

MATTHEW SCIABACUCCHI,	)	COURT OF COMMON PLEAS
	)	PHILADELPHIA COUNTY
Plaintiff,	)	CIVIL DIVISION
)	
v.	)	Case ID: 170301672
)	
RICHARD A. HAYNE, et al.)	
)	
Defendants.)	
)	

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement (the “Stipulation”), fully executed on December 8, 2017 and effective December 15, 2017, is made and entered into by and among the following Parties (as defined herein), each by and through their respective counsel of record: (1) Plaintiff in the above captioned action (the “Action”) Matthew Sciabacucchi (“Sciabacucchi” or “Plaintiff”), shareholders David V. Milner (“Milner”), Julia Cromwell (“Cromwell”), and Cynthia Stokes (“Stokes,” Stokes, Cromwell and Milner collectively with Plaintiff, “Shareholders”); (2) Nominal Defendant Urban Outfitters, Inc. (“URBN” or the “Company”), and (3) individual defendants Richard A. Hayne, Edward N. Antoian, Scott A. Belair, Harry S. Cherken, Jr., Margaret A. Hayne, Elizabeth Ann Lambert, Joel S. Lawson, III, Robert H. Strouse, Glen A. Bodzy, Francis J. Conforti, and Tedford G. Marlow, each of whom is a current or former member of the Board of Directors (the “Board”) of URBN and/or a current or former senior officer of URBN (collectively, the “Individual Defendants” and together with URBN, the “Defendants”).

This Stipulation is intended by the Parties to fully, finally, and forever compromise, resolve, discharge, and settle Shareholders’ Released Claims (as defined herein), upon the terms and subject to the conditions set forth herein.

I. INTRODUCTION

A. Factual Background

According to the allegations in the Verified Shareholder Derivative Complaint filed in the Action (“Complaint” or “Compl.”), URBN is a specialty retailer marketing fashion apparel, accessories, and home goods worldwide under five brands: the Urban Outfitters namesake brand; Anthropologie; Free People; Terrain; and BHLDN. Compl. ¶ 1. The Company reaches its customers through 500 retail locations as well as direct-to-consumer channels such as catalogs and e-commerce websites. *Id.* The Urban Outfitters, Anthropologie, and Free People brands are alleged to be the Company’s largest and collectively represented about 98% of fiscal year 2013 sales. *Id.* In terms of annual sales volume and store footprint, the Complaint alleges that the Urban Outfitters brand is the Company’s most dominant. *Id.*

The Complaint asserts that the success of the namesake brand is crucial to the health of URBN as a whole, particularly in the teen retail market, where the Urban Outfitters brand is the Company’s main draw. Compl. ¶ 2. As alleged in the Complaint, teen retailers were suffering as the first half of 2013 unfolded, beset by unfavorable weather conditions, consumers feeling the pinch of a payroll tax increase, the absence of new “must-have” trends to drive mall traffic, and an abundance of promotional and mark-down activity that ate away at retailers’ profit margins. *Id.*

Yet despite these alleged hardships in the industry, sales growth for the Company allegedly remained elevated at 9% for the first and second quarters of fiscal year 2014. Compl. ¶ 4. According to the Complaint, the Urban Outfitters brand similarly maintained positive growth, at 6% and 5% for each respective quarter. *Id.* The Complaint alleges that Defendants made false and misleading statements promoting the strength and growth of the Company, emphasizing the Company’s sales growth. *Id.* ¶ 5.

