

TEAMSTERS LOCAL 443 HEALTH SERVICES )  
& INSURANCE PLAN, )

V.

CLARENCE OTIS JR., MICHAEL W. BARNES, )  
LEONARD L. BERRY, CHRISTOPHER J. )  
FRALEIGH, VICTORIA D. HARKER, DAVID H. )  
HUGHES, CHARLES A. LEDSINGER JR., )  
WILLIAM M. LEWIS JR., CONNIE MACK III, )  
MICHAEL D. ROSE, MARIA A. SASTRE, and )  
WILLIAM S. SIMON, )

and

**Nominal Defendant.**

## DERIVATIVE ACTION

Case No. 2014-CA-003712-O

## CLASS ACTION

This Stipulation and Agreement of Settlement, dated as of March 13, 2015 (the “Stipulation”) is entered into by and among (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the Class (as defined below), and derivatively on behalf of the Nominal Defendant (defined below) in the Shareholder Derivative Action (defined below); (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J.

Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden Restaurants, Inc. (“Darden” or the “Company” and, together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (the “Nominal Defendant” and, together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”), by and through their respective undersigned counsel, and embodies the terms and conditions of the settlement of the Shareholder Actions (defined below).<sup>1</sup> Subject to the approval of the Court and the terms and conditions expressly provided herein, this Stipulation is intended to fully, finally and forever settle and dismiss with prejudice the Shareholder Actions and all claims asserted therein against Defendants.

WHEREAS:

A. On August 22, 2012, Darden entered into a \$300 million term loan agreement with various lenders and Bank of America, N.A. as administrative agent (the “Term Loan Agreement”), which contained a clause generally providing, *inter alia*, that, if a majority of the Darden Board of Directors was replaced over a twenty-four month consecutive period by new directors who were not nominated or elected by the incumbent directors, an event of default and the acceleration of Darden’s obligations thereunder would result (the “Dead Hand Proxy Put”).

B. On March 19, 2014, Darden’s Board of Directors adopted certain amendments to the Company’s bylaws (the “Bylaw Amendments”) that, among other things, imposed new

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<sup>1</sup> All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in ¶ 1 herein.

requirements on shareholders seeking to nominate candidates to the Board or to submit shareholder proposals at the annual meeting.

C. On April 9, 2014, Plaintiff, a Darden shareholder, filed a putative class action complaint against the Class Defendants in the Circuit Court for the Ninth Judicial Circuit in and for Orange County, Florida (the “Court”) under the caption *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 2014-CA-003712-O (the “Teamsters Action”). Plaintiff’s complaint raised breach of fiduciary duty claims against the Individual Defendants, based primarily on allegations that the Individual Defendants had improperly entrenched themselves through numerous actions that significantly impaired Darden shareholders’ voting rights. Plaintiff sought a declaration that (1) the Bylaw Amendments were invalid, and (2) the Individual Defendants had breached their fiduciary duty to the putative class in connection with their adoption of the Bylaw Amendments.

D. On April 9, 2014, Plaintiff also filed an Emergency Motion to Expedite the Teamsters Action, in which Plaintiff sought (1) shortened time for Class Defendants to answer the complaint; (2) expedited discovery; and (3) an expedited injunction hearing before May 21, 2014.

E. On April 11, 2014, a second Darden shareholder, City of Birmingham Retirement and Relief System (the “City of Birmingham”), filed a putative class action complaint in the Court against the Class Defendants under the caption *City of Birmingham Retirement and Relief System v. Clarence Otis Jr., et al.*, Case No. 2014-CA-003865-O (the “City of Birmingham Action”), which was substantially similar to the complaint in the Teamsters Action.

F. On April 18, 2014, Plaintiff and the City of Birmingham filed a Motion for Consolidation of the Teamsters Action and the City of Birmingham Action and for Appointment of lead plaintiffs and lead counsel.

G. On April 24, 2014, the Court heard oral argument on Plaintiff's Emergency Motion to Expedite and the Motion for Consolidation and for Appointment of lead plaintiffs and lead counsel.

H. On May 2, 2014, the Court consolidated the Teamsters Action and the City of Birmingham Action and ordered that the actions thereafter proceed under the caption *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the "Shareholder Class Action"); appointed Plaintiff and the City of Birmingham as co-lead plaintiffs on behalf of the putative class in the Shareholder Class Action; and appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP and Saxena White, P.A. as co-lead counsel on behalf of co-lead plaintiffs and the putative class in the Shareholder Class Action.

I. On May 5, 2014, the Court issued its Order Denying the Emergency Motion to Expedite.

J. On May 9, 2014, Plaintiff and the City of Birmingham filed a Motion for Class Certification in the Shareholder Class Action, which motion the Class Defendants subsequently opposed.

K. On May 16, 2014, Darden announced its entry into a definitive agreement to sell its Red Lobster business and certain other related assets and assumed liabilities to Golden Gate Capital for \$2.1 billion in cash (the "Red Lobster Transaction").

L. On May 21, 2014, Starboard Value LP and its affiliates ("Starboard") delivered a letter to the Company nominating 12 director candidates for election to the Darden Board of Directors at the Company's 2014 annual meeting of shareholders.

M. On June 2, 2014, Plaintiff and the City of Birmingham sent the Darden Board of Directors a litigation demand pursuant to Florida Statute § 607.07401 (the "Litigation Demand")

in which they demanded that the Board take certain action, including investigating and pursuing potential claims in connection with the Red Lobster Transaction, scheduling the 2014 annual meeting of Darden shareholders, repealing the Bylaw Amendments, and obtaining a waiver of the Dead Hand Proxy Put from the lenders under the Term Loan Agreement.

N. On June 4, 2014, Plaintiff and the City of Birmingham filed a Consolidated Amended Class Action Complaint in the Shareholder Class Action (the “Amended Class Action Complaint”) that was substantially similar to the complaints filed in the Teamsters Action and the City of Birmingham Action, but which added a third count challenging the Darden Board’s approval of the Dead Hand Proxy Put as a breach of fiduciary duty, and sought an order permanently enjoining the Class Defendants from enforcing the Bylaw Amendments and the Dead Hand Proxy Put.

O. On June 12, 2014, the Class Defendants filed a Motion to Dismiss the Amended Class Action Complaint, which motion Plaintiff and the City of Birmingham subsequently opposed.

P. On July 24, 2014, the Darden Board of Directors adopted a resolution approving and nominating the Starboard nominees solely for purposes of the Term Loan Agreement and other Darden debt documents in order to avoid triggering the Dead Hand Proxy Put and similar provisions in such other documents.

Q. On July 28, 2014, the Company closed on the Red Lobster Transaction.

R. On August 29, 2014, a letter authorized by the Darden Board of Directors was sent rejecting the Litigation Demand on the grounds that, among other things, according to the Darden Board of Directors, each of the actions complained of was the product of a legitimate exercise of business judgment.

S. On September 22, 2014, the City of Birmingham voluntarily dismissed its claims against the Class Defendants in the Shareholder Class Action because it was no longer a Darden shareholder.

T. On September 22, 2014, Plaintiff filed a Verified Shareholder Derivative Complaint in the Court against the Individual Defendants and the Nominal Defendant (together, the “Derivative Defendants”) under the caption *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action” and, together with the Shareholder Class Action, the “Shareholder Actions”), in which Plaintiff alleged that the Individual Defendants had breached their fiduciary duties to the Company and its shareholders in connection with their approval of the Red Lobster Transaction.

U. On September 24, 2014, the Court heard oral argument on the Class Defendants’ Motion to Dismiss the Amended Class Action Complaint and the Plaintiff’s Motion for Class Certification and advised the Parties that it would (1) grant the Class Defendants’ Motion to Dismiss the Amended Class Action Complaint on the ground that, under Florida law, the claims pleaded therein were derivative, and not direct, in nature; and (2) deny as moot Plaintiff’s Motion for Class Certification.

V. On October 1, 2014, Plaintiff amended its complaint in the Shareholder Derivative Action (the “Amended Derivative Complaint”) by adding claims against the Individual Defendants for breach of fiduciary duty in connection with their approval of the Bylaw Amendments and the Dead Head Proxy Put and corporate waste in connection with their approval of the Red Lobster Transaction, and seeking injunctive relief, declaratory relief and damages.

W. At the annual meeting held on October 10, 2014, Darden’s shareholders elected all 12 Starboard-nominated directors. These nominees were deemed elected to the Darden Board of

Directors following the report of the inspectors of election on October 13, 2014, and on October 16, 2014, these new directors appointed Defendant William S. Simon to the Darden Board (collectively, the “New Board”).

X. Lead Counsel and Defendants’ Counsel engaged in arm’s-length negotiations concerning a possible settlement of the Shareholder Actions, which culminated in an agreement in principle to settle the Shareholder Actions that was memorialized in a memorandum of understanding (the “MOU”) executed on November 11, 2014. The MOU sets forth, among other things, the Parties’ agreement to settle the Shareholder Actions in return for the Settlement Consideration set forth in ¶ 5 of this Stipulation, subject to certain terms and conditions, including Plaintiff confirming the fairness, reasonableness and adequacy of the Settlement after the completion of due-diligence discovery to be provided by Defendants, which has included the review of over 30,000 pages of documents produced by Defendants and the deposition of the former lead independent director of Darden.

Y. Prior to their entry into the MOU, counsel for the Parties did not discuss the amount of attorneys’ fees and Litigation Expenses that would be sought in any potential fee and expense application by Lead Counsel.

Z. Without admitting any wrongdoing, Defendants acknowledge that the Shareholder Actions caused the Settlement Consideration embodied in this Stipulation.

AA. Plaintiff acknowledges that the New Board has taken a pro-shareholder view in negotiating this Settlement, and appreciates the New Board’s constructive approach in contributing to the resolution of the Shareholder Actions.

BB. Entry into this Stipulation is not an admission as to the merit or the lack of merit of any claim asserted in the Shareholder Actions.

CC. The New Board has agreed to the Settlement because it believes that the corporate governance changes embodied in the Settlement Consideration are consistent with the New Board's pro-shareholder views and that the Settlement is in the best interests of the Company, the Current Darden Shareholders (as defined below), and the Class.

DD. The Parties recognize that the Court dismissed all claims asserted in the Amended Class Action Complaint on the ground that, under Florida law, those claims were derivative and not direct in nature and, accordingly, the request for certification of the Class for Settlement purposes rests specifically on the possibility of reversal of the Court's opinion on appeal.

EE. This Stipulation (together with the exhibits hereto) has been duly executed by the undersigned signatories on behalf of their respective clients, and reflects the final and binding agreement between the Parties.

FF. Plaintiff brought its claims in good faith and continues to believe that its claims have merit but, based upon Plaintiff's and Lead Counsel's investigation and prosecution of the Shareholder Actions, and further confirmation based on the completion of due-diligence discovery, Plaintiff and Lead Counsel have concluded that the terms and conditions of this Stipulation are fair, reasonable and adequate to Plaintiff, the other members of the Class, Darden, and Current Darden Shareholders. Based on Plaintiff's direct oversight of the prosecution of this matter and with the advice of their counsel, Plaintiff has agreed to settle and release the claims raised in the Shareholder Actions pursuant to the terms and provisions of this Stipulation, after considering (a) the substantial benefits and protections provided under the proposed Settlement; (b) the uncertain outcome, inherent delays, and significant risks of continued litigation and trial; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of this Stipulation.



GG. This Stipulation constitutes a compromise of matters that are in dispute between the Parties. Defendants are entering into this Stipulation solely to eliminate the uncertainty, burden and expense of further protracted litigation. Each of the Defendants denies any wrongdoing or liability with respect to the Shareholder Actions, including with respect to their approval of the Dead Hand Proxy Put, the Bylaw Amendments or the Red Lobster Transaction, but have concluded that it is desirable that the claims against them in the Shareholder Actions be resolved on the terms reflected in this Stipulation solely to avoid the costs, disruption, and distraction of further litigation.

HH. This Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants, or any other of the Defendants' Releasees (defined below), with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have, or could have, asserted. The Defendants expressly deny that Plaintiff has asserted any valid claims as to any of them, and expressly deny any and all allegations of fault, liability, wrongdoing or damages whatsoever. Similarly, this Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of Plaintiff of any infirmity in any of the claims asserted in the Shareholder Actions, or an admission or concession that any of the Defendants' defenses to liability had any merit. Each of the Parties recognizes and acknowledges, however, that the Shareholder Actions have been initiated, filed and prosecuted by Plaintiff in good faith and defended by Defendants in good faith, that the Shareholder Actions are being voluntarily settled with the advice of counsel, and that the terms of the Settlement are fair, adequate and reasonable.

NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among Plaintiff (individually and on behalf of the Class and derivatively on behalf of Darden) and Defendants, by and through their respective undersigned attorneys and subject to the approval of the Court, that, in consideration of the benefits flowing to the Parties from the Settlement, all Released Plaintiff's Claims as against the Defendants' Releasees and all Released Defendants' Claims as against the Plaintiff's Releasees shall be settled and released, upon and subject to the terms and conditions set forth below.

### **CERTAIN DEFINITIONS**

1. As used in this Stipulation and any exhibits attached hereto and made a part hereof, the following capitalized terms shall have the following meanings:

(a) "Alternate Judgment" means a form of final judgment that may be entered by the Court in the Shareholder Class Action or Shareholder Derivative Action in a form other than, as applicable, the form of the Class Judgment or Derivative Judgment.

(b) "Amended Class Action Complaint" means the Consolidated Amended Class Action Complaint filed in the Shareholder Class Action on June 4, 2014.

(c) "Amended Derivative Complaint" means the Verified Amended Shareholder Derivative Complaint filed in the Shareholder Derivative Action on October 1, 2014.

(d) "Class" means all persons and entities who held shares of the Company's common stock at any time during the period from March 19, 2014 through and including October 13, 2014 (the date of election of Starboard's nominees to the Darden Board of Directors) (the "Class Period"). Excluded from the Class are Defendants, any members of the Immediate Family of each of the Individual Defendants, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party.

(e) “Class Defendants” means the Individual Defendants and Darden.

(f) “Class Judgment” means the final judgment, substantially in the form attached hereto as Exhibit C, to be entered by the Court approving the Settlement in the Shareholder Class Action.

(g) “Class Member” means each person and entity who is a member of the Class.

(h) “Class Period” means the period from March 19, 2014 through and including October 13, 2014 (the date of election of Starboard’s nominees to the Darden Board of Directors).

(i) “Class Preliminary Approval Order” means the order, substantially in the form attached hereto as Exhibit A, to be entered by the Court in the Shareholder Class Action preliminarily approving the proposed Settlement, scheduling the Settlement Fairness Hearing in the Shareholder Class Action, and directing notice be provided to the Class.

(j) “Court” means the Circuit Court for the Ninth Judicial Circuit in and for Orange County, Florida.

(k) “Current Darden Shareholders” means all persons and entities who held shares of Darden common stock at the close of trading on March 13, 2015.

(l) “Darden” means Darden Restaurants, Inc.

(m) “Defendants’ Counsel” means Akerman, LLP, Holland & Knight LLP, and Wachtell, Lipton, Rosen & Katz.

(n) “Defendants’ Releasees” means Defendants and their respective Immediate Family members, parent entities, associates, affiliates, or subsidiaries, and each and all of their respective past, present, or future officers, directors, agents, representatives, employees, attorneys, advisors (including financial or investment advisors), consultants, accountants, investment bankers, commercial bankers, insurers, co-insurers, and reinsurers, trustees, general or limited

partners or partnerships, limited liability companies, members, heirs, executors, estates, administrators, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, and assigns, whether or not any such persons or entities were named, served with process, or appeared in the Shareholder Actions.

(o) “Derivative Judgment” means the final judgment, substantially in the form attached hereto as Exhibit D, to be entered by the Court approving the Settlement in the Shareholder Derivative Action.

(p) “Derivative Preliminary Approval Order” means the order, substantially in the form attached hereto as Exhibit B, to be entered by the Court in the Shareholder Derivative Action preliminarily approving the proposed Settlement, scheduling the Settlement Fairness Hearing in the Shareholder Derivative Action, and directing notice be provided to Current Darden Shareholders.

(q) “Effective Date” with respect to the Settlement means the date when the events specified in ¶ 18 of this Stipulation have occurred.

(r) “Final,” with respect to the Judgments or, if applicable, any Alternate Judgment, or any other court order means: (i) if no appeal is filed, the expiration date of the time provided for filing or noticing of any appeal; or (ii) if there is an appeal from the judgment or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on certiorari or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for a writ of certiorari or other form of review, or the denial of a writ of certiorari or other form of review, and, if certiorari or other form of review is granted, the date of final affirmance following review pursuant to that grant. However, any appeal or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect

to attorneys' fees, costs or expenses shall not in any way delay or preclude a judgment from becoming Final.

(s) "Immediate Family" means children, stepchildren, parents, stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law, and sisters-in-law. As used in this paragraph, "spouse" shall mean a husband, a wife, or a partner in a state-recognized domestic relationship or civil union.

(t) "Individual Defendants" means Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon.

(u) "Judgments" means collectively the Class Judgment and the Derivative Judgment.

(v) "Lead Counsel" means the law firm of Bernstein Litowitz Berger & Grossmann LLP.

(w) "Litigation Expenses" means costs and expenses incurred in connection with commencing, prosecuting and settling the Shareholder Actions.

