, and a potential sale of Xerox or going private transaction;

(b) retain legal and financial advisors as it deems appropriate;

(c) reach its conclusions, if any, by December 31, 2025; and

(d) report to the Xerox Board on an interim basis as it deems appropriate but at least quarterly.

3. If either a direct beneficial owner of more than 5% of Xerox's stock or Xerox's management proposes to engage in a change of control transaction with Xerox, the Xerox Board will form a special committee of independent directors to assess and make recommendations concerning any such proposal.

4. Xerox will amend the Confidentiality Agreement dated as of January 26, 2021 among Xerox and Deason (the "Deason Confidentiality Agreement") by adding the following two sentences to the end of paragraph 6 of the Deason Confidentiality Agreement:

Under the Company's policies, the Company established time periods ("Window Periods") during which individuals and entities which may be in possession of material non-public information are not permitted to trade. To the extent that You or your Representatives possess Evaluation Material which contains material non-public information, You agree that You will

not trade Company securities during those Window Periods, or trade securities of any entity during any period the Company is considering that entity as a potential counterparty in a transaction or partnership.

Xerox will add substantially similar language to any confidentiality agreement entered into with any shareholder that (a) is a direct beneficial owner of more than 5% of Xerox's stock, and (b) has one or more designees seated on the Xerox Board.

5. Xerox shall continue to require every member of the Xerox Board to attend regular trainings, at least annually, on corporate governance matters. The trainings will be conducted by Xerox's in-house counsel or outside counsel and will address compliance with laws and regulations, disclosure to stockholders, and fiduciary duties in the context of a public company, including compliance with Generally Accepted Accounting Principles, the Sarbanes-Oxley Act, corporate governance, assessment of risk, compliance training, and reporting requirements for publicly traded corporations.

6. Except as provided above with respect to the SRC, the Corporate Governance Improvements provided for in this Section 2.1 shall remain in place until the date that is 4 years from the date on which this Stipulation is executed.

In addition to the Corporate Governance Improvements, the Icahn Defendants will pay or cause to be paid \$2.2 million to Xerox (such payment, the "Settlement Payment"). The Icahn Defendants will cause the Settlement Payment to be placed in an escrow account within five (5) days of the execution of this Stipulation, and the Settlement Payment will be held in escrow and released to Xerox upon the Effective Date. The Settlement Payment is intended to partially reimburse Xerox for costs incurred in connection with the Action, including SLC's investigation in connection with the Action. The Icahn Defendants and Xerox (on behalf of itself and the SLC) represent that they have no prior agreement with respect to the Settlement Payment.

IV. PLAINTIFFS' COUNSEL'S ATTORNEYS' FEES AND EXPENSES

Plaintiffs' counsel intends to seek attorneys' fees and expenses (the "Final Fee and Expense Award"), subject to court approval. The Final Fee and Expense Award will compensate Plaintiffs' counsel for the results achieved in the Actions.

Plaintiffs' counsel and Xerox have not negotiated the amount of any attorneys' fees and expenses Xerox would be willing to pay or cause to be paid to Plaintiffs' counsel, and Plaintiffs and Plaintiffs' counsel have not yet determined the amount of fees or expense reimbursement, that will be sought. Xerox has reserved the right to oppose any application by Plaintiffs for fees and expenses, notwithstanding anything contained in the Stipulation. Motions for the Final Fee and Expense Award will be made at least 35 days before the Final Approval Hearing (*i.e.*, by no later than September 24, 2024).

V. REASONS FOR THE SETTLEMENT

The Parties have determined that a settlement at this juncture on the terms and conditions set forth in the Stipulation is fair, reasonable, adequate and in the best interest of Xerox and its shareholders. The Xerox Board, in its business judgment, has approved the Settlement and each of its terms as being in the best interests of Xerox and its shareholders.

A. Why Did Plaintiffs Agree to Settle?

Plaintiffs and their respective counsel believe that the claims asserted in the Action have merit. However, Plaintiffs and their counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against the Icahn Defendants through trial and through appeals. Plaintiffs and their counsel have also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Actions, as well as the difficulties and delays inherent in such litigation. Plaintiffs and their counsel are also mindful of the inherent problems of proof and possible defenses to the claims asserted in the Action, including the Icahn Defendants' assertion that they did not ultimately profit from their investment in HP stock. Plaintiffs and their counsel believe that the Settlement set forth in the Stipulation confers substantial benefits upon Xerox and its shareholders. Based on their evaluation, Plaintiffs and their counsel have determined that the Settlement set forth in the Stipulation is in the best interests of Xerox and its shareholders.

B. Why Did the Icahn Defendants Agree to Settle?

The Icahn Defendants have entered into the Stipulation to avoid the continuing additional expense, inconvenience, and distraction of this litigation and to avoid the risks inherent in any lawsuit, and without admitting any wrongdoing or liability whatsoever. The Icahn Defendants have denied, and continue to deny each and every one of the claims, contentions and allegations made against them, unless admitted in their answer to the complaint, and expressly deny all charges of wrongdoing or liability against them. The Icahn Defendants assert that they did not owe Xerox fiduciary duties and, even if they were fiduciaries, they satisfied their fiduciary duties at all relevant times. The Icahn Defendants also have denied and continue to deny, inter alia, the allegations that Plaintiffs, Xerox or Xerox shareholders have suffered damage, or that Plaintiffs, Xerox or Xerox shareholders were harmed by the conduct alleged in the Action.