The Complaint further alleges that, by the close of back-to-school season that September, Defendants could no longer hide the true vulnerability of the Urban Outfitters brand as well as the Company as a whole, which Defendants had known about since the beginning of the Relevant Period. Compl. ¶ 6. The Complaint also alleges that, on September 9, 2013, after the market closed, Defendants caused the Company to file its quarterly report with the U.S. Securities and Exchange Commission (“SEC”) on Form 10-Q for the second quarter of fiscal 2014. *Id.* The Complaint alleges that Defendants repeated the Company’s previously announced second quarter financials therein, but also revealed its slowed progress to date: “Thus far during the third quarter of fiscal 2014, comparable Retail segment net sales are mid single-digit positive.” *Id.* The Complaint further alleges that, after posting near-double-digit gains throughout 2013, URBN’s sales growth had fallen. *Id.* The Complaint claims that “analysts were stunned, immediately pointing to the Urban Outfitters brand as the culprit behind the slowdown.” *Id.* According to allegations in the Complaint, “[i]t was eventually revealed that the brand’s merchandisers had missed the mark across the board: the entire product assortment at the stores had been selling poorly.” *Id.*

Allegedly on this news, URBN’s stock price immediately plummeted more than 10%, falling from a close of \$42.71 on September 9, 2013 to a close of \$38.35 on September 10, 2013. Compl. ¶ 7. Meanwhile, according to allegations in the Complaint, certain of the Individual Defendants sold their personally-held URBN’s stock while it traded at artificially inflated prices, reaping significant illicit insider proceeds. *Id.* ¶ 8.

Defendants deny the allegations contained in the Complaint and the Demands and have denied and continue to deny that they have committed or attempted to commit any violations of law, any breach of fiduciary duty owed to URBN, or any wrongdoing whatsoever.

B. Procedural History

On August 31, 2015 Shareholder Milner sent the Board a pre-suit litigation demand (the “Milner Demand”) pursuant to Pennsylvania law. That letter demanded that the Board take action in connection with alleged breaches of fiduciary duty on behalf of the Company’s current and former officers and directors – which allegedly included the issuance of false and misleading statements regarding the financial status of the Company and certain stock sales by Company insiders.

Shareholders Stokes, Cromwell, and Sciabacucchi sent substantially similar pre-suit litigation demands on June 8, 2015, August 31, 2015, and March 9, 2016 respectively. Collectively, these pre-suit litigation demands, along with the Milner Demand, are referred to herein as the “Demands.”

Plaintiff filed the Action on March 13, 2017. The Action alleges that Plaintiff’s pre-suit demand was improperly ignored by the Board. Compl. ¶¶ 170-176. The Action further alleges that the Individual Defendants breached their fiduciary duties to URBN by, *inter alia*, issuing false and misleading statements to the public and failing to maintain internal controls. *Id.* ¶¶ 177-184. The Action also asserts causes of action for abuse of control and unjust enrichment. *Id.* ¶¶ 185-192.

C. Settlement Negotiations

Settlement negotiations between the parties spanned several months. Prior to engaging in settlement discussions, Defendants produced to Shareholders’ Counsel over 128,000 pages of internal Company documents. Ultimately, the parties agreed to the settlement terms defined herein.

Only after the settlement consideration was agreed to did the parties negotiate and ultimately agree to an award of attorneys’ fees and expenses.

II. SHAREHOLDERS' COUNSEL'S INVESTIGATION AND RESEARCH, SHAREHOLDERS' CLAIMS, AND THE BENEFITS OF SETTLEMENT

Shareholders' Counsel (as defined herein) conducted an extensive investigation relating to the claims and the underlying events alleged in the Action and Demands, including, but not limited to: (1) inspecting, analyzing, and reviewing URBN's public filings with the SEC, press releases, announcements, transcripts of investor conference calls, and news articles; (2) drafting and serving the various pre-suit litigation demands; (3) with respect to Plaintiff, drafting the Complaint in the Action; (4) researching the applicable law with respect to the claims asserted in the Action and the potential defenses thereto; (5) researching corporate governance issues; (6) reviewing confidential documents produced by the Company prior to engaging in settlement discussions; and (7) participating in extensive settlement discussions with counsel for Defendants.