(x) "MOU" means the memorandum of understanding executed by the Parties on November 11, 2014.

(y) "New Board" means the twelve Starboard-nominated directors elected by Darden's shareholders effective October 13, 2014 and William S. Simon, appointed to the Darden Board on October 16, 2014.

(z) "Nominal Defendant" means Darden Restaurants, Inc. as nominal defendant in the Shareholder Derivative Action.

(aa) “Notice” means the Notice of Pendency and Proposed Settlement of Shareholder Actions, Settlement Fairness Hearing, and Right to Appear, substantially in the form attached hereto as Exhibit 1 to Exhibits A and B, which is to be mailed to Class Members and Current Darden Shareholders.

(bb) “Notice Costs” means the costs, fees and expenses related to providing notice of the Settlement to the Class.

(cc) “Parties” means the Class Defendants, the Nominal Defendant and Plaintiff, on behalf of itself and the Class and derivatively on behalf of the Nominal Defendant.

(dd) “Plaintiff” means Teamsters Local 443 Health Services & Insurance Plan.

(ee) “Plaintiff’s Counsel” means Lead Counsel and the law firms of Saxena White, P.A. and Hach Rose Schirripa & Cheverie LLP and all other legal counsel who, at the direction and under the supervision of Lead Counsel, performed services in the Shareholder Actions.

(ff) “Plaintiff’s Releasees” means Plaintiff, all other members of the Class, and their respective Immediate Family members, parent entities, associates, affiliates, or subsidiaries, and each and all of their respective past, present, or future officers, directors, agents, representatives, employees, attorneys, advisors (including financial or investment advisors), consultants, accountants, investment bankers, commercial bankers, insurers, co-insurers, and reinsurers, trustees, general or limited partners or partnerships, limited liability companies, members, heirs, executors, estates, administrators, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, and assigns.

(gg) “Preliminary Approval Orders” means collectively the Class Preliminary Approval Order and the Derivative Preliminary Approval Order.

(hh) “Released Claims” means all Released Defendants’ Claims and all Released Plaintiff’s Claims.

(ii) “Released Class Claims” means all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, defenses, counterclaims, offsets, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, including known claims and Unknown Claims, that (i) were asserted in the Amended Class Action Complaint or any other complaint filed in the Shareholder Class Action or (ii) could have been or in the future could or might be asserted by any member of the Class in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to breach of care or breach of loyalty) which arise out of or are based upon the Class Member’s ownership of Darden common stock during the Class Period and which have arisen, could have arisen, arise now, or hereafter arise out of or are based upon the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, involved, set forth, or referred to in the Amended Class Action Complaint or any other complaint filed in the Shareholder Class Action, including any claims that could have been brought by any member of the Class which arise out of or are based upon the ownership of Darden common stock during the Class Period and: (a) the fiduciary obligations of any of the Defendants or any other Defendants’ Releasees in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction or any negotiations in connection therewith; (b) any alleged aiding or abetting of any breaches of fiduciary duty in connection with the negotiation of, the terms of, or the consummation of the Red Lobster Transaction; or (c) any alleged improper personal

benefit, conflict of interest, improper payments of any remuneration or employment benefits to any individual made in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction; provided, however, that the Released Class Claims shall not include any claim relating to the enforcement of this Stipulation or the Settlement, and further provided that the Released Class Claims do not include any claims based on or arising under the federal or state securities laws.

(jj) “Released Defendants’ Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under state, local, foreign, federal, statutory, regulatory, common or other law or rule, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Shareholder Actions against the Defendants. Released Defendants’ Claims do not include any claims relating to the enforcement of the Settlement.

(kk) “Released Derivative Claims” means all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, defenses, counterclaims, offsets, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, including known claims and Unknown Claims, that (i) were asserted in the Amended Derivative Complaint or any other complaint filed in the Shareholder Derivative Action; or (ii) could have been or in the future could or might be asserted derivatively on behalf of Darden in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to breach of care or breach of loyalty), which have arisen, could have arisen, arise now, or hereafter arise out of or are based upon the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations,



omissions, or any other matter, thing or cause whatsoever, or any series thereof, involved, set forth, or referred to in the Amended Derivative Complaint or any other complaint filed in the Shareholder Derivative Action, including any claims that could have been brought derivatively on behalf of Darden arising out of or based upon: (a) the fiduciary obligations of any of the Defendants or any other Defendants' Releasees in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction or any negotiations in connection therewith; (b) any alleged aiding or abetting of any breaches of fiduciary duty in connection with the negotiation of, the terms of, or the consummation of the Red Lobster Transaction; or (c) any alleged improper personal benefit, conflict of interest, improper payments of any remuneration or employment benefits to any individual made in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction; provided, however, that the Released Derivative Claims shall not include any claim relating to the enforcement of this Stipulation or the Settlement. For the avoidance of doubt, the Released Derivative Claims do not include any direct claims of any Darden shareholder, including any claims based on or arising under the federal or state securities laws.

(ll) "Released Plaintiff's Claims" means the Released Class Claims and the Released Derivative Claims.

(mm) "Releasee(s)" means each and any of the Defendants' Releasees and each and any of the Plaintiff's Releasees.

(nn) "Releases" means the releases set forth in ¶¶ 7-9 of this Stipulation.

(oo) "Settlement" means the settlement between Plaintiff and Defendants on the terms and conditions set forth in this Stipulation.

(pp) "Settlement Consideration" means the consideration set forth set forth in ¶ 5 of this Stipulation.

(qq) “Settlement Fairness Hearing” means the hearing set by the Court to consider final approval of the Settlement.

(rr) “Shareholder Actions” means the Shareholder Class Action and the Shareholder Derivative Action.

(ss) “Shareholder Class Action” means the consolidated shareholder class action in the matter styled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O, and includes all actions consolidated therein.

(tt) “Shareholder Derivative Action” means the shareholder derivative action in the matter styled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O.

(uu) “Starboard” means Starboard Value LP and its affiliates.

(vv) “Summary Notice” means the Summary Notice of Pendency and Proposed Settlement of Shareholder Actions, substantially in the form attached hereto as Exhibit 2 to Exhibits A and B, which is to be published as set forth in the Preliminary Approval Orders.

(ww) “Unknown Claims” means any Released Derivative Claims which Plaintiff or Darden does not know or suspect to exist in its favor at the time of the release of such claims, any Released Class Claims which Plaintiff or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiff and Defendants shall expressly waive, and each of the other Class Members shall be deemed to

have waived, and by operation of the Judgments shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiff and Defendants acknowledge, and each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

### **CLASS CERTIFICATION**

2. Solely for purposes of the Settlement and for no other purpose, Defendants stipulate and agree to: (a) certification of the Shareholder Class Action as a non-opt out class action pursuant to Rules 1.220(a), 1.220(b)(1) and 1.220(b)(2) of the Florida Rules of Civil Procedure on behalf of the Class; (b) appointment of Plaintiff as class representative for the Class; and (c) appointment of Lead Counsel as class counsel for the Class. If the Settlement is terminated pursuant to the terms of this Stipulation, the certification of the Class shall be revoked and Defendants reserve, and in no way waive or compromise, the right to oppose, or any argument in opposition to, any motion for class certification in future proceedings including the Shareholder Class Action.

### **STAY**

3. All proceedings in the Shareholder Actions, except for proceedings relating to the Settlement, shall be stayed until the proceedings related to the Settlement are concluded.

4. If any claim or demand is made, pursued, reinstated or resumed and/or if any action is filed, pursued, prosecuted, reinstated, or resumed in any state or federal court, that asserts any

Released Derivative Claims or any Released Class Claims prior to the Effective Date of the proposed Settlement, Defendants may take all necessary action to prevent, stay, or seek dismissal of, or oppose entry of any interim or final relief in favor of the Company or any member of the Class, as the case may be, in any such litigation, and Lead Counsel agrees to use its best efforts to support such action by Defendants.

### **THE SETTLEMENT CONSIDERATION**

5. In consideration of the full settlement and dismissal with prejudice of the Shareholder Actions and the release of the Released Plaintiff's Claims against Defendants and the other Defendants' Releasees, Defendants agree:

(a) That the Amended Class Action Complaint and the June 2, 2014 Demand Letter were factors contributing to the Darden Board's decision on July 24, 2014, to nominate Starboard's director nominees solely for the purpose of avoiding triggering the event-of-default provisions in the Term Loan Agreement in the event that Starboard's nominees were elected to the Darden Board of Directors at the 2014 Annual Meeting;

(b) To repeal the changes to Article 1, Sections 3, 4, 7, 8, 9 and 10 of Darden's bylaws effectuated by the Bylaw Amendments, and to make necessary changes to surrounding sections to conform to this repeal, such that the text of those Sections (except Section 7 which has already been subsequently amended by the New Board) will be identical to the text of the corresponding sections of Darden's bylaws on March 18, 2014. This repeal of the bylaws was effectuated on November 11, 2014, and publicly disclosed by Defendants on November 13, 2014;

(c) For a period of two years from the Effective Date of the Settlement, Darden shall obtain shareholder approval of a majority of Darden shares present and eligible to

vote (*i.e.*, votes in favor must exceed the total of votes against plus abstentions) at a duly called shareholder meeting in order to effectuate any of the following:

(i) an amendment of Darden's bylaws related to shareholder nominations or shareholder proposals. For the avoidance of doubt, the Darden Board of Directors can, without requiring shareholder approval, repeal the Bylaw Amendments referenced in sub-paragraph (b) of this ¶ 5; or

(ii) an amendment of Darden's bylaws in a manner that would create any new supermajority provisions, impair or limit the shareholders' right to call special meetings, or otherwise materially impede the exercise of Darden shareholders' voting rights;

(d) To terminate Darden's existing shareholder rights plan;

(e) To permit Darden's shareholders to vote at the 2015 Annual Meeting on a proposal to amend Article 11(b) of the Company's Articles of Incorporation to reduce from 50% to 10% the percentage of outstanding shares necessary to call a special meeting; and

(f) To permit Darden's shareholders to vote at the 2015 Annual Meeting on a proposal to amend the Company's charter so as to remove the requirement that, before directors may be removed or certain provisions of the Company's charter may be amended, a supermajority (*i.e.*, 66 ⅔%) of Darden's shareholders must approve the action (together with sub-paragraphs (a)-(e) of this ¶ 5, the "Settlement Consideration").

### **RELEASE OF CLAIMS**

6. The obligations incurred pursuant to this Stipulation are in consideration of the full and final disposition of the Shareholder Actions as against Defendants and the Releases provided for herein.

7. Pursuant to the Derivative Judgment, or the Alternate Judgment entered in the Shareholder Derivative Action, if applicable, without further action by anyone, upon the Effective Date of the Settlement, Plaintiff shall be deemed to have, and by operation of law and of the Derivative Judgment, or the Alternate Judgment, if applicable, shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released its right to assert derivatively on behalf of Darden, and Darden shall be deemed to have, and by operation of law and of the Derivative Judgment, or the Alternate Judgment, if applicable, shall have, fully, finally and forever directly discharged, dismissed with prejudice, settled, and released, each and every Released Derivative Claim against the Defendants and the other Defendants' Releasees, and Plaintiff shall forever be enjoined from prosecuting derivatively on behalf of Darden, and Darden shall forever be enjoined from prosecuting directly, any or all of the Released Derivative Claims against any of the Defendants' Releasees.

8. Pursuant to the Class Judgment, or the Alternate Judgment entered in the Shareholder Class Action, if applicable, without further action by anyone, upon the Effective Date of the Settlement, Plaintiff and each of the other Class Members, on behalf of themselves and any and all of their respective successors-in-interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by operation of law and of the Class Judgment, or the Alternate Judgment, if applicable, shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Class Claim against the Class Defendants and the other Defendants' Releasees, and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Class Claims against any of the Defendants' Releasees.

9. Pursuant to the Judgments, or the Alternate Judgment(s), if applicable, without further action by anyone, upon the Effective Date of the Settlement, Defendants and the other Defendants' Releasees, on behalf of themselves and any and all of their respective successors-in-interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by operation of law and of the Judgments or the Alternate Judgment(s), if applicable, shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Defendants' Claim against Plaintiff and the other Plaintiff's Releasees, and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

10. Notwithstanding ¶¶ 7-9 above, nothing in the Judgment, or the Alternate Judgment(s), if applicable, shall bar any action by any of the Parties to enforce or effectuate the terms of this Stipulation or the Judgments, or the Alternate Judgment(s), if applicable.

#### **PRELIMINARY APPROVAL ORDERS AND NOTICE**

11. Promptly upon execution of this Stipulation, Plaintiff and Defendants shall submit this Stipulation to the Court and shall jointly apply for:

(a) entry of the Class Preliminary Approval Order, substantially in the form attached hereto as Exhibit A, in the Shareholder Class Action providing for, among other things: (i) certification of the Class for purposes of the Settlement only; (ii) approval of the form and content of notice of the Settlement to the Class; (iii) the scheduling of the Settlement Fairness Hearing in the Shareholder Class Action; and (iv) pending final determination by the Court of whether the Settlement should be approved, an order barring

and enjoining Plaintiff and all other members of the Class from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any Released Class Claims against any Defendants' Releasees; and

(b) entry of the Derivative Preliminary Approval Order, substantially in the form attached hereto as Exhibit B, in the Shareholder Derivative Action providing for, among other things: (i) approval of the form and content of notice of the Settlement to Current Darden Shareholders; (ii) the scheduling of the Settlement Fairness Hearing in the Shareholder Derivative Action; and (iii) pending final determination by the Court of whether the Settlement should be approved, an order barring and enjoining Plaintiff from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any Released Derivative Claims against any Defendants' Releasees.

12. In accordance with the terms of the Preliminary Approval Orders to be entered by the Court, Darden (or its successor-in-interest) shall cause to be mailed the Notice to members of the Class and Current Darden Shareholders. Darden (or its successor-in-interest) shall also cause the Summary Notice to be published in accordance with the terms of the Preliminary Approval Orders to be entered by the Court. Darden (or its successor-in-interest) and/or its insurance carriers shall pay any and all Notice Costs regardless of whether the Court approves the Settlement, and in no event shall Plaintiff or any other Class Member, or any of the Individual Defendants, or their respective attorneys, be responsible for any Notice Costs.

### **TERMS OF THE JUDGMENTS**

13. If the Settlement contemplated by this Stipulation is approved by the Court, Lead Counsel and Defendants' Counsel shall jointly request that the Court enter: (a) the Class Judgment,



substantially in the form attached hereto as Exhibit C, in the Shareholder Class Action; and (b) the Derivative Judgment, substantially in the form attached hereto as Exhibit D, in the Shareholder Derivative Action.

#### **ATTORNEYS' FEES AND LITIGATION EXPENSES**

14. Lead Counsel, on behalf of itself and all other Plaintiff's Counsel, will apply to the Court in the Shareholder Derivative Action only for a collective award of attorneys' fees and reimbursement of Litigation Expenses to Plaintiff's Counsel (the "Fee and Expense Application"). Lead Counsel's Fee and Expense Application shall seek no more than \$4 million. Defendants acknowledge Plaintiff's Counsel's right to an award of attorneys' fees and reimbursement of Litigation Expenses based on the benefits described in ¶ 5 above that have been conferred upon the Class and the Company as a result of the prosecution of the Shareholder Actions and the Settlement, but reserve their objections to any amount sought.

15. Darden (or its successor-in-interest) shall pay or cause its insurance carriers to pay any attorneys' fees and Litigation Expenses awarded by the Court to Plaintiff's Counsel (the "Fee and Expense Award"). The Individual Defendants and their respective attorneys shall have no obligation to pay any portion of the Fee and Expense Award. The Fee and Expense Award shall be paid to Lead Counsel within ten (10) business days after entry of the Court's order awarding the Fee and Expense Award, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject to Lead Counsel's obligation to make appropriate refunds or repayments to Darden (or its successors-in-interest) or any applicable insurer if the Settlement is terminated pursuant to terms of this Stipulation or if, as a result of any appeal or further proceedings on remand or successful collateral attack, the Fee and Expense Award is reduced or reversed and such order reducing or

reversing the award has become Final. Lead Counsel shall make the appropriate refund or repayment in full no later than ten (10) business days after (a) receiving from Defendants' Counsel notice of the termination of the Settlement; or (b) any order reducing or reversing the Fee and Expense Award has become Final. An award of attorneys' fees and/or Litigation Expenses is not a necessary term of this Stipulation and is not a condition of the Settlement embodied herein. Neither Plaintiff nor Lead Counsel may cancel or terminate the Settlement based on this Court's or any appellate court's ruling with respect to attorneys' fees and/or Litigation Expenses. Notwithstanding any of the foregoing, in the event that the Settlement is terminated pursuant to the terms of this Stipulation or the Settlement is not approved by the Court or the Effective Date otherwise fails to occur, Lead Counsel reserves the right to seek an award of any attorneys' fees and reimbursement of Litigation Expenses based on the benefits described in ¶ 5 above that have been conferred upon the Class and the Company as a result of the prosecution of the Shareholder Actions and the Settlement and Defendants reserve the right to oppose any such application by Lead Counsel.

16. Lead Counsel shall allocate the attorneys' fees and Litigation Expenses awarded amongst Plaintiff's Counsel in a manner which it, in good faith, believes reflects the contributions of such counsel to the institution, prosecution and settlement of the Shareholder Actions and Plaintiff's Counsel's incurrence of Litigation Expenses. Defendants' Releasees shall have no responsibility for or liability whatsoever with respect to the allocation of the award of attorneys' fees or Litigation Expenses.

