



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE MADISON SQUARE
GARDEN ENTERTAINMENT CORP.
STOCKHOLDERS LITIGATION

CONSOLIDATED
C.A. No. 2021-0468-KSJM

**STIPULATION AND AGREEMENT OF
SETTLEMENT, COMPROMISE, AND RELEASE**

This Stipulation and Agreement of Settlement, Compromise, and Release, dated as of April 19, 2023 (the “Stipulation”) is entered into by and among (a) plaintiff Hollywood Firefighters’ Pension Fund (“Plaintiff”); (b) nominal defendant Madison Square Garden Entertainment Corp. (“MSGE” or the “Company”);¹ and (c) defendants James Dolan, Charles F. Dolan, Charles P. Dolan, Kristin A. Dolan, Marianne Dolan-Weber, Paul J. Dolan, Quentin F. Dolan, Ryan T. Dolan, Thomas C. Dolan, Martin Bandier, Matthew C. Blank, Joseph J. Lhota, Frederic V. Salerno, Brian G. Sweeney, John L. Sykes, Vincent Tese, and Isiah L.

¹ In a Form 8-K filed on March 30, 2023, MSGE announced that on April 20, 2023, it will execute a spinoff transaction that will result in its stockholders receiving a dividend of shares in a newly created entity named, as of March 30, 2023, MSGE Spinco, Inc. (“SpinCo” and the “Spin-Off Transaction”). When the Spin-Off Transaction is consummated, SpinCo will rename itself “Madison Square Garden Entertainment Corp.” and the Company will rename itself “Sphere Entertainment Co.”

References herein to MSGE or the Company shall be understood to mean the corporation that was named “Madison Square Garden Entertainment Corp.” prior to the Spin-Off Transaction and will be named “Sphere Entertainment Co.” after the Spin-Off Transaction.

Thomas III (collectively, the “Director Defendants,” and together with MSGE, “Defendants”), by and through their respective undersigned counsel, and embodies the terms and conditions of the settlement of the above-captioned stockholder derivative action (the “Action”). Subject to the approval of the Court and the terms and conditions expressly provided herein, this Stipulation is intended to fully, finally, and forever compromise, settle, release, resolve, and dismiss with prejudice the Action and all Released Plaintiff’s Claims (defined below) against Defendants.

WHEREAS:

A. On March 26, 2021, MSGE and MSG Networks Inc. (“MSGN”) jointly announced that they had entered into a definitive Agreement and Plan of Merger (the “Merger Agreement”), dated as of March 25, 2021. Pursuant to the Merger Agreement, a wholly owned subsidiary of MSGE would merge with and into MSGN, with MSGN surviving as a wholly owned direct subsidiary of MSGE (the “Merger”). Subject to the Merger Agreement, each outstanding share of Class A common stock of MSGN would be converted into the right to receive 0.172 shares of Class A common stock of MSGE, and each outstanding share of Class B common stock of MSGN would be converted into the right to receive 0.172 shares of Class B common stock of MSGE.

B. On April 26, 2021, pursuant to 8 *Del. C.* § 220, Plaintiff served a demand for inspection of books and records on MSGE, seeking books and records relating to the negotiation and approval of the Merger.

C. On April 19, 2021, pursuant to 8 *Del. C.* § 220, James R. Gould, Jr. served a demand for inspection of books and records on MSGE, seeking books and records relating to the negotiation and approval of the Merger.

D. On May 21, 2021, pursuant to 8 *Del. C.* § 220, City of Miramar Retirement Plan and Trust for General Employees, and City of Miramar Management Retirement Plan served a demand for inspection of books and records on MSGE, seeking books and records relating to the negotiation and approval of the Merger.

E. On June 2, 2021, MSGE filed an amended preliminary Form S-4 registration statement with the United States Securities and Exchange Commission (the “SEC”) in connection with the Merger.

F. On June 4, 2021, MSGE and MSGN filed a joint proxy statement/prospectus with the SEC pursuant to Rule 424(b)(3) of the Securities Act of 1933 in connection with the Merger.

G. On May 27, 2021, Plaintiffs Hollywood Firefighters’ Pension Fund and James R. Gould, Jr. (collectively, the “Hollywood Plaintiffs”) filed a Verified Class Action and Derivative Complaint against Defendants and MSGN for breaches of

fiduciary duty in their capacities as directors, officers, and/or controlling stockholders of the Company and for statutory violations of 8 *Del. C.* § 203 (the “Hollywood Action”).