Shareholders' Counsel believes that the claims asserted in the Action and Demands have merit and that their investigation supports the claims asserted. Without conceding the merit of any of Defendants' defenses or the lack of merit of any of their own allegations, and solely in order to avoid the potentially protracted time, expense, and uncertainty associated with continued litigation, including a potential trial and appeal, Shareholders have concluded that it is desirable that the Action and Demands be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Shareholders' and Shareholders' Counsel recognize the significant risk, expense, and length of continued proceedings necessary to prosecute the Action against the Individual Defendants through trial and through possible appeal. Shareholders' Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in a complex case such as the Action, as well as the difficulties and delays inherent in such litigation. Based on their evaluation, Shareholders and Shareholders' Counsel have

determined that the Settlement is in the best interests of Shareholders, URBN, and Current URBN Shareholders (as defined herein), and have agreed to settle the Action and Demands upon the terms and subject to the conditions set forth herein.

III. DEFENDANTS' DENIAL OF WRONGDOING AND LIABILITY

The Individual Defendants have denied and continue to deny that they committed or attempted to commit any violations of law, any breach of fiduciary duty owed to URBN, or any wrongdoing whatsoever. Without admitting the validity of any of the claims Shareholders have asserted in the Action and/or Demands, or any liability with respect thereto, Defendants have concluded that it is desirable that the claims be settled on the terms and subject to the conditions set forth herein. Defendants are entering into this Settlement because it will eliminate the uncertainty, distraction, disruption, burden, risk, and expense of further litigation. Further, Defendants acknowledge, without admitting wrongdoing, that the Settlement is fair, reasonable, adequate, and in the best interests of URBN and Current URBN Shareholders.

Neither this Stipulation, nor any of its terms or provisions, nor entry of the Final Order and Judgment (as defined herein), nor any document or exhibit referred or attached to this Stipulation, nor any action taken to carry out this Stipulation, is or may be construed or used as evidence of the validity of any of Shareholders' Released Claims (defined herein), or as an admission by or against Defendants of any fault, wrongdoing, or concession of liability whatsoever.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

Shareholders (on behalf of themselves and derivatively on behalf of URBN), the Individual Defendants, and Nominal Defendant URBN, by and through their respective counsel or attorneys of record, hereby stipulate and agree that, subject to the approval of the Court, the Action and Demands, Shareholders' Released Claims and Defendants' Released Claims shall be

finally and fully compromised, settled, and released, and the Action shall be dismissed with prejudice, as to all Parties, upon the terms and subject to the conditions set forth herein as follows:

1. Definitions

1.1. "Action" means the above-captioned shareholder derivative action pending in the Court of Common Pleas for Philadelphia County.

1.2. "Board" means the Board of Directors of Urban Outfitters, Inc.

1.3. "Shareholders" means Matthew Sciabacuchi, David Milner, Julia Cromwell and Cynthia Stokes.

1.4. "Court" means the Court of Common Pleas for Philadelphia County.

1.5. "Company" means URBN.

1.6. "Current URBN Shareholder" means any Person who owned URBN common stock as of the Execution Date of this Stipulation and who continues to hold their URBN common stock as of the date of the Settlement Hearing, excluding the Individual Defendants, the officers and directors of URBN, members of their immediate families, and their legal representatives, heirs, successors, or assigns, and any entity in which Individual Defendants have or had a controlling interest.

1.7. "Defendants" means, collectively, the Individual Defendants and Nominal Defendant URBN.

1.8. "Defendants' Counsel" means Morgan, Lewis & Bockius LLP, 1701 Market Street, Philadelphia, Pennsylvania 19103.

1.9. "Defendants' Released Claims" means collectively all actions, suits, claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, including both known claims and Unknown Claims, asserted or that might have

been asserted in any forum by Defendants' Released Persons against Shareholders' Released Persons, which arise out of, are based on, or relate in any way, directly or indirectly, to the institution, prosecution, or settlement of the Action (except for claims under the Settlement).