17. Except as provided in this Stipulation, neither Plaintiff's Counsel, nor Plaintiff, nor any other member of the Class shall seek any other fees, expenses, or compensation relating to the Shareholder Actions, and the Defendants' Releasees shall bear no other expenses, costs, damages,

or fees alleged or incurred by Plaintiff or any other member of the Class, or any of their respective attorneys, experts, advisors, agents, or representatives, relating to the Shareholder Actions.

**EFFECTIVE DATE; TERMINATION OF SETTLEMENT**

18. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver of all of the following events:

(a) the Court has entered the Class Preliminary Approval Order, substantially in the form set forth in Exhibit A attached hereto, in the Shareholder Class Action;

(b) the Court has entered the Derivative Preliminary Approval Order, substantially in the form set forth in Exhibit B attached hereto, in the Shareholder Derivative Action;

(c) Defendants have not exercised their option to terminate the Settlement pursuant to ¶ 19 below;

(d) Plaintiff has not exercised its option to terminate the Settlement pursuant to ¶ 19 below; and

(e) the Court has approved the Settlement as described herein, following notice to members of the Class and Current Darden Shareholders and a hearing, and the Court has: (i) entered the Class Judgment in the Shareholder Class Action and such Judgment has become Final, or the Court has entered an Alternate Judgment in the Shareholder Class Action and none of the Parties seek to terminate the Settlement and such Alternate Judgment has become Final; and (ii) entered the Derivative Judgment in the Shareholder Derivative Action and such Judgment has become Final, or the Court has entered an Alternate Judgment in the Shareholder Derivative Action and none of the Parties seek to terminate the Settlement and such Alternate Judgment has become Final.

19. Either Plaintiff or Defendants, provided Defendants unanimously agree, shall have the right to terminate the Settlement and this Stipulation, by providing written notice of their election to do so (“Termination Notice”) to the other Parties within thirty (30) days of: (a) the Court’s declining to enter the Class Preliminary Approval Order and/or the Derivative Preliminary Approval Order in any material respect; (b) the Court’s refusal to approve the Settlement or any material part thereof; (c) the Court’s declining to enter the Class Judgment and/or the Derivative Judgment in any material respect as to the Settlement; (d) the date upon which an order modifying or reversing the Class Judgment and/or the Derivative Judgment in any material respect becomes Final; or (e) the date upon which an order modifying or reversing an Alternate Judgment in any material respect becomes Final, and the provisions of ¶ 20 below shall apply. However, any decision or proceeding, whether in this Court or any appellate court, solely with respect to an application for attorneys’ fees or reimbursement of Litigation Expenses shall not be considered material to the Settlement, shall not affect the finality of the Class Judgment and/or the Derivative Judgment and/or any Alternate Judgment, if applicable, and shall not be grounds for termination of the Settlement.

20. If the Settlement is terminated by Plaintiff or Defendants pursuant to ¶ 19 above, then:

(a) The Settlement and the relevant portions of this Stipulation shall be canceled;

(b) Plaintiff and Defendants shall revert to their respective positions in the Shareholder Actions on November 10, 2014; and

(c) The terms and provisions of the MOU and this Stipulation, with the exception of this ¶ 20 and ¶ 21 below, shall be null and void and have no further force and

effect with respect to the Parties and shall not be used in the Shareholder Actions or in any other proceeding for any purpose, and any Judgment, or Alternate Judgment, if applicable, or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

### **NO ADMISSION OF WRONGDOING**

21. Neither the MOU, nor this Stipulation (whether or not consummated), including the exhibits hereto, nor the negotiations leading to the execution of the MOU and this Stipulation, nor any proceedings taken pursuant to or in connection with the MOU, this Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Shareholder Actions or in any other litigation, or of any liability, negligence, fault, breach of duty, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred to for any other reason as against any of the Defendants' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(b) shall be offered against any of the Plaintiff's Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the

Plaintiff's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; or

(c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial;

*provided, however*, that if this Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

### **MISCELLANEOUS PROVISIONS**

22. All of the exhibits attached hereto are hereby incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto, the terms of the Stipulation shall prevail.

23. Plaintiff represents and warrants that it is the only holder and owner of its claims and causes of action asserted in the Shareholder Class Action and that none of Plaintiff's claims or causes of action referred to in any complaint filed in the Shareholder Actions have been assigned, encumbered or in any manner transferred in whole or in part. Plaintiff further represents that (a) it has owned at all relevant times, and continues to own, shares of Darden common stock, and during class discovery provided proof of such ownership to Defendants, and (b) its current intention is to hold Darden common stock until at least the 2015 Annual Meeting of Darden shareholders.

24. The Parties intend this Stipulation and the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Plaintiff and any other Class

Members against the Defendants' Releasees with respect to the Released Plaintiff's Claims. Accordingly, Plaintiff and its counsel and Defendants and their counsel agree not to assert in any forum that the Shareholder Actions were brought by Plaintiff or defended by Defendants in bad faith or without a reasonable basis. The Parties agree that the Settlement Consideration and the other terms of the Settlement were negotiated at arm's-length and in good faith by the Parties, and reflect the Settlement that was reached voluntarily after extensive negotiations and consultation with experienced legal counsel, who were fully competent to assess the strengths and weaknesses of their respective clients' claims or defenses.

25. While retaining their right to deny that the claims asserted in the Shareholder Actions were meritorious, Defendants and their counsel, in any statement made to any media representative (whether or not for attribution) will neither assert that the Shareholder Actions were commenced or prosecuted in bad faith nor deny that the Shareholder Actions were commenced and prosecuted in good faith and are being settled voluntarily after consultation with competent legal counsel. In all events, Plaintiff and its counsel and Defendants and their counsel shall not make any accusations of wrongful or actionable conduct by either Party concerning the prosecution, defense, and resolution of the Shareholder Actions, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

26. The terms of the Settlement, as reflected in this Stipulation, may not be modified or amended, nor may any of its provisions be waived, except by a writing signed on behalf of both Plaintiff and Defendants (or their successors-in-interest).

27. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

28. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders providing for the award of attorneys' fees and Litigation Expenses to Plaintiff's Counsel and enforcing the terms of this Stipulation and the Judgments.

29. The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

30. This Stipulation and its exhibits constitute the entire agreement among Plaintiff and Defendants concerning the Settlement and this Stipulation and its exhibits. All Parties acknowledge that no other agreements, representations, warranties, or inducements have been made by any Party hereto concerning the Settlement or this Stipulation or its exhibits other than those contained and memorialized in such documents.

31. This Stipulation may be executed in one or more counterparts, including by signature transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email. All executed counterparts and each of them shall be deemed to be one and the same instrument.

32. This Stipulation shall be binding upon and inure to the benefit of the successors and assigns of the Parties, including any and all Releasees and any corporation, partnership, or other entity into or with which any Party hereto may merge, consolidate or reorganize.

33. The construction, interpretation, operation, effect and validity of this Stipulation and all documents necessary to effectuate it shall be governed by the internal laws of the State of Florida without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.



34. All actions or proceedings arising under or to enforce this Stipulation or any portion thereof, shall be commenced and maintained only in the Court, and Plaintiff and Defendants hereby irrevocably submit to the exclusive jurisdiction of the Court in connection therewith.

35. This Stipulation shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that it is the result of arm's-length negotiations between the Parties and all Parties have contributed substantially and materially to the preparation of this Stipulation.

36. All counsel and any other person executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

37. Lead Counsel and Defendants' Counsel agree to cooperate fully with one another in seeking Court approval of the Settlement, as embodied in this Stipulation, and to use best efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

38. If any Party is required to give notice to another Party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided as follows:

If to Plaintiff or Lead Counsel:	Bernstein Litowitz Berger & Grossmann LLP Attn: Jeroen van Kwawegen, Esq. 1285 Avenue of the Americas New York, NY 10019 Telephone: (212) 554-1400 Facsimile: (212) 554-1444 Email: jeroen@blbglaw.com
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If to Defendants:

Akerman, LLP  
Attn: Megan Costa DeVault, Esq.  
Post Office Box 231  
Orlando, FL 32802-0231  
Telephone: (407) 423-4000  
Facsimile: (407) 843-6610  
Email: megan.devault@akerman.com

Akerman, LLP  
Attn: Michael C. Marsh, Esq.  
One Southeast Third Avenue, 25th Floor  
Miami, FL 33132  
Telephone: (305) 374-5600  
Facsimile: (305) 374-5095  
Email: michael.marsh@akerman.com

Holland & Knight LLP  
Attn: Albert Tellechea, Esq.  
2600 SunTrust Center  
200 South Orange Avenue  
Orlando, FL 32801-3461  
Telephone: (407) 425-8500  
Facsimile: (407) 244-5288  
Email: albert.tellechea@hklaw.com

Wachtell, Lipton, Rosen & Katz  
Attn: Eric M. Roth, Esq.  
51 West 52<sup>nd</sup> Street  
New York, NY 10019  
Telephone: (212) 403-1000  
Facsimile: (212) 403-2000  
Email: emroth@wlrk.com

39. Except as otherwise provided herein, each Party shall bear its own attorneys' fees and costs.

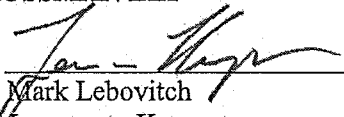
40. All agreements made and orders entered during the course of the Shareholder Actions relating to the confidentiality of information shall survive this Settlement.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed,  
by their duly authorized attorneys, as of March 13, 2015.

OF COUNSEL:

**BERNSTEIN LITOWITZ BERGER &  
GROSSMAN LLP**

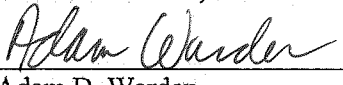
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**EXHIBIT A**

**IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA**

IN RE DARDEN RESTAURANTS, INC.  
SHAREHOLDER LITIGATION

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Case No. 2014-CA-003712-O

**CLASS ACTION**

**ORDER PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT**

WHEREAS, a consolidated shareholder class action is pending in this Court entitled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the “Shareholder Class Action”);

WHEREAS, (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the Class (as defined below), and derivatively on behalf of Darden Restaurants, Inc. (“Darden” or the “Company”), the nominal defendant in the shareholder derivative action pending in this Court entitled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Derivative Shareholder Action,” and together with the Shareholder Class Action, the “Shareholder Actions”); (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden (together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”) have determined to settle all claims asserted in the Shareholder

Actions with prejudice on the terms and conditions set forth in the Stipulation and Agreement of Settlement entered into by the Parties dated March 13, 2015 (the “Stipulation”);

WHEREAS, in accordance with the Stipulation, the Parties have made an application for entry of an order in the Shareholder Class Action preliminarily approving the proposed settlement (the “Settlement”), preliminarily certifying the Class for Settlement purposes only, approving the form and content of notice of the Settlement to the Class, and scheduling the date and time for the Settlement Fairness Hearing; and

WHEREAS, the Court having read and considered the Stipulation and the exhibits attached thereto; the Stipulation being sufficient to warrant notice to the Class; and all Parties having consented to the entry of this Order;

NOW THEREFORE, IT IS HEREBY ORDERED, this \_\_\_\_ day of \_\_\_\_\_, 2015, as follows:

1.     **Definitions:** Unless otherwise defined herein, the capitalized terms used herein shall have the same meanings as they have in the Stipulation.

2.     **Preliminary Approval:** The Court hereby preliminarily approves the Settlement, as embodied in the Stipulation, as being fair, reasonable and adequate to the Class, subject to further consideration at the Settlement Fairness Hearing to be conducted as described below.

3.     **Preliminary Class Certification for Settlement Purposes:** The Court hereby preliminarily certifies, solely for purposes of effectuating the proposed Settlement, the Action as a non-opt out class action pursuant to Rules 1.220(a), 1.220(b)(1), and 1.220(b)(2) of the Florida Rules of Civil Procedure, on behalf of a Class consisting of all persons and entities who held shares of the Company’s common stock at any time during the period from March 19, 2014 through and including October 13, 2014 (the date of election of Starboard’s nominees to the

Darden Board of Directors) (the “Class Period”). Excluded from the Class are Defendants, any members of the Immediate Family of each of the Individual Defendants, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party.

4. **Preliminary Appointment of Class Representative and Class Counsel:** Solely for purposes of the Settlement, Plaintiff is preliminarily appointed as class representative for the Class and Lead Counsel is preliminarily appointed as class counsel for the Class.

5. **Settlement Fairness Hearing:** The Court will hold a settlement fairness hearing (the “Settlement Fairness Hearing”) on \_\_\_\_\_, 2015, at \_\_:\_\_ .m., at the Orange County Courthouse, 425 N. Orange Avenue, Orlando, Florida 32801, for the following purposes: (a) to determine whether the Shareholder Class Action may be permanently maintained as a non-opt out class action and whether the Class should be certified permanently, for settlement purposes, pursuant to Rules 1.220(a), 1.220(b)(1), and 1.220(b)(2) of the Florida Rules of Civil Procedure; (b) to determine whether Plaintiff may be permanently designated as class representative for the Class and Lead Counsel as class counsel for the Class, and to determine whether Plaintiff and Lead Counsel have adequately represented the interests of the Class in the Shareholder Class Action; (c) to determine whether the proposed Settlement of the Shareholder Class Action on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the Class, and should be approved by the Court; (d) to determine whether the Class Judgment substantially in the form attached as Exhibit C to the Stipulation should be entered dismissing the Shareholder Class Action with prejudice against the Class Defendants; (e) to determine whether the application by Lead Counsel for an award of attorneys’ fees and Litigation Expenses should be approved; and (f) to consider any other matters that may properly

be brought before the Court in connection with the Settlement. Notice of the Settlement and the Settlement Fairness Hearing shall be given to Class Members as set forth in paragraph 7 of this Order.

6. **Adjournment of Settlement Fairness Hearing:** The Court may adjourn the Settlement Fairness Hearing and approve the proposed Settlement with such modifications as the Parties may agree to, if appropriate, without further notice to the Class.

7. **Manner of Giving Notice:** Notice of the Settlement and the Settlement Fairness Hearing shall be given by Darden (or its successor-in-interest) as follows:

(a) not later than five (5) business days after the date of entry of this Order (the “Notice Date”), Darden (or its successor-in-interest) shall cause a copy of the Notice, substantially in the form attached hereto as Exhibit 1, to be mailed by first-class mail to potential Class Members at their last known addresses set forth in the shareholder records maintained by the Company or its transfer agents;

(b) not later than the Notice Date, Darden (or its successor-in-interest) shall cause copies of the Notice and the Stipulation to be posted on Darden’s (or its successor-in-interest’s) website, which documents shall remain posted on the website through the Effective Date of the Settlement;

(c) not later than ten (10) business days after the Notice Date, Darden (or its successor-in-interest) shall cause the Summary Notice to be published once in *Investor’s Business Daily* and to be transmitted once over the *PR Newswire*; and

(d) not later than fifteen (15) calendar days prior to the Settlement Fairness Hearing, Darden’s Counsel shall serve on Lead Counsel and file with the Court proof, by affidavit or declaration, of such mailing and publication.



8. **Approval of Form and Content of Notice:** The Court: (a) approves, as to form and content, the Notice, attached hereto as Exhibit 1, and the Summary Notice, attached hereto as Exhibit 2; and (b) finds that the mailing and distribution of the Notice and the publication of the Summary Notice in the manner and form set forth in paragraph 7 of this Order: (i) are the best notice practicable under the circumstances; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Shareholder Class Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of their right to object to the Settlement and/or Lead Counsel's application for attorneys' fees and Litigation Expenses, and of their right to appear at the Settlement Fairness Hearing; (iii) constitute due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (iv) satisfy the requirements of Rule 1.220 of the Florida Rules of Civil Procedure, the United States Constitution and the Florida Constitution (including the Due Process Clauses thereof), and all other applicable law and rules. The date and time of the Settlement Fairness Hearing shall be included in the Notice and Summary Notice before they are mailed and published, respectively.

9. **Nominees' Procedures:** Brokerage firms, banks and other nominees which held shares of Darden common stock during the Class Period as record holders for the benefit of another person or entity shall: (a) within seven (7) calendar days of receipt of the Notice request from Darden sufficient copies of the Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Notice, send a list of the names and addresses of all such beneficial owners to Darden in which event Darden shall promptly mail the Notice to such beneficial owners. Upon full compliance with this Order, such nominees may seek

reimbursement of their reasonable expenses actually incurred in complying with this Order by providing Darden or its successor-in-interest with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by nominees in compliance with the terms of this Order shall be paid by Darden or its successor-in-interest.

10. **Appearance at Settlement Fairness Hearing:** Any Class Member may enter an appearance in the Shareholder Class Action, at his, her or its own expense, individually or through counsel of his, her or its own choice, by filing with the Clerk of the Court and delivering a notice of appearance to Lead Counsel and representative counsel for the Class Defendants, at the addresses set forth in paragraph 11 below, such that it is received no later ten (10) calendar days prior to the Settlement Fairness Hearing, or as the Court may otherwise direct. Any Class Member who does not enter an appearance will be represented by Lead Counsel, and shall be deemed to have waived and forfeited any and all rights he, she or it may otherwise have to appear separately at the Settlement Fairness Hearing.