H. Also on May 27, 2021, the Hollywood Plaintiffs filed a Motion for Expedited Proceedings to conduct discovery on an expedited basis in advance of their forthcoming motion to enjoin the Merger.

I. On June 8, 2021, the Hollywood Plaintiffs served Plaintiffs’ First Request for Production of Documents Directed to all Defendants and Plaintiffs’ First Set of Interrogatories Directed to all Defendants.

J. On June 10, 2021, the Hollywood Plaintiffs filed a Motion for Preliminary Injunction to preliminarily enjoin the Merger. The Hollywood Plaintiffs filed their opening brief in support of the Motion for Preliminary Injunction on June 15, 2021. Defendants filed their Answering Brief in Opposition to Plaintiffs’ Motion for a Preliminary Injunction on June 25, 2021. The Hollywood Plaintiffs filed their reply brief on June 27, 2021.

K. On July 1, 2021, the Court held oral argument on the Hollywood Plaintiffs’ Motion for Preliminary Injunction.

L. On July 2, 2021, the Court denied the Hollywood Plaintiffs’ motion for a preliminary injunction.

M. On July 9, 2021, the Merger closed.

N. On August 11, 2021, Plaintiffs City of Miramar Retirement Plan and Trust for General Employees and City of Miramar Management Retirement Plan filed a Verified Class Action and Stockholder Derivative Complaint asserting claims for breaches of fiduciary duty arising from Defendants' actions in connection with entering into the Merger Agreement (the "Miramar Action").²

O. On September 10, 2021, the Court consolidated the Hollywood and Miramar Actions.

P. On September 10, 2021, Plaintiff served its Second Request for Production of Documents Directed to all Defendants and Plaintiffs' Second Set of Interrogatories Directed to all Defendants. Plaintiff served a Third Request for Production of Documents Directed to all Defendants on September 7, 2022. Plaintiff served a Third Set of Interrogatories to MSGE on October 12, 2022.

Q. On October 11, 2021, Plaintiff filed a Verified Consolidated Derivative Complaint (the "Complaint"), asserting claims against the Director Defendants for breaches of fiduciary duty in their capacities as directors, officers, and/or controlling stockholders of MSGE arising from the Director Defendants' alleged actions in connection with entering into the Merger.

² On March 1, 2022, City of Miramar Retirement Plan and Trust for General Employees and City of Miramar Management Retirement Plan merged to become the City of Miramar Consolidated Retirement Plan and Trust Fund.

R. On December 30, 2021, the Director Defendants and Nominal Defendant MSGE filed their answers to the Complaint.

S. Defendants served responses and objections to Plaintiff's Second Request for Production of Documents on December 16, 2021. Defendants served responses and objections to Plaintiff's Second Set of Interrogatories on January 13, 2022, which were later supplemented by certain Defendants.

T. Defendants served responses and objections to Plaintiff's Third Request for Production of Documents on October 7, 2022. MSGE served responses and objections to Plaintiff's Third Set of Interrogatories on November 11, 2022.

U. On February 22, 2022, Defendants served their First Request for Production of Documents Directed to all Plaintiffs and their First Interrogatories Directed to all Plaintiffs. Plaintiff served responses and objections to Defendants' First Request for Production of Documents on April 8, 2022. Plaintiff served responses and objections to Defendants' First Interrogatories on April 25, 2022, and served a supplemented response on July 14, 2022.

V. Between December 2021 and November 2022, Plaintiff served twenty subpoenas on third parties.

W. On July 27, 2022, Plaintiff City of Miramar Consolidated Retirement Plan and Trust Fund voluntarily dismissed its claims with prejudice as to itself only.

X. On November 30, 2022, Plaintiff James R. Gould, Jr. voluntarily dismissed his claims with prejudice as to himself only.

Y. Plaintiff received 118,234 documents totaling 762,726 pages from Defendants and third parties in connection with document discovery in this Action. Plaintiff also produced 154 documents to Defendants in connection with discovery in this Action.

Z. Between December 1, 2021 and November 15, 2022, Plaintiff filed eight motions to compel against various of the Defendants. Certain of these motions were resolved amongst the parties after briefing, while others were ruled on by the Court after oral argument.