1.10. "Defendants' Released Persons" means each of the Defendants and, to the maximum extent permitted by law, each of Defendants' Immediate Family Members (as defined herein), spouses, heirs, executors, estates, beneficiaries, administrators, trustees, assigns, and any trusts in which Defendants, or any of them, are settlors, or which are for the benefit of any Defendants and/or members of his immediate family; any entity in which a Defendant, and/or members of his family has a controlling interest; each of the Defendants' present and former attorneys, legal representatives, and assigns in connection with the Action and Demands; Defendants' insurers; and all present and former directors and officers, agents, advisors, representatives, accountants, advisors, investment bankers, employees, affiliates, predecessors, successors, parents, subsidiaries, and divisions of URBN.

1.11. "Demands" means (i) the Milner Demand sent on August 31, 2015 pursuant to Pennsylvania law which demanded that the Board take action in connection with alleged breaches of fiduciary duty on behalf of the Company's current and former officers and directors – which included the alleged issuance of false and misleading statements regarding the financial status of the Company and certain stock sales by Company insiders; (ii) the August 31, 2015 pre-suit litigation demand sent by shareholder Julia Cromwell which made demands substantially similar to the Milner Demand; (iii) the June 8, 2015 pre-suit litigation demand sent by shareholder Cynthia Stokes which made demands substantially similar to the Milner Demand; (iv) the March 9, 2016 pre-suit litigation demand sent by shareholder Matthew Sciabacuchi which made demands substantially similar to the Milner Demand.

1.12. "Effective Date" means the first date by which all of the events and conditions specified in ¶ 6.1 herein have been met and have occurred.

1.13. "Execution Date" means the date this Stipulation has been signed by all the signatories through their respective counsel.

1.14. "Fee Award" means the sum to be paid to Shareholders' Counsel for their attorneys' fees and expenses, detailed in ¶¶ 5.1-5.2, subject to Court approval.

1.15. "Final" means the time when a judgment that has not been reversed, vacated, or modified in any way is no longer subject to appellate review, either because of disposition on appeal and conclusion of the appellate process or because of passage, without action, of time for seeking appellate review. More specifically, it is that situation when (1) either no appeal has been filed and the time has passed for any notice of appeal to be timely filed in the Action; or (2) an appeal has been filed and the court of appeals has either affirmed the judgment or dismissed that appeal and the time for any reconsideration or further appellate review has passed; or (3) a higher court has granted further appellate review and that court has either affirmed the underlying Final Order and Judgment or affirmed the court of appeals' decision affirming the judgment or dismissing the appeal. 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 the Judgment from becoming Final.

1.16. "Final Order and Judgment" means the order and judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit E.

1.17. "Immediate Family" with respect to the Individual Defendants means any spouse, domestic partner, parent, step-parent, grandparent, child, step-child, grandchild, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

1.18. "Individual Defendants" means, collectively, Richard A. Hayne, Edward N. Antoian, Scott A. Belair, Harry S. Cherken, Jr., Margaret A. Hayne, Elizabeth Ann Lambert, Joel S. Lawson, III, Robert H. Strouse, Glen A. Bodzy, Francis J. Conforti, and Tedford G. Marlow.

1.19. "Notice to Current URBN Shareholders" or "Notice" means the Notice of Pendency and Proposed Settlement of Shareholder Action, substantially in the form of Exhibit C attached hereto.

1.20. "Parties" means, collectively, each of the Shareholders (on behalf of themselves and derivatively on behalf of URBN), each of the Individual Defendants, and Nominal Defendant URBN.

1.21. "Person" or "Persons" means an individual, corporation, limited liability corporation, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity, and their spouses, heirs, predecessors, successors, representatives, or assignees.

1.22. "Preliminary Approval Order" means the Order to be entered by the Court, substantially in the form of Exhibit B attached hereto, including, *inter alia*, preliminarily approving the terms and conditions of the Settlement as set forth in this Stipulation, directing that Notice be provided to Current URBN Shareholders, and scheduling a Settlement Hearing to consider whether the Settlement and the Fee Award should be finally approved.