11. **Filing and Service of Objections:** Any Class Member may file a written objection to the proposed Settlement and/or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses and appear and show cause, if he, she or it has any cause, why the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses should not be approved; *provided, however*, that, unless otherwise directed by the Court for good cause shown, no Class Member shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses unless that person or entity has filed a written objection in the Shareholder Class Action with the Clerk of the Court and served copies of such objection on Lead Counsel and

representative counsel for the Class Defendants at the addresses set forth below such that they are received no later than fifteen (15) calendar days prior to the Settlement Fairness Hearing:

**Lead Counsel:**

Jeroen van Kwawegen, Esq.  
Bernstein Litowitz Berger & Grossmann LLP  
1285 Avenue of the Americas  
New York, NY 10019

**Representative Counsel for Class Defendants:**

Michael C. Marsh, Esq.  
Megan Costa DeVault, Esq.  
Akerman, LLP  
Post Office Box 231  
Orlando, FL 32802-0231

-and-

Eric M. Roth, Esq.  
Wachtell, Lipton, Rosen & Katz  
51 W 52nd St.  
New York, NY 10019

12. **Content of Objections:** Any objections, filings and other submissions in the Shareholder Class Action: (a) must state the name, address and telephone number of the objector and must be signed by the objector; (b) must contain a statement of the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the objector wishes to bring to the Court's attention, and if the objector has indicated that he, she or it intends to appear at the Settlement Fairness Hearing, the identity of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the hearing; and (c) must include documentation sufficient to prove that the objector held Darden common stock during the Class Period.

13. **Waiver of Objections:** Unless the Court orders otherwise, any Class Member who does not make his, her or its objection in the manner provided herein shall: (a) be deemed to have waived his, her or its right to object to any aspect of the proposed Settlement and Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (b) be forever barred and foreclosed from objecting to the fairness, reasonableness or adequacy of the

Settlement, the judgment to be entered in the Shareholder Class Action approving the Settlement, or the attorneys' fees and Litigation Expenses requested and/or awarded; and (c) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or the requested and/or awarded attorneys' fees and Litigation Expenses.

14. **Stay and Temporary Injunction:** Until otherwise ordered by the Court, the Court stays all proceedings in the Shareholder Class Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiff and all other Class Members from pursuing, instituting, commencing or prosecuting any of the Released Class Claims against any of the Defendants' Releasees.

15. **Notice Costs:** All Notice Costs shall be paid by Darden or its successor-in-interest, regardless of whether the Court finally approves the Settlement, and in no event shall Plaintiff or any other Class Member, any of the Individual Defendants, or their respective attorneys, be responsible for any Notice Costs.

16. **Termination of Settlement:** If the Settlement is terminated as provided in the Stipulation, this Order shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Stipulation, and this Order shall be without prejudice to the rights of Plaintiff, the other Class Members and the Class Defendants, and the Parties shall revert to their respective positions in the Shareholder Class Action on November 10, 2014, as provided in the Stipulation.

17. **Use of this Order:** Neither this Order, nor the MOU, nor the Stipulation (whether or not consummated), including the exhibits thereto, nor the negotiations leading to the

execution of the MOU and the Stipulation, nor any proceedings taken pursuant to or in connection with the MOU, the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith): (a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Shareholder Class Action or in any other litigation, or of any liability, negligence, fault, breach of duty, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred to for any other reason as against any of the Defendants' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; (b) shall be offered against any of the Plaintiff's Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; or (c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial; provided, however, that if the Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to it

to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

18. **Papers:** Lead Counsel shall file and serve the opening papers in support of the proposed Settlement no later than twenty-five (25) calendar days prior to the Settlement Fairness Hearing; and reply papers, if any, shall be filed and served no later than five (5) calendar days prior to the Settlement Fairness Hearing.

19. **Retention of Jurisdiction:** The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

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The Honorable Alice L. Blackwell  
Circuit Judge

IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA

TEAMSTERS LOCAL 443 HEALTH SERVICES )  
& INSURANCE PLAN, )

Plaintiff, )

v. )

Case No. 2014-CA-009926-O

CLARENCE OTIS JR., MICHAEL W. BARNES, )  
LEONARD L. BERRY, CHRISTOPHER J. )  
FRALEIGH, VICTORIA D. HARKER, DAVID )  
H. HUGHES, CHARLES A. LEDSINGER JR., )  
WILLIAM M. LEWIS JR., CONNIE MACK III, )  
MICHAEL D. ROSE, MARIA A. SASTRE, and )  
WILLIAM S. SIMON, )

**DERIVATIVE ACTION**

Defendants, )

and )

DARDEN RESTAURANTS, INC., )

Nominal Defendant. )

IN RE DARDEN RESTAURANTS, INC.  
SHAREHOLDER LITIGATION

Case No. 2014-CA-003712-O

**CLASS ACTION**

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF SHAREHOLDER  
ACTIONS, SETTLEMENT FAIRNESS HEARING, AND RIGHT TO APPEAR**

**A Florida Court authorized this Notice. This is not a solicitation from a lawyer.**

TO: (A) ALL PERSONS AND ENTITIES WHO HELD SHARES OF DARDEN  
RESTAURANTS, INC. ("DARDEN" OR THE "COMPANY") COMMON STOCK AT  
THE CLOSE OF TRADING ON MARCH 13, 2015 ("CURRENT DARDEN  
SHAREHOLDERS"); AND

(B) ALL PERSONS AND ENTITIES WHO HELD SHARES OF DARDEN COMMON STOCK AT ANY TIME DURING THE PERIOD FROM MARCH 19, 2014 THROUGH AND INCLUDING OCTOBER 13, 2014 (THE “CLASS PERIOD”), EXCLUDING DEFENDANTS, ANY MEMBERS OF THE IMMEDIATE FAMILY OF EACH OF THE INDIVIDUAL DEFENDANTS, AND THE LEGAL REPRESENTATIVES, AGENTS, AFFILIATES, HEIRS SUCCESSORS-IN-INTEREST, OR ASSIGNS OF ANY SUCH EXCLUDED PARTY (THE “CLASS”).<sup>1</sup> MEMBERS OF THE CLASS ARE REFERRED TO HEREIN AS “CLASS MEMBERS.”

This Notice relates to a proposed settlement (the “Settlement”) of (a) the shareholder derivative action pending in the Circuit Court for the Ninth Judicial Circuit in and for Orange County, Florida (the “Court”) under the caption *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action”); and (b) the consolidated shareholder class action pending in the Court under the caption *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the “Shareholder Class Action,” and together with the Shareholder Derivative Action, the “Shareholder Actions”).

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. If you are a Current Darden Shareholder or a Class Member, your legal rights will be affected by the proposed Settlement. If the Court approves the proposed Settlement, you will be forever barred from contesting the fairness of the proposed Settlement or pursuing, as applicable, the Released Class Claims (defined below) and/or Released Derivative Claims (defined below).

Plaintiff, a Current Darden Shareholder and Class Member, filed the above-captioned actions after Darden’s Board of Directors (the “Board”) announced the potential separation of Red Lobster without a shareholder vote and unilaterally adopted Bylaw Amendments (as discussed and defined below) that, in Plaintiff’s view, made it more difficult for Darden’s shareholders to exercise their rights as shareholders to (1) vote to replace a majority of the Board without the Board’s consent, (2) nominate candidates to the Board, (3) introduce shareholder proposals, (4)

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<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated March 13, 2015 (the “Stipulation”) by and among (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the Class, and derivatively on behalf of the Nominal Defendant (defined below) in the Shareholder Derivative Action (defined below); (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden (together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (the “Nominal Defendant” and, together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”). A copy of the Stipulation is available for review at [\[insert Company/Notice administrator website\]](#).



participate in the Company's annual meeting of shareholders, and (5) compel a special meeting of shareholders. In response, Starboard Value LP and its affiliates (collectively, "Starboard"), a Darden shareholder, solicited support from other Darden shareholders to hold a special meeting for shareholders to express their views, in an advisory vote, on the Board's proposed Red Lobster separation. Starboard also stated that, if the Board ignored such advisory vote, it would seek to replace a majority of the Board at the next annual meeting. On May 16, 2014, Darden announced that it had agreed to sell Red Lobster in a transaction that was not conditioned on a shareholder vote. On July 28, 2014, the sale of Red Lobster closed. On October 10, 2014, Darden's shareholders elected Starboard's nominees to the Board.

On November 11, 2014, the parties entered into a memorandum of understanding in which the Board agreed to repeal the Bylaw Amendments that Plaintiff alleged improperly impeded the exercise of shareholders' core voting and franchise rights. The Board further agreed that for a period of two (2) years, the Board will submit proposed bylaw amendments relating to shareholder nominations and shareholder proposals to a shareholder vote. Moreover, the Board agreed to propose to shareholders changing the Company's charter to eliminate super-majority requirements for calling special meetings of shareholders and the removal of directors. Finally, the Board also agreed to terminate a "shareholder rights plan" or "poison pill" that made it more difficult for a hostile bidder to take over the Company. The specific terms of the Settlement consideration are set forth in ¶ 35 below.

Defendants have denied, and continue to deny, all allegations of wrongdoing, fault, liability or damage with respect to all claims asserted in the Shareholder Actions, including that they have committed any violations of law or breaches of fiduciary duty, that they have acted improperly in any way, or that they have any liability or owe any damages of any kind to Plaintiff, the members of the Class or the Company. Defendants have agreed to the Settlement solely because they consider it desirable that the Shareholder Actions be settled and dismissed with prejudice in order to, among other things, (i) eliminate the uncertainty, burden, inconvenience, expense and distraction of further litigation, and (ii) finally put to rest and terminate all of the claims that were or could have been asserted by Plaintiff, any other Current Darden Shareholder or any other Class Member against Defendants in the Shareholder Actions, or in any other action, relating to the subject matter thereof.

Both Defendants and Plaintiff believe that the Settlement provides substantial value and benefits, and is in the best interests of Darden, the Current Darden Shareholders and Class Members.

**PLEASE NOTE: THERE IS NO PROOF OF CLAIM FORM FOR SHAREHOLDERS TO SUBMIT IN CONNECTION WITH THIS SETTLEMENT, AND SHAREHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE.**

If you are a nominee who held Darden common stock for the benefit of another, please read the section below entitled "NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS."

WHAT IS THE PURPOSE OF THIS NOTICE?
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1. The purpose of this Notice is to inform Current Darden Shareholders and Class Members about, among other things: (a) the pendency of the Shareholder Actions; (b) the proposed Settlement, subject to Court approval, on the terms and conditions set forth in the Stipulation; (c) Current Darden Shareholders' and Class Members' rights with respect to the proposed Settlement and Lead Counsel's application for attorneys' fees and Litigation Expenses; and (d) the hearing (the "Settlement Fairness Hearing") that the Court will hold on \_\_\_\_\_, 2015, at \_\_\_\_\_.m., at the Orange County Courthouse, 425 N. Orange Avenue, Orlando, FL 32801, at which the Court will, among other things: (i) determine whether certification of the Class should be made final; (ii) determine whether the proposed Settlement should be approved as fair, reasonable and adequate; (iii) determine whether to enter the Judgments (defined below) pursuant to the Stipulation; (iv) determine whether to approve Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (v) hear and consider any objections to the proposed Settlement or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; and (vi) consider any such other matters as the Court deems appropriate.

2. This Notice describes the rights you may have under the proposed Settlement and what steps you may, but are not required to, take in relation to the proposed Settlement. If the Court approves the proposed settlement, the Parties will ask the Court at the Settlement Fairness Hearing, among other things, to enter the Judgments (defined below) dismissing all claims asserted in the Shareholder Actions with prejudice. The Court may adjourn the Settlement Fairness Hearing without further notice. The Court also may approve the proposed Settlement, with or without modifications, to enter final judgments dismissing the Shareholder Actions with prejudice, and to order the payment of attorneys' fees and Litigation Expenses to Plaintiff's counsel without further notice.

3. If the Court certifies the Class and you are a Class Member, you will be bound by any judgment entered in the Shareholder Class Action whether or not you actually receive this Notice. You may not opt out of the Class.

WHAT IS THIS CASE ABOUT?
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THE FOLLOWING DESCRIPTION OF THE SHAREHOLDER ACTIONS HAS BEEN PREPARED BY COUNSEL FOR THE PARTIES. THE COURT HAS MADE NO FINDINGS WITH RESPECT TO SUCH MATTERS, AND THIS NOTICE IS NOT AN EXPRESSION OR STATEMENT BY THE COURT OF ANY FINDINGS OF FACT.

4. On August 22, 2012, Darden entered into the \$300 million Term Loan Agreement with various lenders and Bank of America, N.A. as administrative agent, which contained a clause generally providing, *inter alia*, that, if a majority of the Board was replaced over a twenty-four month consecutive period by new directors who were not nominated or elected by the incumbent directors, an event of default and the acceleration of Darden's obligations thereunder would result (the "Dead Hand Proxy Put").

5. Starting in June 2013, Barington Capital Group, L.P. ("Barington"), a Darden shareholder, proposed splitting Darden into two companies (one company with the mature Olive Garden and Red Lobster restaurants and another with newer, higher-growth brands), placing Darden's real estate holdings in a separate real estate investment trust (a "REIT"), and reducing

operating expenses. On December 17, 2013, Barington issued an 85-page report detailing a financial review of its proposal by financial advisor Houlihan Lokey.

6. The Board rejected Barington's proposal and, on December 19, 2013, announced its decision to separate Red Lobster from the Company, while foregoing additional acquisitions and refining management compensation. The Board informed shareholders that the sale or spin-out of Red Lobster would be concluded before the annual meeting of shareholders, and would not be subject to a shareholder vote.

7. In response, Starboard, a Darden shareholder, solicited support from other Darden shareholders to hold a special meeting for shareholders to express their views, in an advisory vote, on the Board's proposed Red Lobster separation. Starboard also stated that, if the Board ignored such advisory vote, it would seek to replace a majority of the Board at the next annual meeting.

8. On March 19, 2014, the Board adopted the Bylaw Amendments that, among other things, empowered the Chairman of the Board to unilaterally: (i) adjourn any shareholder meeting without any notice other than by announcement at the meeting; (ii) declare that no action would be taken on shareholder proposals if such proposals were purportedly (in the Chairman's determination) not made in compliance with new information requirements; and (iii) declare that no action would be taken on shareholder nominations for the Board if such nominations were not made in compliance with new information requirements that applied only to directors who were nominated by shareholders. In addition, the Bylaw Amendments empowered the Board to indefinitely postpone the annual meeting of shareholders to elect directors, absent a shareholder lawsuit to compel the Company to hold its annual meeting.

9. On April 9, 2014, Plaintiff, a Darden shareholder, filed a putative class action complaint against the Class Defendants in the Court under the caption *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 2014-CA-003712-O (the "Teamsters Action"). Plaintiff's complaint raised breach of fiduciary duty claims against the Individual Defendants, based primarily on allegations that the Individual Defendants had improperly entrenched themselves through numerous actions that significantly impaired Darden shareholders' voting rights. Plaintiff sought a declaration that (1) the Bylaw Amendments were invalid, and (2) the Individual Defendants had breached their fiduciary duties to the putative class in connection with their adoption of the Bylaw Amendments.

10. On April 11, 2014, a second Darden shareholder, City of Birmingham Retirement and Relief System (the "City of Birmingham"), filed a putative class action complaint in the Court against the Class Defendants under the caption *City of Birmingham Retirement and Relief System v. Clarence Otis Jr., et al.*, Case No. 2014-CA-003865-O (the "City of Birmingham Action"), which was substantially similar to the complaint in the Teamsters Action.

11. On April 18, 2014, Plaintiff and the City of Birmingham filed a Motion for Consolidation of the Teamsters Action and the City of Birmingham Action and for Appointment of lead plaintiffs and lead counsel.

12. On April 22, 2014, Starboard delivered written requests on behalf of holders representing an aggregate of 57% of Darden's outstanding shares requesting that the Board hold a special meeting on the Board's proposal to sell or spin-off Red Lobster. The Board did not schedule a special meeting.

13. On May 2, 2014, the Court consolidated the Teamsters Action and the City of Birmingham Action and ordered that the actions thereafter proceed under the caption *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O; appointed Plaintiff and the City of Birmingham as co-lead plaintiffs on behalf of the putative class in the Shareholder Class Action; and appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP and Saxena White, P.A. as co-lead counsel on behalf of co-lead plaintiffs and the putative class in the Shareholder Class Action.

14. On May 16, 2014, Darden announced its entry into a definitive agreement to sell its Red Lobster business and certain other related assets and assumed liabilities to Golden Gate Capital for \$2.1 billion in cash (the “Red Lobster Transaction”) in a transaction that was not conditioned on a shareholder vote.

15. On May 21, 2014, Starboard delivered a letter to the Company nominating 12 director candidates for election to the Board at the Company’s 2014 annual meeting of shareholders.

16. On June 2, 2014, Plaintiff and the City of Birmingham sent the Board a litigation demand pursuant to Florida Statutes § 607.07401 (the “Litigation Demand”) in which they demanded that the Board take certain action, including scheduling the 2014 annual meeting of Darden shareholders, repealing the Bylaw Amendments, and obtaining a waiver of the Dead Hand Proxy Put from the Company’s lenders under the Term Loan Agreement to ensure that the Company would not default on its loan obligations in the event shareholders voted for Starboard’s slate of directors at the next annual meeting.

