



GRANTED

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

FAIR VALUE INVESTMENTS, INC., on
Behalf of Itself and Similarly Situated
Stockholders, and Derivatively on Behalf of the
Nominal Defendant, DBM GLOBAL INC.,

Plaintiff,

v.

JAMES RUSTIN ROACH, MICHAEL R.
HILL, D. RONALD YAGODA, PAUL J.
HURLEY, AJ STAHL, PHILIP A. FALCONE,
KENNETH S. COURTIS, ROBERT V.
LEFFLER, JR., MICHAEL J. SENA, PAUL K.
VOIGT, WAYNE BARR, SCOTT D.
SHERMAN, and HC2 HOLDINGS INC.,

Defendants,

v.

DBM GLOBAL INC.,

Nominal Defendant.

C.A. No. 2020-0847-JTL

**[PROPOSED] ORDER FOR REASONS STATED AT HEARING ON
MOTIONS TO DISMISS, GRANTING IN PART AND DENYING IN PART
MOTIONS TO DISMISS**

WHEREAS, Plaintiff Fair Value Investments, Inc. (“Plaintiff”) filed the
Verified Amended Stockholder Class Action and Derivative Complaint (the
“Amended Complaint”) in the above-captioned action on February 23, 2021 (Dkt.
34);

WHEREAS, on April 23, 2021, each of the defendants (collectively, Defendants”) moved to dismiss the claims that Plaintiff brought against them in the Amended Complaint (Dkts. 38-46);

WHEREAS, the Court heard argument on defendants’ motions to dismiss on January 21, 2022 (the “Hearing”);

WHEREAS, during the Hearing, Plaintiff agreed to voluntarily dismiss as moot claims alleging the impairment of DBM Global, Inc.’s credit by Defendant INNOVATE Corp. (f/k/a HC2 Holdings, Inc.) (“INNOVATE”); and

WHEREAS, the Court issued an oral ruling on the motions to dismiss during the Hearing;

IT IS HEREBY ORDERED, for the reasons stated by the Court at the Hearing, that:

1. The motions to dismiss are **GRANTED** and Plaintiff’s claims are dismissed with prejudice, except as follows.
2. With respect to Counts I and II of the Amended Complaint, the motions to dismiss are **DENIED**: (a) solely with regard to INNOVATE and Yagoda; and (b) solely as to derivative claims regarding the tax advance payments

that were not disclosed before October 1, 2017¹ and the preferred stock issuance (the “Remaining Claims”).

3. INNOVATE and Yagoda shall answer the allegations of the Amended Complaint relating to the Remaining Claims on or before March 31, 2022.

IT IS HEREBY ORDERED, this ____ day of _____, 2022.

Vice Chancellor J. Travis Laster

¹ All claims arising from tax advance payments approved and made in 2016 and May 2017 are dismissed as set forth above. *See* Compl. ¶¶ 69-71.

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: J Travis Laster

File & Serve

Transaction ID: 67280656

Current Date: Feb 01, 2022

Case Number: 2020-0847-JTL

Case Name: Fair Value Investments Incorporated v. James Rustin Roach, et al.

Court Authorizer: J Travis Laster

/s/ Judge J Travis Laster