1.23. "Released Parties" means Defendants' Released Persons and Shareholders' Released Persons.

1.24. "Releases" means the releases set forth in ¶¶ 4.1-4.3 of this Stipulation.

1.25. "Settlement" means the settlement documented in this Stipulation.

1.26. "Settlement Hearing" means a hearing by the Court to review this Stipulation and determine: (i) whether to enter the Final Order and Judgment; and (ii) all other matters related to the Settlement that are properly before the Court.

1.27. "Shareholders' Counsel" means: (i) The Weiser Law Firm, P.C., 22 Cassatt Avenue, Berwyn, Pennsylvania 19312; (ii) Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, Pennsylvania 19087; (iii) Johnson & Weaver, LLP, 40 Powder Springs Street, Marietta, Georgia 30064; and (iv) The Shuman Law Firm, 1 Montgomery St., #1800, San Francisco, California 94104.

1.28. "Shareholders' Released Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that might have been asserted in any forum by Shareholders' Released Persons or any other URBN shareholder derivatively on behalf of URBN, against any of Defendants' Released Persons, that arise from, are based on or relate to the matters or occurrences that were alleged in the Action (except for claims to enforce the Settlement) or the Demands and that were or could have been asserted in the Action. "Shareholder's Released Claims" includes "Unknown Claims" as defined in ¶ 1.32 hereof.

1.29. "Shareholders' Released Persons" means Shareholders, Shareholders' Counsel and each of their immediate family members, spouses, heirs, executors, administrators,

successors, trustees, attorneys, personal or legal representatives, advisors, estates, assigns, and agents thereof.

1.30. "Stipulation" means this Stipulation and Agreement of Settlement.

1.31. "Summary Notice" means the summarized Notice substantially in the form of Exhibit D attached hereto.

1.32. "Unknown Claims" means any and all Shareholders' Released Claims and Defendants' Released Claims which the Parties or a Current URBN Shareholder do not know or suspect to exist in his, her, or its favor at the time of the Settlement, including, without limitation, those claims that if known by him, her, or it, might have affected his, her, or its settlement with and release, or might have affected his, her, or its decision(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or to the release of the Released Parties. With respect to any and all Shareholders' Released Claims and Defendants' Released Claims, the Parties stipulate and agree that, upon the Effective Date, Shareholders, Defendants and Current URBN Shareholders shall be deemed to have, and by operation of the Final Order and Judgment shall have, expressly waived all provisions, rights, and benefits conferred by or under California Civil Code Section 1542 ("§ 1542") or any other law of the United States or any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 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.

The Parties and each Current URBN Shareholder may hereafter discover facts in addition to or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Shareholders' Released Claims and Defendants' Released

Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including but not limited to, conduct which is negligent, intentional, with or without malice, or breach of any duty, law or rule, without regard to the subsequent discovery or existence of such additional facts. The Parties acknowledge, and the Current URBN Shareholders shall be deemed by operation of the Final Order and Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

1.33. "URBN," the "Company" or "Nominal Defendant" means Urban Outfitters, Inc. and includes all of its subsidiaries, predecessors, successors, affiliates, officers, directors, employees, and agents.

2. Settlement Consideration

2.1. URBN, through its Board, shall adopt and implement the corporate governance measures (the "Reforms") attached as Exhibit A to this Stipulation, within thirty (30) days after the Effective Date, or the next regularly scheduled Board meeting after the Effective Date, except as expressly set forth in Exhibit A.

2.2. Defendants acknowledge that the filing of the Action and the receipt of the Demands, and the discussions and negotiations with Shareholders' Counsel in connection with the Demands and the filing of the Action, were the cause of the relief set forth in ¶ 2.1 above. Defendants agree that the Reforms confer a material benefit on URBN and Current URBN Shareholders. In addition, the Board, exercising its independent business judgment, believes that the Settlement is in the best interests of URBN and Current URBN Shareholders.