AA. Between September 27, 2022 and February 28, 2023, Plaintiff took depositions of forty-two witnesses of Defendants, third-parties, and Defendants' expert witnesses, often spanning multiple sessions. A representative of Plaintiff sat for a deposition on November 17, 2022. Plaintiff's expert witnesses were deposed on February 20, 2023 and February 21, 2023.

BB. On October 11, 2022, Defendants Joseph Lhota, John Sykes, Martin Bandier, Vincent Tese, and Isiah L. Thomas III sought leave from the Court to move for summary judgment. Plaintiff responded by letter opposing those requests on October 21, 2022. On January 23, 2023, the Court denied each Defendants' request for leave to move for summary judgment.

CC. On December 16, 2022, (i) Plaintiff served the Expert Report of James L. Canessa, and the Expert Report of Thomas E. Spock, and (ii) Defendants served the Expert Report of James Trautman, the Expert Report of Allen Ferrell, the Expert Report of David Carter, and the Expert Report of Susan E. Fine.

DD. On January 30, 2023, Plaintiff served the Rebuttal Expert Report of James Canessa. Defendants served the Rebuttal Expert Report of James Trautman, the Rebuttal Expert Report of Allen Ferrell, and the Rebuttal Expert Report of Susan E. Fine.

EE. On February 11 and 12, 2023, while preparation for trial was proceeding, Plaintiff's Co-Lead Counsel and Defendants' Counsel participated in an in-person, two-day mediation session before retired United States District Court Judge Layn R. Phillips (the "Mediator"). In advance of that session, Plaintiff and Defendants exchanged detailed mediation statements and exhibits to the Mediator, which addressed the issues of both liability and damages. The session ended without any agreement being reached.

FF. On March 2, 2023, Plaintiff filed a Motion for an Adverse Inference.

GG. On March 3, 2023, Plaintiff filed a Motion *in Limine* for Adverse Inference and to Preclude Evidence Regarding Value of Air Rights.

HH. Following the in-person mediation session, Plaintiff's Co-Lead Counsel and Defendants' Counsel engaged in additional negotiations under the

supervision and guidance of the Mediator. As a result of extensive, arm's-length negotiations at the mediation session, and following the mediation session, the Parties reached an agreement in principle to settle the Action that was memorialized in a Settlement Term Sheet (the "Term Sheet") executed on March 14, 2023.

II. The Term Sheet set forth, among other things, the Parties' agreement to resolve the Action in exchange for a cash payment of \$85 million, subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers.

JJ. This Stipulation (together with the exhibits hereto) reflects the final and binding agreement among the Parties and supersedes the Term Sheet.

KK. Plaintiff brought its claims in good faith and continues to believe that its claims have merit and, based upon Plaintiff's and Plaintiff's Co-Lead Counsel's investigation, prosecution, and mediation of the Action, Plaintiff and Plaintiff's Co-Lead Counsel have concluded that the terms and conditions of this Stipulation are fair, reasonable, and adequate to the Company. Based on Plaintiff's direct oversight of the prosecution of this matter and with the advice of its counsel, Plaintiff has agreed to settle and release the claims asserted in the Action pursuant to the terms and provisions of this Stipulation, after considering (a) the substantial financial benefit provided under the proposed Settlement; (b) the uncertain outcome and

significant risks of continued litigation; and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of this Stipulation.

LL. Defendants have denied, and continue to deny, that they committed, or aided and abetted in the commission of, any violation of law or duty or engaged in any wrongful acts whatsoever, including specifically those alleged in the Action, and they expressly maintain that they have complied with their statutory, fiduciary, and other legal duties. Defendants are entering into this Stipulation and the Settlement to eliminate the burden, expense, and uncertainties inherent in further litigation.

MM. Each of the Parties recognizes and acknowledges that the Action has been initiated, filed, and prosecuted by Plaintiff in good faith and defended by Defendants in good faith, that the Action is being voluntarily settled, and that the terms of the Settlement are fair, reasonable, and adequate.

NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among the Parties 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 Released Defendants' Persons and all Released Defendants' Claims as against the Released Plaintiff's Persons 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 all exhibits attached hereto and made a part hereof, the following capitalized terms shall have the following meanings:

(a) “Action” means the stockholder derivative action captioned *In re Madison Square Garden Entertainment Corp. Stockholders Litigation*, Consolidated C.A. No. 2021-0468-KSJM.

(b) “Complaint” means the Verified Consolidated Derivative Action Complaint filed in the Action on October 18, 2021.

(c) “Court” means the Court of Chancery of the State of Delaware.

