

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

ASBESTOS WORKERS’ PHILADELPHIA PENSION FUND and MATTHEW SCIABACUCCHI, on Behalf of Themselves and on Behalf of All Others Similarly Situated and Derivatively on Behalf of Nominal Defendant FRANCHISE GROUP, INC. (f/n/a LIBERTY TAX, INC.),

Plaintiffs,

v.

MATTHEW AVRIL, BRIAN R. KAHN, ANDREW M. LAURENCE, BRYANT R. RILEY, KENNETH M. YOUNG, VINTAGE CAPITAL MANAGEMENT, LLC, KAHN CAPITAL MANAGEMENT, LLC and B. RILEY FINANCIAL, INC.,

Defendants,

and

FRANCHISE GROUP, INC. (f/n/a LIBERTY TAX, INC.), a Delaware corporation,

Nominal Defendant.

C.A. No. 2019-0633-SG

PROOF OF CLAIM

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I. GENERAL INSTRUCTIONS

- This Proof of Claim form incorporates by reference the definitions in the Notice of Pendency and Proposed Settlement of Stockholder Class and Derivative Action (the “Notice”) and, unless defined herein, capitalized words and terms shall have the same meanings as they have in the Notice and the Stipulation and Agreement of Settlement, Compromise and Release (“Stipulation”).
- As explained herein, to recover in connection with claims in the above-captioned class action (the “Action”), certain members of the Class must complete this Proof of Claim form. Failing to submit a properly addressed (as set forth below) Proof of Claim form could lead to your claim being rejected and your preclusion from any recovery from the Settlement Fund created in connection with the Settlement of the Action.
- Submission of this Proof of Claim form, however, does not ensure that you will share in the proceeds of the Net Settlement Amount in the Action.
- **If you owned shares of Franchise Group common stock at 5:00 p.m. Eastern Time on November 13, 2019 and did not tender such shares into the Tender Offer, you must submit your completed and signed Proof of Claim form by March 22, 2021, addressed as follows:**

Franchise Group Settlement
c/o Epiq
P.O. Box 2685
Portland, OR 97208-2685

www.FranchiseGroupSettlement.com

A Proof of Claim form shall be deemed to have been submitted when postmarked if mailed by First-Class, Registered or Certified Mail, postage prepaid, or at the time of submission, if submitted online. All other Proof of Claim forms shall be deemed to have been submitted at the time they are received by the Administrator.

If you are **NOT** a “**NON-TENDERING STOCKHOLDER**” of the Class, as defined in the Notice, **DO NOT** submit a Proof of Claim form.

***** YOU ONLY NEED TO SUBMIT THIS PROOF OF CLAIM FORM IF YOU OWNED SHARES OF FRANCHISE GROUP COMMON STOCK (TICKER: FRG) AT 5:00 P.M. EASTERN TIME ON NOVEMBER 13, 2019 AND DID NOT TENDER SUCH SHARES INTO THE TENDER OFFER.**

If you are a member of the Class, you are bound by the terms of any Order and Final Judgment entered in the Action **whether or not you submit a Proof of Claim form.**

II. CLAIMANT IDENTIFICATION

If you held/owned shares of Franchise Group, Inc. f/n/a Liberty Tax, Inc. (“Franchise Group” – Ticker Symbol – FRG) common stock and tendered such stock in connection with the Tender Offer, you may be a “Tendering Stockholder” as defined in the Notice and the Stipulation, and therefore entitled to participate in the Settlement. For the avoidance of doubt, a Tendering Stockholder is not required to submit a Proof of Claim to the Administrator to be eligible to participate in this Settlement, unless they also qualify as a Non-Tendering Stockholder, in which case they would be required to submit a Proof of Claim to recover for the shares that qualify them as Non-Tendering Stockholders.

If you owned shares of Franchise Group common stock at 5:00 P.M. Eastern Time on November 13, 2019 and did not tender such shares into the Tender Offer, you may be a “Non-Tendering Stockholder” as defined in the Notice and the Stipulation, and therefore entitled to participate in the Settlement if you submit a valid Proof of Claim form.

If you held (or hold) the stock certificate(s) in your name, you are the “beneficial owner” as well as the “record owner.” If your stock certificate(s) were or are registered in the name of a third party, such as a nominee or brokerage firm, you are the “beneficial owner” and the third party is the “record owner.”

Beneficial Owner’s First Name	MI	Beneficial Owner’s Last Name
Co-Beneficial Owner’s First Name	MI	Co-Beneficial Owner’s Last Name
Entity Name (if claimant is not an individual)		
Representative or Custodian Name (if different from the Beneficial Owner(s) listed above)		
Address 1 (street name and number)		
Address 2 (apartment, unit, or box number)		
City	State	ZIP/Postal Code
Foreign Country (only if not USA)		
Last four digits of Social Security Number	OR	Taxpayer Identification Number
Telephone Number (home)		Telephone Number (work)
Email Address		
Account Number (if filing for multiple accounts, file a separate Proof of Claim for each account)		

Claimant Account Type (check appropriate box):

- | | | |
|---|---------------------------------------|--------------------------------|
| <input type="checkbox"/> Individual (includes joint owner accounts) | <input type="checkbox"/> Pension Plan | <input type="checkbox"/> Trust |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Estate | |
| <input type="checkbox"/> IRA/401(k) | <input type="checkbox"/> Other _____ | (please specify) |

III. SCHEDULE OF TRANSACTIONS

In the chart below, please supply the requested information showing your ownership of Franchise Group common stock on November 13, 2019 and November 14, 2019.