17. On June 4, 2014, Plaintiff and the City of Birmingham filed a Consolidated Amended Class Action Complaint in the Shareholder Class Action (the “Amended Class Action Complaint”) that was substantially similar to the complaints filed in the Teamsters Action and the City of Birmingham Action, but which added a third count challenging the Board’s approval of the Dead Hand Proxy Put as a breach of fiduciary duty, and sought an order permanently enjoining the Class Defendants from enforcing the Bylaw Amendments and the Dead Hand Proxy Put.

18. On June 12, 2014, the Class Defendants filed a Motion to Dismiss the Amended Class Action Complaint, which motion Plaintiff and the City of Birmingham subsequently opposed.

19. On July 24, 2014, the Board adopted a resolution approving and nominating the Starboard nominees solely to avoid triggering the Dead Hand Proxy Put and similar provisions in other Darden debt documents. As a result, the Company would not default on its loan obligations in the event shareholders voted for Starboard’s slate of directors at the next annual meeting.

20. On July 28, 2014, the Company closed on the Red Lobster Transaction.

21. On August 29, 2014, a letter authorized by the Board was sent rejecting the Litigation Demand on the grounds that, among other things, according to the Board, each of the actions complained of was the product of a legitimate exercise of business judgment.

22. On September 22, 2014, the City of Birmingham voluntarily dismissed its claims against the Class Defendants in the Shareholder Class Action because it was no longer a Darden shareholder.

23. On September 22, 2014, Plaintiff filed the Shareholder Derivative Action in the Court against the Individual Defendants and the Company as the Nominal Defendant, in which Plaintiff alleged that the Individual Defendants had breached their fiduciary duties to the Company and its shareholders in connection with their approval of the Red Lobster Transaction.

24. On September 24, 2014, the Court heard oral argument on the Class Defendants' Motion to Dismiss the Amended Class Action Complaint and the Plaintiff's Motion for Class Certification and advised the Parties that it would grant the Class Defendants' Motion to Dismiss the Amended Class Action Complaint on the ground that, under Florida law, the claims pleaded therein were derivative, and not direct, in nature.

25. On October 1, 2014, Plaintiff amended its complaint in the Shareholder Derivative Action (the "Amended Derivative Complaint") by adding derivative claims against the Individual Defendants for breach of fiduciary duty in connection with their approval of the Bylaw Amendments and the Dead Head Proxy Put, and corporate waste in connection with their approval of the Red Lobster Transaction, and seeking injunctive relief, declaratory relief and damages.

26. At the annual meeting of shareholders held on October 10, 2014, Darden's shareholders elected all 12 Starboard-nominated directors. Those nominees were deemed elected to the Board following the report of the inspectors of election on October 13, 2014, and on October 16, 2014, those new directors appointed Defendant William S. Simon to the Board (collectively, the "New Board").

27. Lead Counsel and Defendants' Counsel engaged in arm's-length negotiations concerning a possible settlement of the Shareholder Actions, which culminated in an agreement in principle to settle the Shareholder Actions that was memorialized in a memorandum of understanding (the "MOU") executed on November 11, 2014. The MOU set forth, among other things, the Parties' agreement to settle the Shareholder Actions in return for the Settlement Consideration described in ¶ 35 below, subject to certain terms and conditions, including Plaintiff confirming the fairness, reasonableness and adequacy of the Settlement after the completion of due-diligence discovery to be provided by Defendants. In connection with settlement negotiations leading to the execution of the MOU, counsel for the Parties did not discuss the amount of attorneys' fees and Litigation Expenses that would be sought in any potential fee and expense application by Lead Counsel.

28. Without admitting any wrongdoing, Defendants acknowledge that the Shareholder Actions caused the Settlement Consideration embodied in the Stipulation.

29. The New Board has agreed to the Settlement because it believes that the corporate governance changes embodied in the Settlement Consideration are consistent with the New Board's pro-shareholder views and that the Settlement is in the best interests of the Company, the Current Darden Shareholders and the Class.

30. Plaintiff brought its claims in good faith and continues to believe that its claims have merit. Based upon Plaintiff's and Lead Counsel's investigation and prosecution of the Shareholder Actions, and further confirmation based on the completion of due-diligence discovery, Plaintiff and Lead Counsel have concluded that the terms and conditions of the Settlement are fair, reasonable and adequate to Plaintiff, the other members of the Class, Darden, and Current Darden Shareholders. The due-diligence discovery conducted by Lead Counsel,

which included the review of over 30,000 pages of documents produced by Defendants and the deposition of Darden's former lead independent director regarding the approval of the Dead Hand Proxy Put, the adoption of the Bylaw Amendments and the Red Lobster Transaction, has confirmed Plaintiff's and Lead Counsel's belief that the Settlement is fair, reasonable and adequate, and in the best interest of Darden, Current Darden Shareholders, and the Class.

31. Plaintiff has agreed to settle and release the claims raised in the Shareholder Actions pursuant to the terms and provisions of the Stipulation, after considering (a) the substantial benefits and protections provided under the proposed Settlement; (b) the uncertain outcome, inherent delays, and significant risks of continued litigation and trial; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation.

32. On March 13, 2015, the Parties filed the Stipulation with the Court. On \_\_\_\_\_, 2015, the Court entered Preliminary Approval Orders in connection with the Settlement which, among other things, authorized this Notice to be provided to Current Darden Shareholders and Class Members and scheduled the Settlement Fairness Hearing to consider whether to grant final approval of the Settlement.

#### HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?

33. If you are a Current Darden Shareholder or a Class Member, you are subject to the Settlement. As set forth on page 1 above, you are a Current Darden Shareholder if you held shares of Darden common stock at the close of trading on March 13, 2015, and you are a Class Member if you held shares of Darden common stock at any time during the Class Period (*i.e.*, from March 19, 2014 through and including October 13, 2014) and you are not excluded from the Class by definition.<sup>2</sup>

34. **PLEASE NOTE:** The Class was preliminarily certified as a non-"opt-out" class pursuant to Rules 1.220(a), 1.220(b)(1), and 1.220(b)(2) of the Florida Rules of Civil Procedure. Accordingly, Class Members do not have the right to exclude themselves from the Class. The Court will decide whether to finally certify the Class for purposes of the Settlement at the Settlement Fairness Hearing (*see* ¶ 52 below).

#### WHAT ARE THE TERMS OF THE SETTLEMENT?

35. As consideration for the Settlement:

(a) Defendants and the New Board agreed that the Amended Class Action Complaint and the June 2, 2014 Demand Letter were factors contributing to the Board's decision on July 24, 2014 to nominate Starboard's director nominees solely for the purpose of avoiding triggering the event-of-default provisions in the Term Loan Agreement in the event that Starboard's nominees were elected to the Board at the 2014 Annual Meeting;

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<sup>2</sup> Excluded from the Class by definition are Defendants, any members of the Immediate Family of each of the Individual Defendants, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party.

(b) Defendants and the New Board agreed to repeal the changes to Article 1, Sections 3, 4, 7, 8, 9 and 10 of Darden's bylaws effectuated by the Bylaw Amendments, and to make necessary changes to surrounding sections to conform to this repeal, such that the text of those Sections (except Section 7 which had already been subsequently amended by the New Board) will be identical to the text of the corresponding sections of Darden's bylaws on March 18, 2014. This repeal of the bylaws was effectuated on November 11, 2014, and publicly disclosed by Defendants on November 13, 2014;

(c) Defendants and the New Board agreed that, for a period of two years from the Effective Date of the Settlement, Darden shall obtain shareholder approval of a majority of Darden shares present and eligible to vote (*i.e.*, votes in favor must exceed the total of votes against plus abstentions) at a duly called shareholder meeting in order to effectuate any of the following:

(i) an amendment of Darden's bylaws related to shareholder nominations or shareholder proposals. For avoidance of doubt, the Board can, without requiring shareholder approval, repeal the Bylaw Amendments referenced in sub-paragraph (b) above; or

(ii) an amendment of Darden's bylaws in a manner that would create any new supermajority provisions, impair or limit the shareholders' right to call special meetings, or otherwise materially impede the exercise of Darden shareholders' voting rights;

(d) Defendants and the New Board agreed to terminate Darden's existing shareholder rights plan;

(e) Defendants and the New Board agreed to permit Darden's shareholders to vote at the 2015 Annual Meeting on a proposal to amend Article 11(b) of the Company's Articles of Incorporation to reduce from 50% to 10% the percentage of outstanding shares necessary to call a special meeting; and

(f) Defendants and the New Board agreed to permit Darden's shareholders to vote at the 2015 Annual Meeting on a proposal to amend the Company's charter so as to remove the requirement that, before directors may be removed or certain provisions of the Company's charter may be amended, a supermajority (*i.e.*, 66  $\frac{2}{3}$ %) of Darden's shareholders must approve the action (together with sub-paragraphs (a)-(e) above, the "Settlement Consideration").

## REASONS FOR THE SETTLEMENT

36. Plaintiff and Lead Counsel believe that the Shareholder Actions successfully restored the core voting and franchise rights of Darden shareholders, while providing significant future protections and relief. Plaintiff brought the Shareholder Actions to challenge Bylaw Amendments that it believed were improperly enacted to disenfranchise Darden shareholders in the face of a pending proxy contest seeking to oust the Board, thereby impeding shareholders' fundamental voting rights and proposal rights. Under the terms of the Settlement, the New Board agreed to repeal the Bylaw Amendments that Plaintiff alleged improperly impeded the exercise of shareholders' core voting and franchise rights, including the amendments that empowered the Chairman of the Board to unilaterally adjourn any shareholder meeting without any notice, declare that no action would be taken on shareholder proposals or on shareholder nominations for the Board if such proposals or nominations were not made in compliance with new disclosure requirements, and the new disclosure requirements themselves. The New Board also agreed to repeal the Bylaw Amendment that empowered the Board to indefinitely postpone the annual meeting of shareholders to elect directors, absent a shareholder lawsuit to compel the Company to hold its annual meeting. The New Board further agreed that for a period of two (2) years, the Board will submit proposed bylaw amendments relating to shareholder nominations and shareholder proposals to a shareholder vote. Moreover, the New Board agreed to propose to shareholders changing the Company's charter to eliminate super-majority requirements for calling special meetings of shareholders and the removal of directors. Finally, the New Board also agreed to terminate a "shareholder rights plan" or "poison pill" that made it more difficult for a hostile bidder to take over the Company. The specific terms of the Settlement Consideration are set forth in ¶ 35 above.

37. Plaintiff and Lead Counsel were further mindful of the fact that, although Plaintiff and Lead Counsel believe that the claims asserted had merit, the Court could have eventually entered judgment in favor of the Defendants dismissing Plaintiff's claims prior to or after trial by finding, among other things, that the Individual Defendants did not breach their fiduciary duties by agreeing to the Dead Hand Proxy Put or by adopting the Bylaw Amendments, and that the Individual Defendants did not breach their fiduciary duties by agreeing to the Red Lobster Transaction. Plaintiff and Lead Counsel also considered the expense and length of continued proceedings necessary to pursue the claims asserted through trial, as well as the uncertainty of appeals, and the fact that the relief provided for in the Settlement may not have been able to be achieved through judicial resolution.

38. Plaintiff alleged that the Dead Hand Proxy Put provision in the Term Loan Agreement deterred Darden shareholders from nominating directors and supporting the director nominees of other shareholders by including the election or appointment of such nominees constituting a majority of the Board as an event of default. As a result of the prosecution of the Shareholder Class Action and the Settlement reached herein, Darden shareholders were able to vote for their chosen candidates to the Board without risk of hundreds of millions of dollars of the Company's debt suddenly accelerating. Further, as a result of the prosecuting of the Shareholder Actions and the Settlement reached herein, the Bylaw Amendments that, Plaintiff alleged, had infringed on shareholders' voting rights have been repealed.

39. Plaintiff and Plaintiff's Counsel believe that the Settlement confers significant and meaningful benefits to Current Darden Shareholders and Class Members, including the full affirmation and restoration of the voting rights of Current Darden Shareholders and Class



Members. As a result of the Shareholder Actions and the Settlement, Current Darden Shareholders and Class Members have been and are able to exercise their voting rights without the risks and restrictions that, Plaintiff alleged, the Dead Hand Proxy Put and Bylaw Amendments imposed. In addition, as a result of the Settlement, if it is approved by the Court, (i) for a period of two years from the effective date of the Settlement, shareholder approval is required for any amendment to Darden's bylaws related to shareholder nominations or shareholder proposals, as well as any amendment to Darden's bylaws that would implicate shareholder voting rights as discussed above in ¶ 35; (ii) the New Board will terminate Darden's "poison pill" shareholder rights plan; (iii) Darden's shareholders will be able to vote to reduce from 50% to 10% the percentage of outstanding shares required to call a special meeting; and (iv) Darden's shareholders will be able to vote to repeal a requirement that a 66 2/3% supermajority of outstanding shares is required to remove directors or amend certain provisions of Darden's charter.

40. In light of the valuable benefits provided under the Settlement, Plaintiff and Lead Counsel have determined that the proposed Settlement is fair, reasonable and adequate to the Class and the Company. In the view of Plaintiff and Lead Counsel, the Settlement provides substantial immediate benefits without the risk that continued litigation could result in obtaining similar or lesser relief for the Class or the Company after continued extensive and expensive litigation, including trial and the appeals that were likely to follow.

41. Defendants have denied, and continue to deny, all allegations of wrongdoing, fault, liability or damage with respect to all claims asserted in the Shareholder Actions, including that they have committed any violations of law or breaches of fiduciary duty, that they have acted improperly in any way, or that they have any liability or owe any damages of any kind to Plaintiff, the members of the Class or the Company. Defendants have agreed to the Settlement solely because they consider it desirable that the Shareholder Actions be settled and dismissed with prejudice in order to, among other things, (i) eliminate the uncertainty, burden, inconvenience, expense and distraction of further litigation, and (ii) finally put to rest and terminate all of the claims that were or could have been asserted by Plaintiff, any other Current Darden Shareholder or any other Class Member against the Defendants in the Shareholder Actions, or in any other action, relating to the subject matter thereof. The New Board has agreed to the Settlement because it believes that the corporate governance changes embodied in the Settlement Consideration are consistent with the New Board's pro-shareholder views and that the Settlement is in the best interests of the Company, the Current Darden Shareholders and the Class.

<p style="text-align: center;"><b>WHAT WILL HAPPEN IF THE SETTLEMENT IS APPROVED? WHAT CLAIMS WILL THE SETTLEMENT RELEASE?</b></p>
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42. If the Settlement of the Shareholder Derivative Action is approved, the Court will enter a judgment in the Shareholder Derivative Action (the "Derivative Judgment"). Pursuant to the Derivative Judgment, upon the Effective Date of the Settlement, the Shareholder Derivative Action will be dismissed with prejudice and the following releases will occur in the Shareholder Derivative Action:

**Release of Claims by Plaintiff and Darden:** Plaintiff shall be deemed to have, and by operation of law and of the Derivative Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released its right to assert derivatively on behalf of Darden, and Darden shall be deemed to have, and by operation of law and of the Derivative Judgment shall have, fully, finally and forever directly discharged, dismissed with prejudice, settled, and released, each and every Released Derivative Claim against the Defendants and the other Defendants' Releasees, and Plaintiff shall forever be enjoined from prosecuting derivatively on behalf of Darden, and Darden shall forever be enjoined from prosecuting directly, any or all of the Released Derivative Claims (defined below) against any of the Defendants' Releasees (defined below).

"Released Derivative Claims" means all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, defenses, counterclaims, offsets, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, including known claims and Unknown Claims (defined below), that (i) were asserted in the Amended Derivative Complaint or any other complaint filed in the Shareholder Derivative Action; or (ii) could have been or in the future could or might be asserted derivatively on behalf of Darden in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to breach of care or breach of loyalty), which have arisen, could have arisen, arise now, or hereafter arise out of or are based upon the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, involved, set forth, or referred to in the Amended Derivative Complaint or any other complaint filed in the Shareholder Derivative Action, including any claims that could have been brought derivatively on behalf of Darden arising out of or based upon: (a) the fiduciary obligations of any of the Defendants or any other Defendants' Releasees in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction or any negotiations in connection therewith; (b) any alleged aiding or abetting of any breaches of fiduciary duty in connection with the negotiation of, the terms of, or the consummation of the Red Lobster Transaction; or (c) any alleged improper personal benefit, conflict of interest, improper payments of any remuneration or employment benefits to any individual made in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction; provided, however, that the Released Derivative Claims shall not include any claim relating to the enforcement of this Stipulation or the Settlement. For the avoidance of doubt, the Released Derivative Claims do not include any direct claims of any Darden shareholder, including any claims based on or arising under the federal or state securities laws.

“Defendants’ Releasees” means Defendants and their respective Immediate Family members, parent entities, associates, affiliates, or subsidiaries, and each and all of their respective past, present, or future officers, directors, agents, representatives, employees, attorneys, advisors (including financial or investment advisors), consultants, accountants, investment bankers, commercial bankers, insurers, co-insurers, and reinsurers, trustees, general or limited partners or partnerships, limited liability companies, members, heirs, executors, estates, administrators, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, and assigns, whether or not any such persons or entities were named, served with process, or appeared in the Shareholder Actions.