(d) “Defendants’ Counsel” means (i) Potter Anderson & Corroon LLP and Debevoise & Plimpton LLP, counsel for James L. Dolan, Charles F. Dolan, Marianne Dolan Weber, Kristin A. Dolan, Charles P. Dolan, Ryan T. Dolan, Quentin F. Dolan, Paul J. Dolan, and Brian Sweeney; (ii) Young Conaway Stargatt & Taylor, LLP and Wachtell, Lipton, Rosen & Katz, counsel for Matthew C. Blank and Frederic V. Salerno; (iii) Chipman Brown Cicero & Cole LLP and Rosenberg, Giger & Peralta P.C., counsel for Thomas C. Dolan; (iv) DLA Piper LLP (US), counsel for Joseph J. Lhota, John L. Sykes, Martin Bandier, Vincent Tese, and Isiah L. Thomas III; and (v) Richards Layton & Finger, P.A. and Sullivan & Cromwell LLP, counsel for MSGE.

(e) “Director Defendants” means James Dolan, Charles F. Dolan, Charles P. Dolan, Kristin A. Dolan, Marianne Dolan-Weber, Paul J. Dolan, Quentin F. Dolan, Ryan T. Dolan, Thomas C. Dolan, Martin Bandier, Matthew C. Blank, Joseph J. Lhota, Frederic V. Salerno, Brian G. Sweeney, John L. Sykes, Vincent Tese, and Isiah L. Thomas III.

(f) “Effective Date” with respect to the Settlement means the first date by which all of the events and conditions specified in paragraph 17 of this Stipulation have been met and have occurred or have been waived.

(g) “Escrow Account” means a segregated, U.S.-based interest-bearing escrow account designated for the deposit of the Settlement Amount and controlled by MSGE.

(h) “Fee and Expense Application” means the application by Plaintiff’s Co-Lead Counsel, on behalf of Plaintiff’s Counsel, to be filed with the Court for an award of attorneys’ fees and payment of litigation expenses to Plaintiff’s Counsel.

(i) “Fee and Expense Award” means any attorneys’ fees or expenses awarded by the Court in response to the Fee and Expense Application.

(j) “Final” with respect to the Judgment or any other court order means: (i) if no appeal is filed, the expiration date of the time for filing or noticing of any appeal of the Judgment or order; 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 appeal, the expiration of the time to file a petition for a writ of certiorari or other form of further 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 or expenses shall not in any way delay or preclude the Judgment from becoming Final.

(k) "Judgment" means the final judgment, substantially in the form attached hereto as Exhibit C, to be entered by the Court approving the Settlement.

(l) "MSGGE" or the "Company" means Madison Square Garden Entertainment Corp. (see n.1, above).

(m) "Notice" means the Notice of Pendency and Proposed Settlement of Stockholder Derivative Action, Settlement Hearing, and Right to Appear, substantially in the form attached hereto as Exhibit B.

(n) "Notice Costs" means all costs, fees, and expenses related to providing notice of the Settlement.

(o) "Parties" means Plaintiff, the Company, and the Director Defendants.

(p) “Plaintiff” means Hollywood Firefighters’ Pension Fund.

(q) “Plaintiff’s Co-Lead Counsel” means Bernstein Litowitz Berger & Grossmann LLP; Kessler Topaz Meltzer & Check, LLP; and Block & Leviton LLP.

(r) “Plaintiff’s Counsel” means Plaintiff’s Co-Lead Counsel, Friedman Oster & Tejtel PLLC, and Klausner, Kaufman, Jensen & Levinson, P.A.

(s) “Released Claims” means each and any of the Released Defendants’ Claims and each and any of the Released Plaintiff’s Claims.

(t) “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, federal, common, local, statutory, regulatory, foreign, or other law or rule that arise out of or relate to the institution, prosecution, or settlement of the claims asserted in the Action, except for claims relating to the enforcement of the Settlement.

(u) “Released Defendants’ Persons” means the Director Defendants, the Company, and any entity in which the Company has a controlling interest, as well as their respective current and former parents, affiliates, subsidiaries, officers, directors, agents, successors, predecessors, assigns, assignees, partnerships, partners, committees, joint ventures, trustees, trusts, employees, immediate family

members, heirs, insurers and reinsurers (in their capacities as such), consultants, experts, and attorneys.