3. Procedures for Implementing the Settlement

3.1. Within ten (10) business days after the Execution Date of this Stipulation, Shareholders shall submit the Stipulation together with its exhibits to the Court and shall apply for entry of the Preliminary Approval Order, substantially in the form of Exhibit B attached hereto, requesting, *inter alia*: (i) preliminary approval of the Settlement set forth in this Stipulation; (ii) approval of the method of providing notice of pendency and proposed Settlement to Current URBN Shareholders; (iii) approval of the form of Notice attached hereto as Exhibit C; and (iv) a date for the Settlement Hearing.

3.2. Within ten (10) business days of the Court's entry of the Preliminary Approval Order, URBN shall: (a) cause to be furnished to or filed with the SEC a Current Report on Form 8-K that includes, as an exhibit, the Summary Notice; (b) post the Stipulation and Summary Notice on the Investor Relations page of URBN's website until entry of the Final Order and Judgment, such that visitors to the site will readily find a hyperlink to the Stipulation and Summary Notice; and (c) cause a copy of the Summary Notice to be published one time in the *Investor's Business Daily*. All costs of such notice and posting and any other notice ordered by the Court shall be paid by URBN.

3.3. After notice as described above is given to Current URBN Shareholders, Shareholders' Counsel shall request that the Court hold the Settlement Hearing to finally approve the Settlement and the agreed upon Fee Award. At the Settlement Hearing, Shareholders' Counsel shall request the Court's final approval of the Settlement and the Court's approval of the Fee Award as referenced in Section 5 below.

3.4. The Parties shall request that any objections and papers filed in support of objections to the Settlement shall be considered by the Court at the hearing only if the objector, among other things, (i) files notice of an intention to appear that includes proof of current

ownership of URBN common stock, (ii) files papers in support of the objection with the Clerk of the Court by at least twenty-one (21) calendar days prior to the hearing, and (iii) ensures such notice and papers have been served on and received by counsel as identified in the Notice by at least twenty-one (21) calendar days prior to the hearing.

3.5. If the Court approves the Settlement at the Settlement Hearing, the Parties will jointly request entry of the Final Order and Judgment by the Court, the entry of which is a condition of this Stipulation: (i) approving finally the Settlement set forth in the Stipulation as fair, adequate, and reasonable, and directing its consummation pursuant to its terms; (ii) finally approving a fee award to Shareholders' counsel; (iii) dismissing with prejudice all of Shareholders' Released Claims against Defendants' Released Persons; (iv) permanently barring and enjoining the institution and prosecution by Shareholders' Released Persons and any URBN shareholder on behalf of URBN against Defendants' Released Persons in any court of any of Shareholders' Released Claims and any claims that arise from, are based on or relate to the matters or occurrences that were alleged in the Action (except for claims to enforce the Settlement) and the Demands; and (v) containing such other and further provisions consistent with the terms of this Stipulation to which the Parties hereto consent in writing.

3.6. Any objections to or appeals from the Fee Award shall not affect the finality of the Settlement.

4. Releases

4.1. Upon the Effective Date, URBN, each of URBN's shareholders and the Shareholders (acting on their own behalf and derivatively on behalf of URBN), for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and

forever released, relinquished and discharged and dismissed with prejudice the Shareholders' Released Claims against Defendants' Released Persons and any and all causes of action or claims (including Unknown Claims) that have and could have been asserted in the Action by Shareholders, URBN or any URBN shareholder derivatively on behalf of URBN against the Defendants' Released Persons, based on the Individual Defendants' acts and/or omissions in connection with, arising out of, or relating to, the facts, transactions, events, matters, occurrences, acts, disclosures, statements, omissions or failures to act at issue in this Action and/or the Demands, through and including the date of execution of this Stipulation, including claims arising out of, relating to, or in connection with the defense, settlement, or resolution of the Action and/or the Demands. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