“Unknown Claims” means any Released Derivative Claims which Plaintiff or Darden does not know or suspect to exist in its favor at the time of the release of such claims, any Released Class Claims which Plaintiff or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiff and Defendants shall expressly waive, and each of the other Class Members shall be deemed to have waived, and by operation of the Judgments shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiff and Defendants acknowledge, and each of the other Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

43. If the settlement of the Shareholder Class Action is approved, the Court will enter a judgment in the Shareholder Class Action (the “Class Judgment,” and together the Derivative Action Judgment, the “Judgments”). Pursuant to the Class Judgment, upon the Effective Date of the Settlement, the Shareholder Class Action will be dismissed with prejudice and the following releases will occur in the Shareholder Class Action:

**Release of Claims by Plaintiff and the other Class Members:** Plaintiff and each of the other Class Members, on behalf of themselves and any and all of their respective successors-in-interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by operation of law and of the Class Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Class Claim (defined below) against the Class Defendants and the

other Defendants' Releasees (defined above), and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Class Claims against any of the Defendants' Releasees.

"Released Class Claims" means all claims, demands, rights, actions or causes of action, liabilities, damages, losses, obligations, judgments, suits, defenses, counterclaims, offsets, fees, expenses, costs, matters and issues of any kind or nature whatsoever, whether contingent or absolute, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, including known claims and Unknown Claims (defined above), that (i) were asserted in the Amended Class Action Complaint or any other complaint filed in the Shareholder Class Action or (ii) could have been or in the future could or might be asserted by any member of the Class in any court, tribunal or proceeding (including, but not limited to, any claims arising under federal or state statutory or common law relating to breach of care or breach of loyalty) which arise out of or are based upon the Class Member's ownership of Darden common stock during the Class Period and which have arisen, could have arisen, arise now, or hereafter arise out of or are based upon the allegations, facts, events, acquisitions, matters, acts, occurrences, statements, representations, misrepresentations, omissions, or any other matter, thing or cause whatsoever, or any series thereof, involved, set forth, or referred to in the Amended Class Action Complaint or any other complaint filed in the Shareholder Class Action, including any claims that could have been brought by any member of the Class which arise out of or are based upon the ownership of Darden common stock during the Class Period and: (a) the fiduciary obligations of any of the Defendants or any other Defendants' Releasees in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction or any negotiations in connection therewith; (b) any alleged aiding or abetting of any breaches of fiduciary duty in connection with the negotiation of, the terms of, or the consummation of the Red Lobster Transaction; or (c) any alleged improper personal benefit, conflict of interest, improper payments of any remuneration or employment benefits to any individual made in connection with the Bylaw Amendments, the Dead Hand Proxy Put, or the Red Lobster Transaction; provided, however, that the Released Class Claims shall not include any claim relating to the enforcement of this Stipulation or the Settlement, and further provided that the Released Class Claims do not include any claims based on or arising under the federal or state securities laws.

44. Pursuant to the Judgments, upon the Effective Date of the Settlement, the following release of claims by Defendants will occur in the Shareholder Derivative Action and the Shareholder Class Action:

**Release of Claims by Defendants:** Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, affiliates and assigns in their capacities as such, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants' Claim (defined below) against Plaintiffs and the other Plaintiffs' Releasees (defined below), and

shall forever be barred from instituting, commencing or prosecuting any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees.

"Released Defendants' Claims" means all claims and causes of action of every nature and description, whether known claims or Unknown Claims (defined above), whether arising under state, local, foreign, federal, statutory, regulatory, common or other law or rule, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Shareholder Actions against the Defendants. Released Defendants' Claims do not include any claims relating to the enforcement of the Settlement.

"Plaintiff's Releasees" means Plaintiff, all other members of the Class, and their respective Immediate Family members, parent entities, associates, affiliates, or subsidiaries, and each and all of their respective past, present, or future officers, directors, agents, representatives, employees, attorneys, advisors (including financial or investment advisors), consultants, accountants, investment bankers, commercial bankers, insurers, co-insurers, and reinsurers, trustees, general or limited partners or partnerships, limited liability companies, members, heirs, executors, estates, administrators, predecessors, predecessors-in-interest, successors, successors-in-interest, transferees, and assigns.

45. Pending final determination of whether the Settlement should be approved, all proceedings in the Shareholder Actions, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, have been stayed and suspended. By Orders of the Court, pending final determination by the Court of whether the Settlement should be approved, (i) Plaintiff and all other Current Darden Shareholders are barred and enjoined from commencing, instituting or prosecuting, derivatively on behalf of Darden, any of the Released Derivative Claims against any of the Defendants' Releasees; and (ii) Plaintiff and all other Class Members are barred and enjoined from instituting, commencing or prosecuting any of the Released Class Claims against any of the Defendants' Releasees.

#### HOW WILL THE ATTORNEYS BE PAID?

46. Plaintiff's Counsel<sup>3</sup> have not received any payment for their services in pursuing the claims asserted in the Shareholder Actions, nor have Plaintiff's Counsel been reimbursed for their Litigation Expenses. Lead Counsel have worked with a corporate governance expert in order to craft a settlement demand with remedial measures that, in the view of Plaintiff and Plaintiff's Counsel, were specifically designed to restore and enhance the Darden shareholders' core franchise and voting rights, and to ensure that the terms of the Settlement do restore and enhance Darden shareholders' core franchise and voting rights.

47. Plaintiff's Counsel invested their own resources pursuing the Shareholder Actions on a contingency basis, meaning they would recover their expenses and be compensated for their time only if they created benefits through the Shareholder Actions. Based on what Plaintiff and Plaintiff's Counsel believe to be the restoration and improvement of the Darden shareholders'

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<sup>3</sup> "Plaintiff's Counsel" consist of Lead Counsel and the law firms of Saxena White, P.A. and Hach Rose Schirripa & Cheverie LLP.

core franchise and voting rights, as well as the withdrawal of Darden's shareholder rights' plan (the poison pill) and proposed modifications to the charter to remove super majority requirements, Lead Counsel intends to seek an award of attorneys' fees and expenses that will not exceed \$4 million, including any litigation and expert expenses. Defendants have agreed that Plaintiff's Counsel are entitled to an award of fees, but they reserve the right to oppose the amount of any fee request and they do not endorse Lead Counsel's views of the value of the benefits of the Settlement.

48. Plaintiff and Plaintiff's Counsel believe that the Settlement confers significant and meaningful benefits to Current Darden Shareholders and Class Members. Following a thorough investigation by Plaintiff and Lead Counsel, Plaintiff initiated litigation alleging that the Term Loan Agreement and its Dead Hand Proxy Put provision, the Bylaw Amendments, and other actions taken by Defendants improperly and impermissibly infringed on the voting rights of Darden's shareholders. Specifically, Plaintiff contended among other things that the Dead Hand Proxy Put deprived Darden shareholders of their right to install directors of their choice on the Board; and that the Bylaw Amendments imposed unduly onerous conditions on shareholders seeking to nominate Board candidates, submit shareholder proposals, and/or hold special meetings of shareholders, further infringing the voting rights of Darden's shareholders.

49. Plaintiff and Plaintiff's Counsel believe that, as a result of the Settlement of the Shareholder Actions, the rights of Current Darden Shareholders and Class Members have been fully affirmed and restored. Plaintiff and Plaintiff's Counsel further believe that, as a result of the Shareholder Actions and the Settlement, Current Darden Shareholders and Class Members have been and are able to exercise their voting rights without the risks and restrictions that the Term Loan Agreement, Dead Hand Proxy Put, and Bylaw Amendments imposed.

50. Moreover, Plaintiff and Plaintiff's Counsel believe that the Settlement has conferred additional, valuable benefits on Current Darden Shareholders and Class Members. Specifically, as a result of the Settlement, if it is approved by the Court (i) for a period of two years from the effective date of the settlement, shareholder approval will be required for any amendment to Darden's bylaws related to shareholder nominations or shareholder proposals, as well as any amendment to Darden's bylaws that would implicate shareholder voting rights as discussed above in ¶ 35; (ii) Defendants and the New Board will terminate Darden's "poison pill" shareholder rights plan; (iii) Darden's shareholders will be able to vote to reduce from 50% to 10% the percentage of outstanding shares required to call a special meeting; and (iv) Darden's shareholders will be able to vote to repeal a requirement that a 66 2/3% supermajority of outstanding shares is required to remove directors or amend certain provisions of Darden's charter.

51. Defendants acknowledge Plaintiff's Counsel's right to an award of attorneys' fees and expenses, but reserve their objections to any amount sought. The Court will determine the amount of any fee and expense award to Plaintiff's Counsel (the "Fee and Expense Award"). The full amount of any Fee and Expense Award shall be paid by Darden, its successor-in-interest, or their insurers. Current Darden Shareholders, Class Members and the Individual Defendants are not personally liable for any such fees or expenses.

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

52. The Court will consider the Settlement and all matters related to the Settlement at the Settlement Fairness Hearing. The Settlement Fairness Hearing will be held before The Honorable Alice L. Blackwell, Circuit Judge, on \_\_\_\_\_, 2015, at \_\_\_\_\_.m., at the Orange County Courthouse, 425 N. Orange Avenue, Orlando, FL 32801. At the Settlement Fairness Hearing, the Court will, among other things: (a) determine whether certification of the Class should be made final; (b) determine whether the Settlement should be approved as fair, reasonable and adequate; (c) determine whether to enter the Judgments pursuant to the Stipulation; (d) determine whether to approve Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (d) hear and consider any objections to the Settlement or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; and (f) consider any such other matters as the Court deems appropriate.

53. Any Class Member, or any Current Darden Shareholder who continues to hold his, her or its shares of Darden common stock as of the date of the Settlement Fairness Hearing, may object to the Settlement or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses. Objections must be in writing and must be filed, together with copies of all other papers and briefs supporting the objection, with the Office of the Clerk of the Court at the address set forth below on or before \_\_\_\_\_, 2015. Objections must also be served on Lead Counsel and representative counsel for Defendants (by hand or overnight delivery) at the addresses set forth below so that the objection is **received** on or before \_\_\_\_\_, 2015.

Clerk's Office

Clerk of the Court  
Orange County Courthouse  
425 N. Orange Avenue  
Orlando, FL 32801

Lead Counsel

Jeroen van Kwawegen, Esq.  
Bernstein Litowitz Berger  
& Grossmann LLP  
1285 Avenue of the Americas  
New York, NY 10019

Representative Counsel  
for Defendants

Michael C. Marsh, Esq.  
Megan Costa DeVault, Esq.  
Akerman, LLP  
Post Office Box 231  
Orlando, FL 32802-0231

-and-

Eric M. Roth, Esq.  
Wachtell, Lipton, Rosen  
& Katz  
51 West 52nd Street  
New York, NY 10019

54. Any objections, filings and other submissions: (a) must state the name, address and telephone number of the person or entity objecting and, in represented by counsel, his, her or its counsel, and must be signed by the objector; (b) must contain a written, specific statement of the Class Member's or Current Darden Shareholder's objection or objections, and the specific

reasons for each objection, including any legal and evidentiary support the objector wishes to bring to the Court's attention; (c) for Class Members, must include documentation sufficient to prove that the objector held Darden common stock during the Class Period, and (d) for Current Darden Shareholders, must include documentation sufficient to provide that the objector held Darden common stock at the close of trading on March 13, 2015 and continues to hold his, her or its shares.

55. You may file a written objection without having to appear at the Settlement Fairness Hearing. You may not, however, appear at the Settlement Fairness Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

56. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Office of the Clerk of the Court and serve it on Lead Counsel and representative counsel for Defendants at the addresses set forth above so that it is **received** on or before \_\_\_\_\_, 2015. Persons who intend to object and desire to present evidence at the Settlement Fairness Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

57. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Fairness Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and representative counsel for Defendants at the addresses set forth in ¶ 53 above so that the notice is **received** on or before \_\_\_\_\_, 2015.

58. The Settlement Fairness Hearing may be adjourned by the Court without further written notice to Class Members or Current Darden Shareholders. If you intend to attend the Settlement Fairness Hearing, you should confirm the date and time with Lead Counsel.

**59. Unless the Court orders otherwise, any Class Member or Current Darden Shareholder who does not object in the manner described above shall (a) be deemed to have waived and forfeited his, her or its right to object to any aspect of the proposed Settlement or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (b) be forever barred and foreclosed from objecting to the fairness, reasonableness or adequacy of the Settlement, the respective Judgments to be entered approving the Settlement, or the attorneys' fees and Litigation Expenses requested and/or awarded; and (c) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or the requested and/or awarded attorneys' fees and Litigation Expenses.**

<p>CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?</p>
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60. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in the Shareholder Actions, you are referred to the papers on file in the actions, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk of the Court. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the following website: [insert Company/Notice administrator website]. If you have questions regarding the Settlement, you may write or call Lead Counsel: Jeroen van Kwawegen, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, NY 10019, (800) 380-8496.

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF  
THE CLERK OF THE COURT REGARDING THIS NOTICE.**

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

61. If you are a brokerage firm, bank, or other person or entity who held shares of Darden common stock during the Class Period and/or at the close of trading on March 13, 2015, as a record holder for the beneficial interest of persons or organizations other than yourself, you must either: (a) within seven (7) calendar days of receipt of this Notice, request from Darden through [redacted] (the "Notice Administrator"), sufficient copies of this Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to the Notice Administrator at: Darden Shareholder Litigation, c/o [redacted], [redacted]. If you choose the second option, the Notice Administrator will send a copy of the Notice to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Notice Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice may also be obtained from the website [insert Company/Notice Administrator website], or by calling the Notice Administrator toll-free at 1-[redacted]-[redacted]-[redacted].

Dated: [redacted], 2015

By Order of the Court

IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA

TEAMSTERS LOCAL 443 HEALTH SERVICES )  
& INSURANCE PLAN, )

Plaintiff, )

v. )

Case No. 2014-CA-009926-O

CLARENCE OTIS JR., MICHAEL W. BARNES, )  
LEONARD L. BERRY, CHRISTOPHER J. )  
FRALEIGH, VICTORIA D. HARKER, DAVID )  
H. HUGHES, CHARLES A. LEDSINGER JR., )  
WILLIAM M. LEWIS JR., CONNIE MACK III, )  
MICHAEL D. ROSE, MARIA A. SASTRE, and )  
WILLIAM S. SIMON, )

**DERIVATIVE ACTION**

Defendants, )

and )

DARDEN RESTAURANTS, INC., )

Nominal Defendant. )

IN RE DARDEN RESTAURANTS, INC.  
SHAREHOLDER LITIGATION

Case No. 2014-CA-003712-O

**CLASS ACTION**

**SUMMARY NOTICE OF PENDENCY AND PROPOSED  
SETTLEMENT OF SHAREHOLDER ACTIONS, SETTLEMENT  
FAIRNESS HEARING, AND RIGHT TO APPEAR**

TO: (A) ALL PERSONS AND ENTITIES WHO HELD SHARES OF DARDEN  
RESTAURANTS, INC. ("DARDEN" OR THE "COMPANY") COMMON STOCK AT  
THE CLOSE OF TRADING ON MARCH 13, 2015 ("CURRENT DARDEN  
SHAREHOLDERS"); AND

(B) ALL PERSONS AND ENTITIES WHO HELD SHARES OF DARDEN COMMON STOCK AT ANY TIME DURING THE PERIOD FROM MARCH 19, 2014 THROUGH AND INCLUDING OCTOBER 13, 2014 (THE “CLASS PERIOD”), EXCLUDING DEFENDANTS, ANY MEMBERS OF THE IMMEDIATE FAMILY OF EACH OF THE INDIVIDUAL DEFENDANTS, AND THE LEGAL REPRESENTATIVES, AGENTS, AFFILIATES, HEIRS, SUCCESSORS-IN-INTEREST, OR ASSIGNS OF ANY SUCH EXCLUDED PARTY (THE “CLASS”).<sup>1</sup> MEMBERS OF THE CLASS ARE REFERRED TO HEREIN AS “CLASS MEMBERS.”

**PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS WILL BE AFFECTED BY A PROPOSED SETTLEMENT OF THE ABOVE-CAPTIONED SHAREHOLDER LAWSUITS.**

YOU ARE HEREBY NOTIFIED that the above-captioned shareholder derivative action, styled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action”), and the above-captioned consolidated shareholder class action, styled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the “Shareholder Class Action,” and together with the Shareholder Derivative Action, the “Shareholder Actions”), are pending in the Circuit Court for the Ninth Judicial Circuit in and for Orange County, Florida (the “Court”).

YOU ARE ALSO NOTIFIED that plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”) has reached a proposed settlement of the Shareholder Actions (the “Settlement”) that, if approved, will resolve all claims in the Shareholder Actions.

A hearing will be held on \_\_\_\_\_, 2015, at \_\_:\_\_ .m., before The Honorable Alice L. Blackwell, Circuit Judge, at the Orange County Courthouse, 425 N. Orange Avenue, Orlando, FL 32801 (the “Settlement Fairness Hearing”). At the Settlement Fairness Hearing, the Court will, among other things: (a) determine whether the certification of the Class should be made final; (b) determine whether the proposed Settlement on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate, and should be approved by the Court; (c) determine whether the Judgments should be entered dismissing the respective Shareholder Actions with prejudice pursuant to the Stipulation; (d) determine whether the application by Lead Counsel for an award of attorneys’ fees and Litigation Expenses should be approved; (e) hear and consider any objections to the proposed Settlement or Lead Counsel’s application for an award of attorneys’ fees and Litigation Expenses; and (f) consider any other matters that may properly be brought before the Court in connection with the proposed Settlement.