(v) “Released Plaintiff’s Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under state, federal, common, local, statutory, regulatory, foreign, or other law or rule, that Plaintiff (i) asserted in the Complaint or in any other complaint filed in the Action; or (ii) could have asserted derivatively on behalf of the Company, or that Plaintiff could have asserted directly, in the Complaint or in any other forum that arise out of or relate to the allegations, transactions, facts, matters, disclosures, or non-disclosures set forth in the Complaint or the settlement of the claims asserted in the Action, including claims arising out of or relating to the decision to enter into a merger transaction with MSG Networks, Inc., which transaction closed July 9, 2021, except for claims relating to the enforcement of the Settlement. For the avoidance of doubt, the Released Plaintiff’s Claims shall not cover, include, or release any direct claims of any MSGE stockholder other than Plaintiff or any claims of any former stockholder of MSGN, including without limitation any claims asserted in *In re MSG Networks Inc. S’holder Class Action Litig.*, C.A. No. 2021-0575-KSJM (the “MSGN Action”) or under the federal securities laws.

(w) “Released Plaintiff’s Persons” means Plaintiff and Plaintiff’s Counsel.

(x) “Released Persons” means each and any of the Released Defendants’ Persons and each and any of the Released Plaintiff’s Persons.

(y) “Releases” means the releases set forth in paragraphs 6-7 of this Stipulation.

(z) “Scheduling Order” means the order, substantially in the form attached hereto as Exhibit A, to be entered by the Court scheduling the Settlement Hearing and directing that notice of the Settlement be provided to Company stockholders.

(aa) “Settlement” means the resolution of the Action on the terms and conditions set forth in this Stipulation.

(bb) “Settlement Amount” means \$85,000,000, in cash.

(cc) “Settlement Hearing” means the hearing set by the Court to, among other things, consider final approval of the Settlement.

(dd) “Term Sheet” means the Settlement Term Sheet executed by the Parties on March 14, 2023.

(ee) “Unknown Claims” means any Released Plaintiff’s Claims which Plaintiff does not know or suspect to exist in its favor at the time of the release of such claims and any Released Defendants’ Claims which any Director Defendant

or the Company 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 Plaintiff's Claims and Released Defendants' Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiff, the Director Defendants, and the Company shall expressly waive any and all provisions, rights, and benefits conferred by California Civil Code §1542 and 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 that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiff, the Director Defendants, and the Company acknowledge that the foregoing waiver was separately bargained for and is a key element of the Settlement.

THE SETTLEMENT CONSIDERATION

2. In consideration for the dismissal with prejudice of the Action and the settlement and release of all Released Plaintiff's Claims against the Released Defendants' Persons, no later than thirty (30) calendar days before the date of the Settlement Hearing, Defendants shall cause the Settlement Amount to be paid into the Escrow Account, subject to refund if the Settlement is terminated or cancelled

pursuant to this Stipulation. Within two (2) business days after the deadline for payment of the Settlement Amount into the Escrow Account, Defendants' Counsel shall confirm via email to Plaintiff's Co-Lead Counsel that the Settlement Amount has been timely paid into the Escrow Account (the "Payment Notice Date").

3. Within five (5) business days of the Court's entering the Judgment approving the Settlement, the Settlement Amount plus any interest earned thereon, less any Court-awarded attorneys' fees and expenses paid or payable to Plaintiff's Counsel or any Attorneys' Fees and Expenses Reserve (as defined below), and less deductions for required taxes, tax expenses, and any other fees incurred by the Escrow Account, shall be transferred to the Company, subject to refund if the Settlement is terminated or cancelled pursuant to this Stipulation. To the extent that (i) the Court does not approve an award of attorneys' fees and expenses at the same time that it enters the Judgment approving the Settlement or (ii) Plaintiff's Co-Lead Counsel give reasonable notice to Defendants' Counsel that Plaintiff's Co-Lead Counsel intend to appeal or seek reconsideration of any such award, then an amount equal to the attorneys' fees and expenses award requested by Plaintiff's Co-Lead Counsel shall remain in the Escrow Account (such set aside the "Attorneys' Fees and Expenses Reserve") until such a time as the Court (or court hearing an appeal as the case may be) approves or disapproves an attorneys' fees and expenses award.

4. The Defendants' sole obligation with respect to payment of the Settlement Amount shall be to cause their insurers to make payment toward satisfaction of the Settlement Amount. For the avoidance of doubt, the Defendants shall in no circumstances be personally liable for any portion of the Settlement Amount.