C. Why Did Xerox Agree to Settle?

Xerox takes no position as to the merits of Plaintiffs' claims in the Action, in which Plaintiffs do not assert any claims against Xerox or seek any relief from Xerox. To the extent that any of Plaintiffs' claims or allegations can be construed as against Xerox, Xerox denies all such allegations and any liability to Plaintiffs. Xerox has concluded that it is desirable for the Action to be fully and finally settled in the matter and upon the terms and conditions set forth in this Stipulation.

VI. FINAL APPROVAL HEARING

On October 29, 2024, at 11:30 a.m., the Court will hold the Final Approval Hearing before the Honorable Nancy M. Bannon at the New York Supreme Court, Courtroom 232, 60 Centre Street, New York, New York 10007. At the Final Approval Hearing, the Court will consider whether the terms of the Settlement are fair, reasonable, and adequate and thus should be finally approved, what the amount of the Final Fee and Expense Award should be, and whether the Action should be dismissed with prejudice by entry of the Judgment pursuant to the Stipulation.

VII. RIGHT TO ATTEND FINAL APPROVAL HEARING

Any current Xerox shareholder may, but is not required to, appear in person at the Final Approval Hearing. If you want to be heard at the Final Approval Hearing, then you must first comply with the procedures for objecting, which are set forth below. The Court has the right to change the hearing dates or times without further notice, and if it does so, an update will be posted to Xerox's Investor Relations website: <https://investors.xerox.com/>. Thus, if you are planning to

attend the Final Approval Hearing, you should confirm the date and time at that website before going to the Court. **XEROX SHAREHOLDERS WHO HAVE NO OBJECTION TO THE SETTLEMENT DO NOT NEED TO APPEAR AT THE FINAL APPROVAL HEARING OR TAKE ANY OTHER ACTION.**

VIII. RIGHT TO OBJECT TO THE SETTLEMENT AND PROCEDURES FOR DOING SO

You have the right to object to any aspect of the Settlement or Plaintiffs' motion for a Final Fee and Expense Award. You must object in writing, and you may request to be heard at the Final Approval Hearing. If you choose to object, then you must follow these procedures:

A. You Must Make Detailed Objections in Writing

Any objections must be presented in writing and must contain the following information:

1. Your name, legal address, and telephone number;
2. Proof of being an Xerox shareholder as of May 6, 2024;
3. A statement of the basis of your objection to the Settlement;
4. Notice of whether you intend to appear at the Final Approval Hearing (an appearance in person at the Final Approval Hearing is not required if you have served your objection and filed your objection with the Court in accordance with the procedure described below); and
5. Copies of any papers you intend to file with the Court.

The Court may not consider any objection that does not substantially comply with these requirements.

B. You Must Timely Deliver Written Objections to the Court and Counsel for All Parties

YOUR WRITTEN OBJECTIONS MUST BE ON FILE WITH THE CLERK OF THE COURT AND DELIVERED TO COUNSEL FOR ALL PARTIES BY NO LATER THAN October 8, 2024 (twenty-one (21) calendar days before the Final Approval Hearing). The addresses for delivery of any written objections are:

Jeffrey S. Abraham
Michael J. Klein
ABRAHAM, FRUCHTER & TWERSKY, LLP
450 Seventh Ave, 38th Floor
New York, New York 10123

Tariq Mundiya
Sameer N. Advani
Shaimaa Hussein
John L. Brennan
WILLKIE FARR & GALLAGHER LLP
787 Seventh Avenue
New York, New York 10019

Herbert Beigel
LAW OFFICES OF HERBERT BEIGEL
5641 N. Chieftan Trail
Tucson, AZ 85750

Clerk of the Court
New York County Courthouse
60 Centre Street, Room 161
New York, NY 10007

Unless the Court orders otherwise, your objection will not be considered unless it is timely filed with the Court and timely served upon the above-referenced counsel for the Parties.

Any Person or entity who fails to object or otherwise request to be heard in the manner prescribed above will be deemed to have waived the right to object to any aspect of the Settlement or otherwise request to be heard (including the right to appeal) and will be forever barred from raising such objection or request to be heard in this or any other action or proceeding.

IX. HOW TO OBTAIN ADDITIONAL INFORMATION

This Notice is only a summary. It is not a complete statement of the events of the Action or the Stipulation.

For additional information about the claims asserted in the Actions and the terms of the proposed Settlement, please refer to the documents filed with the Court and the Stipulation. The Stipulation will be available at the “Investor Relations” section of Xerox’s website (<https://investors.xerox.com/>). All filings with the Court may also be accessed by searching for the Index Number of the Action (657447/2019) at the Court’s website (<https://iapps.courts.state.ny.us/webcivil/FCASSearch?param=I>) or by clicking on [this hyperlink for the docket in the Action](#). You may also inspect the Stipulation and other papers in the Actions by appearing in person at the New York Supreme Court’s Clerk’s office at any time during regular business hours of each business day. The Clerk’s office is located at the New York Supreme Court, 60 Centre Street, New York, New York 10007. The Clerk’s office will not mail copies to you.

If you have any questions about matters in this Notice you may contact:

Jeffrey S. Abraham (jabraham@aftlaw.com)

Michael J. Klein (mklein@aftlaw.com)

ABRAHAM, FRUCHTER & TWERSKY, LLP

450 Seventh Ave, 38th Floor

New York, New York 10123

(212) 279-5050

PLEASE DO NOT CALL, WRITE, OR OTHERWISE DIRECT QUESTIONS TO EITHER THE COURT OR THE CLERK’S OFFICE.

DATED: July 24, 2024

By Order of the Supreme Court of the State
of New York, New York County