Number of Shares Owned at Opening of Trading on Nov. 13, 2019	Number of Shares Owned at Opening of Trading on Nov. 14, 2019																
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In the chart below, please supply the requested information relating to any purchases or sales of Franchise Group common stock on November 13, 2019.

Number of Shares <u>Purchased</u> In Each Transaction	Number of Shares <u>Sold</u> In Each Transaction																
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You must submit documentation regarding your ownership as of November 13, 2019 and November 14, 2019, as well as documentation for all purchases and sales on November 13, 2019. Acceptable documentation may include: (a) stock brokerage or other investment account statements; (b) trade confirmation slips; (c) a signed letter from your broker on firm letterhead verifying the information you are providing; or (d) other equivalent proof of your transactions. **Do not send originals.** Broker confirmations or other documentation of your transactions should be attached to your Proof of Claim form. Failure to provide this documentation could delay verification of your claim and/or result in rejection of your claim.

The Administrator may request additional information as required to efficiently and reliably determine whether you are a Non-Tendering Stockholder as defined in the Notice and the Stipulation. In cases where the Administrator cannot accurately make a determination of your status at a reasonable cost to the Class with the information provided, the Administrator may condition acceptance of the claim upon the production of additional information at claimant’s cost.

IV. SUBMISSION TO JURISDICTION OF THE COURT

Please review the following submission to jurisdiction and sign below on page 5.

I submit this Proof of Claim form under the terms of the Stipulation dated as of December 10, 2020, and in connection with the Settlement of claims against defendants Matthew Avril, Brian R. Kahn, Andrew M. Laurence, Bryant R. Riley, and Kenneth M. Young (collectively, the “Director Defendants”); Vintage Capital Management, LLC (“Vintage”); B. Riley Financial, Inc. (“B. Riley”); and Kahn Capital Management, LLC (“Kahn Capital”) contemplated therein. I also submit to the jurisdiction of the Court of Chancery of the State of Delaware, with respect to my claim as a Class Member. I further acknowledge that I am bound by and subject to the terms of any Order and Final Judgment that may be entered in the Action. I agree to furnish additional information to Class Counsel and/or the Administrator to support this claim if required to do so. I have not submitted any other claim covering my shares of Franchise Group common stock and know of no other person or entity having done so on my behalf.

V. CERTIFICATION

All joint beneficial owners must sign this Proof of Claim form. Executors, administrators, guardians, conservators, and trustees must complete and sign this Proof of Claim form on behalf of persons and/or entities represented by them, and documentation of their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

I (We) hereby warrant and represent that I (we) have included accurate information about my (our) shares of Franchise Group common stock.

I (We) hereby warrant and represent that I (we) am (are) a member of the Class and not an Excluded Person.

I declare under the penalty of perjury under the laws of the United States of America that the foregoing information is true and correct.

Executed this ____ day of _____, in _____ <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Signature of claimant) <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Type or print name of claimant) <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Capacity of person signing above, e.g., Beneficial Owner(s), Administrator, Executor, Trustee, Custodian, Power of Attorney, etc.) Proof of Authority to File Enclosed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Executed this ____ day of _____, in _____ <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Signature of claimant) <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Type or print name of claimant) <div style="border: 1px solid black; height: 30px; width: 100%;"></div> (Capacity of person signing above, e.g., Beneficial Owner(s), Administrator, Executor, Trustee, Custodian, Power of Attorney, etc.) Proof of Authority to File Enclosed? <input type="checkbox"/> Yes <input type="checkbox"/> No
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**Accurate claims processing takes a significant amount of time.
Thank you for your patience.**

Reminder Checklist:

1. Please sign the Certification section of the Proof of Claim form on Page 5.
2. If this claim is being made on behalf of joint beneficial claimants, each joint beneficial claimant must sign.
3. Remember to attach supporting documentation.
4. Do not send original stock certificates or supporting documentation.
5. Keep a copy of your Proof of Claim form and all documents submitted for your records.
6. If you desire an acknowledgement of receipt of your Proof of Claim form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send the Administrator your new address.
8. If you have any questions or concerns regarding your claim, please contact the Settlement Administrator at the address below, by email at info@FranchiseGroupSettlement.com, or toll-free at 800-707-5542, or visit www.FranchiseGroupSettlement.com.

Franchise Group Settlement
c/o Epiq
P.O. Box 2685
Portland, OR 97208-2685

**THIS PROOF OF CLAIM FORM AND YOUR
SUPPORTING DOCUMENTATION
MUST BE SUBMITTED NO LATER THAN MARCH 22, 2021.**