RELEASE OF CLAIMS

5. The obligations incurred pursuant to this Stipulation are in consideration of: (a) the full and final disposition of the Action as against Defendants; and (b) the Releases provided for herein.

6. Pursuant to the Judgment, without further action by anyone, upon the Effective Date of the Settlement, Plaintiff and the Company (except as to any release of the Company itself) 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, and shall forever be barred and enjoined from commencing or prosecuting, the Released Plaintiff's Claims against the Released Defendants' Persons, or any of them.

7. Pursuant to the Judgment, without further action by anyone, upon the Effective Date of the Settlement, Defendants 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, and

shall forever be barred and enjoined from commencing or prosecuting, the Released Defendants' Claims against the Released Plaintiff's Persons, or any of them.

8. Notwithstanding paragraph 6-7 above, nothing in the Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of this Stipulation or the Judgment.

SCHEDULING ORDER AND NOTICE

9. Promptly upon execution of this Stipulation, Plaintiff and Defendants shall submit this Stipulation to the Court and shall jointly apply for entry of the Scheduling Order. The Parties agree jointly to seek the scheduling of the Settlement Hearing to take place no earlier than sixty (60) calendar days from MSGE's filing of the Notice pursuant to subpart (i) of paragraph 10 below.

10. In accordance with the terms of the Scheduling Order to be entered by the Court, no later than ten (10) calendar days following the date of entry of the Scheduling Order, (i) MSGE shall file a copy of the Notice as an exhibit to a Form 8-K with the United States Securities and Exchange Commission; (ii) MSGE shall cause this Stipulation and the Notice to be posted on the "Investor Relations" section of MSGE's website, which documents shall remain posted on MSGE's website through the Effective Date of the Settlement; and (iii) Plaintiff's Co-Lead Counsel shall cause this Stipulation and the Notice to be posted on Plaintiff's Co-Lead

Counsel's respective websites, which documents shall remain posted on Plaintiff's Co-Lead Counsel's respective websites through the Effective Date of the Settlement.

11. MSGE shall assume all administrative responsibility for and shall pay or cause to be paid any and all Notice Costs, other than with respect to any cost associated with posting the Stipulation and Notice on Plaintiff's Counsel's respective websites, regardless of the form or manner of notice ordered by the Court and regardless of whether the Court approves the Settlement or the Effective Date of the Settlement fails to occur, and in no event shall Plaintiff, the Director Defendants, or their respective attorneys or the Company's attorneys be responsible for any such costs or expenses.

TERMS OF THE JUDGMENT

12. If the Settlement contemplated by this Stipulation is approved by the Court, Plaintiff's Co-Lead Counsel and Defendants' Counsel shall request that the Court enter the Judgment, substantially in the form attached hereto as Exhibit C, which will, among other things, finally approve the proposed Settlement and dismiss the Action with prejudice.

ATTORNEYS' FEES AND LITIGATION EXPENSES

13. Plaintiff's Co-Lead Counsel, on behalf of Plaintiff's Counsel, intend to submit to the Court the Fee and Expense Application, seeking up to 28.5% of the Settlement Amount plus interest earned thereon, and payment of reasonable

expenses incurred in connection with the Action not to exceed \$1,560,000. The Parties acknowledge and agree that any Fee and Expense Award shall be paid solely from the Settlement Amount in the Escrow Account. The Fee and Expense Application shall be the only petition for attorneys' fees and expenses filed by or on behalf of Plaintiff and Plaintiff's Counsel. MSGE reserves the right to oppose any part or all of the Fee and Expense Application. No discussion regarding an appropriate Fee and Expense Award occurred between Plaintiff and Defendants prior to agreement on all substantive terms of the Settlement.

14. MSGE shall cause the full amount of any Fee and Expense Award to be paid to Plaintiff's Co-Lead Counsel from the Settlement Amount in the Escrow Account no later than five (5) business days after the Court's order awarding such fees and expenses, notwithstanding any objections to, or appeals or potential appeals from, the Settlement or the Fee and Expense Award. The payment of any Fee and Expense Award to Plaintiff's Co-Lead Counsel shall be subject to the joint and several obligation of Plaintiff's Co-Lead Counsel to make refunds or repayments, as appropriate, if the Settlement is terminated or cancelled or if, as a result of any appeal or further proceedings or successful collateral attack, the Fee and Expense Award is reduced or reversed and such order reducing or reversing the Fee and Expense Award has become Final. Plaintiff's Co-Lead Counsel shall make the appropriate refunds or repayments in full no later than twenty (20) business days after

(a) receiving from Defendants' Counsel notice of the termination of the Settlement; or (b) any court order reducing, reversing, or modifying the Fee and Expense Award becomes Final.