If you have not yet received the full printed Notice of Pendency and Proposed Settlement of Shareholder Actions, Settlement Fairness Hearing, and Right to Appear (the “Notice”), you may obtain a copy of the Notice by contacting the Notice Administrator at Darden Shareholder Litigation, c/o \_\_\_\_\_, \_\_\_\_\_. Copies of the Notice can also be

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<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated March , 2015 (the “Stipulation”). A copy of the Stipulation is available for review at [insert Company/Notice administrator website].

downloaded from the website [insert Company/Notice Administrator website] or by calling the Notice Administrator toll-free at 1-\_\_\_\_-\_\_\_\_-\_\_\_\_.

As consideration for the Settlement, among other things, Defendants and the new members of the Darden Board of Directors elected at the 2014 annual meeting of shareholders (the “New Board”) agreed to repeal the Bylaw Amendments that Plaintiff alleged improperly impeded the exercise of shareholders’ core voting and franchise rights, including amendments that empowered the Chairman of the Board to unilaterally adjourn any shareholder meeting without any notice, declare that no action would be taken on stockholder proposals or on stockholder nominations for the Darden Board if such proposals or nominations were not made in compliance with new disclosure requirements, and the new disclosure requirements themselves. Defendants and the New Board also agreed to repeal the bylaw amendment that empowered the Darden Board of Directors to postpone to an indefinite future date the annual meeting of shareholders to elect directors absent a shareholder lawsuit to compel Darden to hold its annual meeting. Defendants and the New Board further agreed that for a period of two (2) years, the Darden Board of Directors will submit proposed bylaw amendments relating to shareholder nominations and shareholder proposals to a shareholder vote. Moreover, Defendants and the New Board agreed to propose to shareholders changing the Company’s charter to eliminate super-majority requirements for calling special meetings of shareholders and the removal of directors. Finally, Defendants and the New Board also agreed to terminate a “shareholder rights plan” or “poison pill” that made it more difficult for a hostile bidder to take over the Company by taking their proposal directly to the shareholders. The specific terms of the Settlement consideration are set forth in the Notice.

Any objections to the proposed Settlement or Lead Counsel’s application for an award of attorneys’ fees and Litigation Expenses must be filed with the Court and delivered to Lead Counsel and representative counsel for Defendants such that they are *received* no later than \_\_\_\_\_, 2015, in accordance with the instructions set forth in the Notice.

Please note that there is no proof of claim form for shareholders to submit in connection with the Settlement. Also, because the Class was certified as a non-“opt out” class, Class Members do not have the right to exclude themselves from the Class.

**Please do not call or write to the Court regarding this notice. All questions, other than requests for the Notice, should be made to Lead Counsel:**

Jeroen van Kwawegen, Esq.  
Bernstein Litowitz Berger & Grossmann LLP  
1285 Avenue of the Americas  
New York, NY 10019  
1-800-380-8496

**Requests for the Notice should be made to the Notice Administrator:**

Darden Shareholder Litigation

c/o \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_  
1-\_\_\_\_-\_\_\_\_-\_\_\_\_

[insert Company/Notice Administrator website]

By Order of the Court

**EXHIBIT B**

**IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA**

TEAMSTERS LOCAL 443 HEALTH SERVICES	)	
& INSURANCE PLAN,	)	
	)	
Plaintiff,	)	
	)	
v.	)	
	)	Case No. 2014-CA-009926-O
CLARENCE OTIS JR., MICHAEL W. BARNES,	)	
LEONARD L. BERRY, CHRISTOPHER J.	)	<b>DERIVATIVE ACTION</b>
FRALEIGH, VICTORIA D. HARKER, DAVID	)	
H. HUGHES, CHARLES A. LEDSINGER JR.,	)	
WILLIAM M. LEWIS JR., CONNIE MACK III,	)	
MICHAEL D. ROSE, MARIA A. SASTRE, and	)	
WILLIAM S. SIMON,	)	
	)	
Defendants,	)	
	)	
and	)	
	)	
DARDEN RESTAURANTS, INC.,	)	
	)	
Nominal Defendant.	)	
	)	

**ORDER PRELIMINARILY APPROVNG DERIVATIVE ACTION SETTLEMENT**

WHEREAS, a consolidated shareholder derivative action is pending in this Court entitled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action”);

WHEREAS, (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the class in the shareholder class action pending in this Court entitled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the “Shareholder Class Action,” and together with the Shareholder Derivative Action, the

“Shareholder Actions”), and derivatively on behalf of Darden Restaurants, Inc. (“Darden” or the “Company”), the nominal defendant in the Shareholder Derivative Action; (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden (together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”) have determined to settle all claims asserted in the Shareholder Actions with prejudice on the terms and conditions set forth in the Stipulation and Agreement of Settlement entered into by the Parties dated March 13, 2015 (the “Stipulation”);

WHEREAS, in accordance with the Stipulation, the Parties have made an application for entry of an order in the Shareholder Derivative Action preliminarily approving the proposed settlement (the “Settlement”), approving the form and content of notice of the Settlement to Current Darden Shareholders, and scheduling the date and time for the Settlement Fairness Hearing; and

WHEREAS, the Court having read and considered the Stipulation and the exhibits attached thereto; the Stipulation being sufficient to warrant notice to Current Darden Shareholders; and all Parties having consented to the entry of this Order;

NOW THEREFORE, IT IS HEREBY ORDERED, this \_\_\_\_ day of \_\_\_\_\_, 2015, as follows:

1. **Definitions:** Unless otherwise defined herein, the capitalized terms used herein shall have the same meanings as they have in the Stipulation.

2. **Preliminary Approval:** The Court hereby preliminarily approves the Settlement, as embodied in the Stipulation, as being fair, reasonable and adequate to Darden, subject to further consideration at the Settlement Fairness Hearing to be conducted as described below.

3. **Settlement Fairness Hearing:** The Court will hold a settlement fairness hearing (the “Settlement Fairness Hearing”) on \_\_\_\_\_, 2015, at \_\_:\_\_ .m., at the Orange County Courthouse, 425 N. Orange Avenue, Orlando, Florida 32801, for the following purposes: (a) to determine whether the proposed Settlement of the Shareholder Derivative Action on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to Darden, and should be approved by the Court; (b) to determine whether the Derivative Judgment substantially in the form attached as Exhibit D to the Stipulation should be entered dismissing the Shareholder Derivative Action with prejudice against the Individual Defendants; (c) to determine whether the application by Lead Counsel for an award of attorneys’ fees and reimbursement of Litigation Expenses should be approved; and (d) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Settlement Fairness Hearing shall be given to Current Darden Shareholders as set forth in paragraph 5 of this Order.

4. **Adjournment of Settlement Fairness Hearing:** The Court may adjourn the Settlement Fairness Hearing and approve the proposed Settlement with such modifications as the Parties may agree to without further notice to Current Darden Shareholders.

5. **Manner of Giving Notice:** Notice of the Settlement and the Settlement Fairness Hearing shall be given by Darden (or its successor-in-interest) as follows:

- (a) not later than five (5) business days after the date of entry of this Order (the “Notice Date”), Darden (or its successor-in-interest) shall cause a copy of the Notice,



substantially in the form attached hereto as Exhibit 1, to be mailed by first-class mail to Current Darden Shareholders at their last known addresses as of the close of business on the date of execution of the Stipulation (the “Record Date”), as set forth in the shareholder records maintained by the Company or its transfer agents;

(b) not later than the Notice Date, Darden (or its successor-in-interest) shall cause copies of the Notice and the Stipulation to be posted on Darden’s (or its successor-in-interest’s) website, which documents shall remain posted on the website through the Effective Date of the Settlement;

(c) not later than ten (10) business days after the Notice Date, Darden (or its successor-in-interest) shall cause the Summary Notice to be published once in *Investor’s Business Daily* and to be transmitted once over the *PR Newswire*; and

(d) not later than fifteen (15) calendar days prior to the Settlement Fairness Hearing, Darden’s Counsel shall serve on Lead Counsel and file with the Court proof, by affidavit or declaration, of such mailing and publication.

6. **Approval of Form and Content of Notice:** The Court: (a) approves, as to form and content, the Notice, attached hereto as Exhibit 1, and the Summary Notice, attached hereto as Exhibit 2; and (b) finds that the mailing and distribution of the Notice and the publication of the Summary Notice in the manner and form set forth in paragraph 5 of this Order: (i) are the best notice practicable under the circumstances; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise Current Darden Shareholders of the pendency of the Shareholder Derivative Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of their right to object to the Settlement and/or Lead Counsel’s application for attorneys’ fees and Litigation Expenses, and of their right to appear at

the Settlement Fairness Hearing; (iii) constitute due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (iv) satisfy the requirements of Section 607.07401(4) of the Florida Statutes, the United States Constitution and the Florida Constitution (including the Due Process Clauses thereof), and all other applicable law and rules. The date and time of the Settlement Fairness Hearing shall be included in the Notice and Summary Notice before they are mailed and published, respectively.

7. **Nominees' Procedures:** Brokerage firms, banks and other nominees which held shares of Darden common stock as of the close of business on the Record Date as record holders for the benefit of another person or entity shall: (a) within seven (7) calendar days of receipt of the Notice request from Darden copies of the Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Notice, send a list of the names and addresses of all such beneficial owners to Darden, in which event Darden shall promptly mail the Notice to such beneficial owners. Upon full compliance with this Order, such nominees may seek reimbursement of their reasonable expenses actually incurred in complying with this Order by providing Darden or its successor-in-interest with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by nominees in compliance with the terms of this Order shall be paid by Darden or its successor-in-interest.

8. **Appearance at Settlement Fairness Hearing:** Any Current Darden Shareholder who continues to hold his, her or its shares of Darden common stock as of the date of the Settlement Fairness Hearing may enter an appearance in the Shareholder Derivative Action, at his, her or its own expense, individually or through counsel of his, her or its own choice, by

filing with the Clerk of the Court and delivering a notice of appearance to Lead Counsel and representative counsel for Defendants, at the addresses set forth in paragraph 9 below, such that it is received no later ten (10) calendar days prior to the Settlement Fairness Hearing, or as the Court may otherwise direct. Any Current Darden Shareholder who does not enter an appearance will be represented by Lead Counsel, and shall be deemed to have waived and forfeited any and all rights he, she or it may otherwise have to appear separately at the Settlement Fairness Hearing.

9. **Filing and Service of Objections:** Any Current Darden Shareholder who continues to hold his, her or its shares of Darden common stock as of the date of the Settlement Fairness Hearing may file a written objection to the proposed Settlement and/or Lead Counsel's application for an award of attorneys' fees and Litigation Expenses and appear and show cause, if he, she or it has any cause, why the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses should not be approved; *provided, however*, that, unless otherwise directed by the Court for good cause shown, no such person or entity shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement and/or the application for attorneys' fees and Litigation Expenses unless that person or entity has filed a written objection in the Shareholder Derivative Action with the Clerk of the Court and served copies of such objection on Lead Counsel and representative counsel for Defendants at the addresses set forth below such that they are received no later than fifteen (15) calendar days prior to the Settlement Fairness Hearing:

**Lead Counsel:**

Jeroen van Kwawegen, Esq.  
Bernstein Litowitz Berger & Grossmann LLP  
1285 Avenue of the Americas  
New York, New York 10019

**Representative Counsel for Defendants:**

Michael C. Marsh, Esq.  
Megan Costa DeVault, Esq.  
Akerman, LLP  
Post Office Box 231

Orlando, FL 32802-0231  
-and-

Eric M. Roth, Esq.  
Wachtell, Lipton, Rosen & Katz  
51 West 52nd Street  
New York, NY 10019

10. **Content of Objections:** Any objections, filings and other submissions in the Shareholder Derivative Action: (a) must state the name, address and telephone number of the objector and must be signed by the objector; (b) must contain a statement of the objection(s) and the specific reason(s) for the objection(s), including any legal and evidentiary support the objector wishes to bring to the Court's attention, and if the objector has indicated that he, she or it intends to appear at the Settlement Fairness Hearing, the identity of any witnesses the objector may call to testify and any exhibits the objector intends to introduce into evidence at the hearing; and (c) must include documentation sufficient to prove that the objector held Darden common stock as of the close of business on the Record Date and continues to hold that stock.

11. **Waiver of Objections:** Unless the Court orders otherwise, any Current Darden Shareholder who does not make his, her or its objection in the manner provided herein shall: (a) be deemed to have waived and forfeited his, her or its right to object to any aspect of the proposed Settlement and Lead Counsel's application for an award of attorneys' fees and Litigation Expenses; (b) be forever barred and foreclosed from objecting to the fairness, reasonableness or adequacy of the Settlement, the judgment to be entered in the Shareholder Derivative Action approving the Settlement, or the attorneys' fees and Litigation Expenses requested and/or awarded; and (c) be deemed to have waived and forever barred and foreclosed from being heard, in this or any other proceeding, with respect to any matters concerning the Settlement or the requested and/or awarded attorneys' fees and Litigation Expenses.

12. **Stay and Temporary Injunction:** Until otherwise ordered by the Court, the Court stays all proceedings in the Shareholder Derivative Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiff or any other Current Darden Shareholder from pursuing, commencing, instituting or prosecuting, derivatively on behalf of Darden, any of the Released Derivative Claims against any of the Defendants' Releasees.

13. **Notice Costs:** All Notice Costs shall be paid by Darden or its successor-in-interest, regardless of whether the Court finally approves the Settlement, and in no event shall Plaintiff, any of the Individual Defendants, or their respective attorneys be responsible for any Notice Costs.

14. **Termination of Settlement:** If the Settlement is terminated as provided in the Stipulation, this Order shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Stipulation, and this Order shall be without prejudice to the rights of the Parties, and the Parties shall revert to their respective positions in the Shareholder Derivative Action on November 10, 2014, as provided in the Stipulation.

15. **Use of this Order:** Neither this Order, nor the MOU, nor the Stipulation (whether or not consummated), including the exhibits thereto, nor the negotiations leading to the execution of the MOU and the Stipulation, nor any proceedings taken pursuant to or in connection with the MOU, the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith): (a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any

fact alleged by Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Shareholder Derivative Action or in any other litigation, or of any liability, negligence, fault, breach of duty, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred to for any other reason as against any of the Defendants' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; (b) shall be offered against any of the Plaintiff's Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; or (c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial; provided, however, that if the Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

16. **Papers:** Lead Counsel shall file and serve the opening papers in support of the proposed Settlement and Lead Counsel's application for an award of attorneys' fees and Litigation Expenses no later than twenty-five (25) calendar days prior to the Settlement Fairness Hearing; and reply papers, if any, shall be filed and served no later than five (5) calendar days

prior to the Settlement Fairness Hearing. Defendants shall file and serve any objection to the application by Lead Counsel for an award of attorneys' fees and Litigation Expenses by no later than fifteen (15) calendar days prior to the Settlement Fairness Hearing.

17. **Retention of Jurisdiction:** The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

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The Honorable Alice L. Blackwell  
Circuit Judge

IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA

IN RE DARDEN RESTAURANTS, INC.  
SHAREHOLDER LITIGATION

Case No. 2014-CA-003712-O

CLASS ACTION

FINAL ORDER AND JUDGMENT  
APPROVING CLASS ACTION SETTLEMENT

WHEREAS, a consolidated shareholder class action is pending in this Court entitled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O (the “Shareholder Class Action”);

WHEREAS, (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the Class (as defined below), and derivatively on behalf of Darden Restaurants, Inc. (“Darden” or the “Company”), the nominal defendant in the shareholder derivative action pending in this Court entitled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action”); (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden (together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”) have entered into a Stipulation and Agreement of Settlement dated March 13, 2015 (the “Stipulation”) that provides for a complete dismissal with prejudice of the claims asserted against the Class Defendants in the



Shareholder Class Action on the terms and conditions set forth in the Stipulation, subject to the approval of this Court;

WHEREAS, by Order dated \_\_\_\_\_, 2015 entered in the Shareholder Class Action (the “Class Preliminary Approval Order”), this Court (a) preliminarily certified the Class solely for purposes of effectuating the Settlement; (b) ordered that notice of the proposed Settlement be provided to Class Members; (c) provided Class Members with the opportunity to object to the proposed Settlement; and (d) scheduled a hearing regarding final approval of the Settlement;

WHEREAS, the Court conducted a hearing on \_\_\_\_\_, 2015 (the “Settlement Fairness Hearing”) to consider, among other things, (a) whether the terms and conditions of the Settlement of the Shareholder Class Action are fair, reasonable and adequate to the Class, and should therefore be approved; and (b) whether a judgment should be entered dismissing the Shareholder Class Action with prejudice as against the Class Defendants; and

WHEREAS, it appearing that due notice of the Settlement Fairness Hearing has been given in accordance with the Class Preliminary Approval Order; the Parties having appeared by their respective attorneys of record; the Court having heard and considered evidence in support of the proposed Settlement; the attorneys for the respective Parties having been heard; an opportunity to be heard having been given to all other persons or entities requesting to be heard in accordance with the Class Preliminary Approval Order; the Court having determined that notice to members of the Class was adequate and sufficient; and the entire matter of the proposed Settlement having been heard and considered by the Court;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, this \_\_\_\_\_ day of \_\_\_\_\_, 2015, as follows:

1. **Definitions:** Unless otherwise defined in this Judgment, the capitalized terms used herein shall have the same meaning as they have in the Stipulation.