15. Resolution of any award of attorneys' fees and expenses is not a precondition to the Settlement or to the dismissal with prejudice of Defendants from the Action. The Court may consider and rule upon the fairness, reasonableness, and adequacy of the Settlement independently of any award of attorneys' fees and expenses. Any disapproval or modification of any application for attorneys' fees and expenses by the Court or on appeal shall not affect or delay the enforceability of the Settlement, provide any Party with the right to terminate the Settlement, impose any obligation on any Defendant, subject any Defendant in any way to an increase in the amount paid on their behalf in connection with the Settlement, or affect or delay the binding effect or finality of the Settlement and the Releases by any Party.

16. Plaintiff's Co-Lead Counsel shall allocate the attorneys' fees awarded amongst all Plaintiff's Counsel in a manner which Plaintiff's Co-Lead Counsel, in good faith, believe reflects the contributions of such counsel to the institution, prosecution and settlement of the Action. The Released Defendants' Persons shall have no responsibility for, or liability whatsoever with respect to, the allocation of the Fee and Expense Award amongst Plaintiff's Counsel.

CONDITIONS OF SETTLEMENT AND EFFECT OF TERMINATION

17. 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 Scheduling Order, substantially in the form set forth in Exhibit A attached hereto;

(b) Defendants have caused to be paid the Settlement Amount into the Escrow Account;

(c) The Parties have not exercised any right to terminate the Settlement pursuant to paragraph 19 below; and

(d) the Court has approved the Settlement as described herein, following notice to MSGE stockholders and a hearing, and entered the Judgment, substantially in the form set forth in Exhibit C attached hereto, and the Judgment has become Final.

18. Pending approval of the Settlement, the Parties agree to stay this Action and not to initiate any other proceeding other than those incident to the Settlement itself. For the avoidance of doubt, the stay shall apply only to the Action and shall not apply to the MSGN Action. The Parties will request the Court to order in the Scheduling Order that, pending approval of the Settlement, (i) all MSGE stockholders are barred and enjoined from commencing or prosecuting any action asserting any Released Plaintiff's Claims against any Released Defendants' Persons;

and (ii) the Director Defendants and MSGE are barred and enjoined from commencing or prosecuting any action asserting any Released Defendants' Claims against any Released Plaintiff's Persons.

19. Plaintiff and any Defendant shall each have the right to terminate the Settlement and this Stipulation, by providing written notice of their election to do so to the other Parties within thirty (30) calendar days of (a) the Court's refusal to enter the Scheduling Order in any material respect; (b) the Court's refusal to approve the Settlement or any material part thereof; (c) the Court's refusal to enter the Judgment in any material respect as to the Settlement; or (d) the date upon which an order vacating, materially modifying, materially revising, or reversing the Judgment becomes Final. In addition to the grounds set forth above, in the event that Defendants fail to provide satisfactory evidence that the Settlement Amount has been paid into the Escrow Account as set forth in paragraph 2 above, Plaintiff shall have the right to terminate the Settlement by providing written notice of its election to terminate to Defendants within six (6) business days of the Payment Notice Date; *provided, however*, that Defendants shall be entitled to cure any alleged violation of paragraph 2 by providing satisfactory evidence of payment of the Settlement Amount into the Escrow Account within five (5) business days of the Payment Notice Date, and such evidence shall be deemed to satisfy the requirement set forth in paragraph 17(b). However, any decision or proceeding, whether in this Court or

any appellate court, solely with respect to the Fee and Expense Application shall not be considered material to the Settlement, shall not affect the finality of the Judgment, and shall not be grounds for termination of the Settlement.

20. If Plaintiff or Defendants exercise their right to terminate the Settlement pursuant to paragraph 19 above, then (a) the Settlement and the relevant portions of this Stipulation shall be canceled; (b) the Parties shall each revert to their respective litigation positions in the Action as of immediately prior to the date of execution of the Term Sheet on March 14, 2023; (c) the terms and provisions of this Stipulation, with the exception of this paragraph 20 and paragraphs 11, 14, 21, and 41 hereof, shall be void ab initio and shall have no force and effect with respect to the Parties and shall not be used in the Action or in any other proceeding for any purpose, and the Parties shall proceed in all respects as if this Stipulation had not been entered; and (d) the Judgment and any other 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 Term Sheet, this Stipulation (whether or not consummated), including the exhibits hereto, the negotiations leading to the execution of the Term Sheet and this Stipulation, nor any proceedings taken pursuant to or in connection with the Term Sheet, this Stipulation, and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Released Defendants' Persons as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Defendants' Persons 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 this Action or in any other litigation or proceeding, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Released Defendants' Persons or in any way referred to for any other reason as against any of the Released Defendants' Persons, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate and enforce the provisions of this Stipulation;

(b) shall be offered against any of the Released Plaintiff's Persons, as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Plaintiff's Persons that any of their claims are without merit, that any of the Released Defendants' Persons had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount 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 Released Plaintiff's Persons, in any arbitration proceeding or other

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

(c) shall be construed against any of the Released Persons as an admission, concession, or presumption that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; *provided, however*, that if this Stipulation is approved by the Court, the Parties and the Released Persons and their respective counsel may refer to it to effectuate the releases and other 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. Defendants warrant that, as to the payments made or to be made on behalf of them, at the time of entering into this Stipulation and at the time of such payment they, or to the best of their knowledge any persons or entities contributing to the payment of the Settlement Amount, were not insolvent, nor will the payment required to be made by or on behalf of them render them insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code, including

§§ 101 and 547 thereof. This representation is made by each of the Defendants and not by their counsel.

24. In the event of the entry of a final order of a court of competent jurisdiction determining the transfer of the Settlement Amount to the Escrow Account or any portion thereof by or on behalf of Defendants to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to be returned, and such amount is not promptly deposited into the Escrow Account by others, then, at the election of Plaintiff, Plaintiff and Defendants shall jointly move the Court to vacate and set aside the Releases given and the Judgment entered in favor of Defendants and the other Released Persons pursuant to this Stipulation, in which event the Releases and Judgment shall be null and void ab initio, and the Parties shall be restored to their respective positions in the Action as provided in paragraph 20 above.

25. 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 against the Released Defendants' Persons with respect to the Released Plaintiff's Claims. No Party shall assert any claims of any violation of Delaware Court of Chancery Rule 11 relating to the institution, prosecution, defense, or settlement of this Action. The Parties agree that the terms of the Settlement were negotiated at arm's length and in good faith by the Parties, including through a mediation process

supervised and conducted by the Mediator, and reflect that the Settlement 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.

26. Plaintiff and its counsel and Defendants and their counsel shall not make any accusations of wrongful or actionable conduct by any Party concerning the prosecution, defense, and resolution of the Action, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

27. 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 each of the Parties (or their successors-in-interest).

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

29. 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 any Fee and Expense Award to Plaintiff's Counsel and enforcing the terms of this Stipulation.

30. 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.

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

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

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

34. The construction, interpretation, operation, effect, and validity of this Stipulation and all documents necessary to effectuate it shall be governed by the laws of the State of Delaware without regard to the laws that might otherwise govern under applicable conflicts of laws principles.

35. Any action arising under or to enforce this Stipulation or any portion thereof, shall be commenced and maintained only in the Court.

36. 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.

37. 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 this Stipulation to present it to the Court for its consideration and approval.

38. Plaintiff's Co-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.

39. If any Party is required to or does 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, facsimile, or email transmission, with confirmation of receipt. Notice shall be provided as follows:

If to Plaintiff or Plaintiff's
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If to Defendants James L. Dolan,
Charles F. Dolan, Marianne Dolan
Weber, Kristin A. Dolan, Charles P.
Dolan, Ryan T. Dolan, Quentin F.
Dolan, Paul J. Dolan, and Brian
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If to Defendants Joseph J. Lhota,
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III

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40. Except as otherwise provided herein, each Party shall bear his, her, or its own costs.

41. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall keep all negotiations, discussions, acts performed, agreements, drafts, documents signed, and proceedings in connection with the Stipulation confidential.

IN WITNESS WHEREOF, the Parties have caused this Stipulation to be executed, by their duly authorized attorneys, as of April 19, 2023.

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CERTIFICATE OF SERVICE

I, Andrew E. Blumberg, hereby certify that, on April 20, 2023, the foregoing *Stipulation and Agreement of Settlement, Compromise, and Release* was filed and served via File & ServeXpress upon the following counsel of record:

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