2. **Jurisdiction:** The Court has jurisdiction over the subject matter of the Shareholder Class Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties and each of the Class Members.

3. **Incorporation of Settlement Documents:** This Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on March 13, 2015; and (b) the Notice and Summary Notice, which were filed with the Court on \_\_\_\_\_, 2015.

4. **Class Certification for Settlement Purposes:** The Court hereby finally certifies, for the purposes of the Settlement only, the Shareholder Class Action as a non-opt out class action pursuant to Rules 1.220(a), 1.220(b)(1) and 1.220(b)(2) of the Florida Rules of Civil Procedure on behalf of a class (the “Class”) consisting of all persons and entities who held shares of the Company’s common stock at any time during the period from March 19, 2014 through and including October 13, 2014 (the date of election of Starboard’s nominees to the Darden Board of Directors) (the “Class Period”). Excluded from the Class are Defendants, any members of the Immediate Family of each of the Individual Defendants, and the legal representatives, agents, affiliates, heirs, successors-in-interest, or assigns of any such excluded party.

5. **Appointment of Class Representative and Class counsel:** For the purposes of the Settlement only, the Court hereby finally appoints Plaintiff as class representative for the Class and Lead Counsel as class counsel for the Class. Plaintiff and Lead Counsel have fairly and adequately represented the Class both in terms of litigating the Shareholder Class Action and for purposes of entering into and implementing the Settlement.

6. **Class Findings:** Solely for purposes of the proposed Settlement of the Shareholder Class Action, the Court finds that each element required for certification of the Class pursuant to Rules 1.220(a), 1.220(b)(1) and 1.220(b)(2) of the Florida Rules of Civil Procedure has been met in that: (a) the Class Members are so numerous that their joinder in the Shareholder Class Action would be impracticable; (b) there are questions of law and fact common to the Class; (c) the claims of Plaintiff are typical of the claims of the Class; (d) in connection with both the prosecution of the Shareholder Class Action as well as the Settlement, Plaintiff and Lead Counsel have fairly and adequately represented and protected the interests of the Class; (e) the prosecution of separate actions by individual Class Members would create a risk of inconsistent adjudications that would establish incompatible standards of conduct for Class Defendants; (f) as a practical matter, the disposition of the Shareholder Class Action would influence the disposition of any pending or future identical cases brought by other Class Members; and (g) the Class Defendants have allegedly acted or refused to act on grounds generally applicable to the Class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the Class as a whole.

7. **Notice:** The Court finds that the dissemination of the Notice and publication of the Summary Notice: (a) were implemented in accordance with the Class Preliminary Approval Order; (b) constituted the best notice practicable under the circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise Class Members of (i) the pendency of the Shareholder Class Action, (ii) the effect of the proposed Settlement (including the Releases to be provided thereunder), (iii) Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses in the Shareholder Derivative Action, (iv) the Class Members' right to object to any aspect of the Settlement and/or Lead Counsel's

application for attorneys' fees and Litigation Expenses in the Shareholder Derivative Action, and (v) the Class Members' right to appear at the Settlement Fairness Hearing; (d) constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Rule 1.220 of the Florida Rules of Civil Procedure, the United States Constitution and the Florida Constitution (including the Due Process Clauses thereof), and all other applicable law and rules.

8. **Final Settlement Approval:** Pursuant to, and in accordance with, Rule 1.220(e) of the Florida Rules of Civil Procedure, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation, the Settlement Consideration, the Releases, including the release of the Released Class Claims as against the Defendants' Releasees, and the dismissal with prejudice of the claims asserted against the Class Defendants in the Shareholder Class Action), and finds that the Settlement of the Shareholder Class Action is, in all respects, fair, reasonable and adequate to the Class. The Parties are directed to implement, perform and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

9. **Dismissal of Claims:** The Shareholder Class Action and all of the claims asserted against the Class Defendants in the Shareholder Class Action by Plaintiff and the other Class Members are hereby dismissed with prejudice. The Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

10. **Binding Effect:** The terms of the Stipulation and of this Judgment shall be forever binding on Defendants, Plaintiff and all other Class Members, as well as their respective successors and assigns.

11. **Releases:** The Releases set forth in Paragraphs 8 and 9 of the Stipulation, together with the definitions contained in Paragraph 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. The Releases set forth in Paragraphs 8 and 9 of the Stipulation are effective as of the Effective Date. Accordingly, this Court orders that:

(a) Without further action by anyone, and subject to Paragraph 12 below, upon the Effective Date of the Settlement, Plaintiff and each of the other Class Members, on behalf of themselves and any and all of their respective successors in interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Class Claim against the Class Defendants and the other Defendants' Releasees, and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Class Claims against any of the Defendants' Releasees.

(b) Without further action by anyone, and subject to Paragraph 12 below, upon the Effective Date of the Settlement, the Class Defendants and the other Defendants' Releasees, on behalf of themselves and any and all of their respective successors in interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Defendants' Claim against Plaintiff and the other Plaintiff's Releasees,

and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

12. **Enforceability:** Notwithstanding paragraphs 11(a)-(b) above, nothing in this Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

13. **No Admissions:** Neither this Judgment, nor the MOU, nor the Stipulation (whether or not consummated), including the exhibits thereto, nor the negotiations leading to the execution of the MOU and the Stipulation, nor any proceedings taken pursuant to or in connection with the MOU, the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Shareholder Actions or in any other litigation, or of any liability, negligence, fault, breach of duty, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred to for any other reason as against any of the Defendants' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation;

(b) shall be offered against any of the Plaintiff's Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by

any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Stipulation; or

(c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial;

*provided, however*, that if the Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

14. **Retention of Jurisdiction:** Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over the Parties and all Class Members for purposes of the administration, interpretation, implementation, and enforcement of the Settlement.

15. **Modification of the Stipulation:** Without further approval from the Court, Plaintiff and Defendants are hereby authorized to agree to and adopt such amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of Class Members in connection with the Settlement. Without further order of the Court, Plaintiff and the Class Defendants may agree to reasonable extensions of time to carry out any provisions of the Settlement.

16. **Termination of Settlement:** If the Settlement is terminated as provided in the Stipulation or the Effective Date of the Settlement otherwise fails to occur, this Judgment shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Stipulation, and this Judgment shall be without prejudice to the rights of Plaintiff, the other Class Members and the Class Defendants, and the Parties shall revert to their respective positions in the Shareholder Class Action on November 10, 2014, as provided in the Stipulation.

17. **Entry of Final Judgment:** There is no just reason to delay the entry of this Judgment as a final judgment in the Shareholder Class Action. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment in the Shareholder Class Action.

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The Honorable Alice L. Blackwell  
Circuit Judge



**EXHIBIT D**

**IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT  
IN AND FOR ORANGE COUNTY, FLORIDA**

TEAMSTERS LOCAL 443 HEALTH SERVICES )  
& INSURANCE PLAN, )

Plaintiff, )

v. )

Case No. 2014-CA-009926-O

CLARENCE OTIS JR., MICHAEL W. BARNES, )  
LEONARD L. BERRY, CHRISTOPHER J. )  
FRALEIGH, VICTORIA D. HARKER, DAVID )  
H. HUGHES, CHARLES A. LEDSINGER JR., )  
WILLIAM M. LEWIS JR., CONNIE MACK III, )  
MICHAEL D. ROSE, MARIA A. SASTRE, and )  
WILLIAM S. SIMON, )

**DERIVATIVE ACTION**

Defendants, )

and )

DARDEN RESTAURANTS, INC., )

Nominal Defendant. )

**FINAL ORDER AND JUDGMENT**  
**APPROVING DERIVATIVE ACTION SETTLEMENT**

WHEREAS, a consolidated shareholder derivative action is pending in this Court entitled *Teamsters Local 443 Health Services & Insurance Plan v. Clarence Otis Jr., et al.*, Case No. 3024-VS-009926-O (the “Shareholder Derivative Action”);

WHEREAS, (a) plaintiff Teamsters Local 443 Health Services & Insurance Plan (“Plaintiff”), on behalf of itself and the class in the shareholder class action pending in this Court entitled *In re Darden Restaurants, Inc. Shareholder Litigation*, Case No. 2014-CA-003712-O,

and derivatively on behalf of Darden Restaurants, Inc. (“Darden” or the “Company”), the nominal defendant in the Shareholder Derivative Action; (b) defendants Clarence Otis Jr., Michael W. Barnes, Leonard L. Berry, Christopher J. Fraleigh, Victoria D. Harker, David H. Hughes, Charles A. Ledsinger, Jr., William M. Lewis Jr., Connie Mack III, Michael D. Rose, Maria A. Sastre, and William S. Simon (collectively, the “Individual Defendants”), and Darden (together with the Individual Defendants, the “Class Defendants”); and (c) Darden as the nominal defendant in the Shareholder Derivative Action (together with the Class Defendants, “Defendants”) (each Defendant and Plaintiff a “Party” and, collectively, the “Parties”) have entered into a Stipulation and Agreement of Settlement dated March 13, 2015 (the “Stipulation”) that provides for a complete dismissal with prejudice of the claims asserted against the Individual Defendants in the Shareholder Derivative Action on the terms and conditions set forth in the Stipulation, subject to the approval of this Court;

WHEREAS, by Order dated \_\_\_\_\_, 2015 entered in the Shareholder Derivative Action (the “Derivative Preliminary Approval Order”), this Court (a) ordered that notice of the proposed Settlement be provided to Current Darden Shareholders; (b) provided Current Darden Shareholders with the opportunity to object to the proposed Settlement; and (c) scheduled a hearing regarding final approval of the Settlement;

WHEREAS, the Court conducted a hearing on \_\_\_\_\_, 2015 (the “Settlement Fairness Hearing”) to consider, among other things, (a) whether the terms and conditions of the Settlement of the Shareholder Derivative Action are fair, reasonable and adequate to Darden, and should therefore be approved; and (b) whether a judgment should be entered dismissing the Shareholder Derivative Action with prejudice as against the Defendants; and

WHEREAS, it appearing that due notice of the Settlement Fairness Hearing has been given in accordance with the Derivative Preliminary Approval Order; the Parties having appeared by their respective attorneys of record; the Court having heard and considered evidence in support of the proposed Settlement; the attorneys for the respective Parties having been heard; an opportunity to be heard having been given to all other persons requesting to be heard in accordance with the Derivative Preliminary Approval Order; the Court having determined that notice to Current Darden Shareholders was adequate and sufficient; and the entire matter of the proposed Settlement having been heard and considered by the Court;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, this \_\_\_\_ day of \_\_\_\_\_, 2015, as follows:

1.     **Definitions:** Unless otherwise defined in this Judgment, the capitalized terms used herein shall have the same meaning as they have in the Stipulation.
2.     **Jurisdiction:** The Court has jurisdiction over the subject matter of the Shareholder Derivative Action, and all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties and each of the Current Darden Shareholders.
3.     **Incorporation of Settlement Documents:** This Judgment incorporates and makes a part hereof: (a) the Stipulation filed with the Court on March 13, 2015; and (b) the Notice and Summary Notice, which were filed with the Court on \_\_\_\_\_, 2015.
4.     **Notice:** The Court finds that the dissemination of the Notice and publication of the Summary Notice: (a) were implemented in accordance with the Derivative Preliminary Approval Order; (b) constituted the best notice practicable under the circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise Current Darden Shareholders of (i) the pendency of the Shareholder Derivative Action, (ii) the effect of

the proposed Settlement (including the Releases to be provided thereunder), (iii) Lead Counsel's application for an award of attorneys' fees and reimbursement of Litigation Expenses, (iv) the Current Darden Shareholders' right to object to the Settlement and/or Lead Counsel's application for attorneys' fees and Litigation Expenses, and (v) the Current Darden Shareholders' right to appear at the Settlement Fairness Hearing; (d) constituted due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (e) satisfied the requirements of Section 607.07401(4) of the Florida Statutes, the United States Constitution and the Florida Constitution (including the Due Process Clauses thereof), and all other applicable law and rules.

5. **Final Settlement Approval:** Pursuant to, and in accordance with, Section 67.07401 of the Florida Statutes, this Court hereby fully and finally approves the Settlement set forth in the Stipulation in all respects (including, without limitation, the Settlement Consideration, the Releases, including the release of the Released Derivative Claims as against the Defendants' Releasees, and the dismissal with prejudice of the claims asserted against the Individual Defendants in the Shareholder Derivative Action), and finds that the Settlement of the Shareholder Derivative Action is, in all respects, fair, reasonable and adequate to Darden. The Parties are directed to implement, perform and consummate the Settlement in accordance with the terms and provisions contained in the Stipulation.

6. **Dismissal of Claims:** The Shareholder Derivative Action and all of the claims asserted against the Individual Defendants in the Shareholder Derivative Action by Plaintiff are hereby dismissed with prejudice. The Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Stipulation.

7.     **Binding Effect:** The terms of the Stipulation and of this Judgment shall be forever binding on the Parties and all Current Darden Shareholders, as well as their respective successors and assigns.

8.     **Releases:** The Releases set forth in paragraphs 7 and 9 of the Stipulation, together with the definitions contained in paragraph 1 of the Stipulation relating thereto, are expressly incorporated herein in all respects. The Releases set forth in paragraphs 7 and 9 of the Stipulation are effective as of the Effective Date. Accordingly, this Court orders that:

(a)     Without further action by anyone, and subject to Paragraph 9 below, upon the Effective Date of the Settlement, Plaintiff shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released its right to assert derivatively on behalf of Darden, and Darden shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever directly discharged, dismissed with prejudice, settled, and released, each and every Released Derivative Claim against the Individual Defendants and the other Defendants' Releasees, and Plaintiff shall forever be enjoined from prosecuting derivatively on behalf of Darden, and Darden shall forever be enjoined from prosecuting directly, any or all of the Released Derivative Claims against any of the Defendants' Releasees.

(b)     Without further action by anyone, and subject to Paragraph 9 below, upon the Effective Date of the Settlement, Defendants and the other Defendants' Releasees, on behalf of themselves and any and all of their respective successors in interest, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming under any of them in their capacities as such, shall be deemed to have, and by

operation of law and of this Judgment shall have, fully, finally and forever discharged, dismissed with prejudice, settled, and released each and every Released Defendants' Claim against Plaintiff and the other Plaintiff's Releasees, and shall forever be enjoined from commencing, prosecuting, instigating, or in any way participating in or promoting the commencement or prosecution of any or all of the Released Defendants' Claims against any of the Plaintiff's Releasees.

9. **Enforceability:** Notwithstanding paragraphs 9(a)-(b) above, nothing in this Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this Judgment.

10. **No Admissions:** Neither this Judgment, nor the MOU, nor the Stipulation (whether or not consummated), including the exhibits thereto, nor the negotiations leading to the execution of the MOU and the Stipulation, nor any proceedings taken pursuant to or in connection with the MOU, the Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiff or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Shareholder Actions or in any other litigation, or of any liability, negligence, fault, breach of duty, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred to for any other reason as against any of the Defendants' Releasees, in any civil, criminal

or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(b) shall be offered against any of the Plaintiff's Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by any of the Plaintiff's Releasees that any of their claims are without merit, that any of the Defendants' Releasees had meritorious defenses, or with respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiff's Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; or

(c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial;

*provided, however*, that if the Stipulation is approved by the Court, the Parties and the Releasees and their respective counsel may refer to it to effectuate the protections from liability granted hereunder or otherwise to enforce the terms of the Settlement.

11. **Award of Attorneys' Fees and Expenses:** Plaintiff's Counsel are hereby awarded attorneys' fees and Litigation Expenses in the total amount of \$\_\_\_\_\_, which sum the Court finds to be fair and reasonable. Darden (or its successor(s) in interest) shall pay or cause its insurance carriers to pay the Court-awarded attorneys' fees and expenses to Lead Counsel in accordance with the terms of the Stipulation.

12. **Finality:** No proceedings or court order with respect to the award of attorneys' fees and expenses to Plaintiff's Counsel shall in any way disturb or affect this Judgment (including precluding this Judgment from being Final or otherwise being entitled to preclusive effect), and any such proceedings or court order shall be considered separate from this Judgment.

13. **Retention of Jurisdiction:** Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over the Parties for purposes of the administration, interpretation, implementation, and enforcement of the Settlement.

14. **Modification of the Stipulation:** Without further approval from the Court, Plaintiff and the Defendants are hereby authorized to agree to and adopt such amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of Darden or Current Darden Shareholders in connection with the Settlement. Without further order of the Court, Plaintiff and the Defendants may agree to reasonable extensions of time to carry out any provisions of the Settlement.

15. **Termination of Settlement:** If the Settlement is terminated as provided in the Stipulation, this Judgment shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Stipulation, and this Judgment shall be without prejudice to the rights of Plaintiff and the Defendants, and the Parties shall revert to their respective positions in the Shareholder Derivative Action on November 10, 2014, as provided in the Stipulation.

16. **Entry of Final Judgment:** There is no just reason to delay the entry of this Judgment as a final judgment in the Shareholder Derivative Action. Accordingly, the Clerk of



the Court is expressly directed to immediately enter this final judgment in the Shareholder Derivative Action.

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The Honorable Alice L. Blackwell  
Circuit Judge