4.2. Upon the Effective Date, Shareholders (acting on their own behalf and derivatively on behalf of URBN and its shareholders), the Individual Defendants, URBN and any Person acting on behalf of URBN, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be forever barred and enjoined from commencing, instituting or prosecuting any of the Defendants' Released Claims and Shareholders' Released Claims against any of the Released Parties or any action or other proceeding against any of the Released Parties arising out of, relating to, or in connection with the Defendants' Released Claims and Shareholders' Released Claims, the Action, the Demands, or the filing, prosecution, defense, settlement, or resolution of the Action. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

4.3. Upon the Effective Date, each of the Defendants' Released Persons, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be

deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and forever released, relinquished and discharged each and all of the Shareholders and Shareholders' Counsel and all Current URBN Shareholders (solely in their capacity as URBN stockholders) from all claims (including Unknown Claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Action, Demands or the Defendants' Released Claims and Shareholders' Released Claims. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

5. Shareholders' Counsel's Attorneys' Fees and Expenses

5.1. In recognition of the substantial benefits provided to URBN and Current URBN Shareholders as a result of the issuance of the Demands and the initiation, prosecution, pendency, and settlement of the Action, URBN and/or its insurers shall, upon Court approval, pursuant to the timetable provided herein, pay or cause to be paid to Shareholders' Counsel attorneys' fees and expenses in the amount of \$387,500.00 (the "Fee Award"), subject to Court approval. The current Board, in the exercise of its independent business judgment, approves the Fee Award, and the Parties mutually agree that the Fee Award is fair and reasonable in light of the substantial benefits conferred upon URBN and Current URBN Shareholders by this Stipulation.

5.2. The Fee Award shall be transferred to The Weiser Law Firm, P.C. and Kessler Topaz Meltzer & Check, LLP, as receiving agents for Shareholders' Counsel, within ten (10) business days after entry of the Final Order and Judgment.

5.3. Payment of the Fee Award in the amount approved by the Court shall constitute final and complete payment for Shareholders' Counsel's attorneys' fees and expenses that have been incurred or will be incurred in connection with the Demands and the filing and prosecution of the Action and the resolution of the claims alleged therein. Defendants shall have

no obligation to make any payment other than the Fee Award as provided herein to any Shareholders' Counsel.

5.4. Shareholders' Counsel and their successors are obligated to repay the amount of the Fee Award, or, if reduced in the manner set forth in this Section, the part thereof so reduced, paid by URBN and/or its successor(s) or insurer(s) if the Settlement is terminated pursuant to the terms of this Stipulation or if, or a result of any appeal or further proceedings on remand or successful collateral attack by a Current URBN Shareholder, the Fee Award is overturned or reduced and such order overturning or reducing the award has become final and no longer subject to appeal. Shareholders' Counsel shall make the appropriate refund or repayment in full no later than fifteen (15) business days after (a) the date of termination of the Settlement; or (b) the date any order reducing or reversing the Fee Award has become final and no longer subject to appeal.

5.5. Except as otherwise provided herein, each of the Parties shall bear his, her, or its own costs in connection with the Action.

5.6. In light of the substantial benefits they have helped to create for URBN and all Current URBN Stockholders, Plaintiff Sciabacucchi may apply for a Court-approved incentive award in the amount of \$1,000.00 (the "Incentive Award"). The Incentive Award shall be funded from the Fee Award, to the extent that this settlement is approved in whole or part. Defendants shall take no position on the Incentive Award.

6. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

6.1. The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

(a) the Board has approved the Settlement and each of its terms as in the best interests of URBN;

- (b) the entry by the Court of the Final Order and Judgment; and
- (c) the Final Order and Judgment having become Final.

6.2. If any of the conditions specified in ¶ 6.1 are not met, then the Stipulation shall be canceled and terminated subject to ¶ 6.3, and the Parties shall be restored to their respective positions in the Action as of the Execution Date of this Stipulation, unless Shareholders' Counsel and Defendants' Counsel mutually agree in writing to proceed with the Stipulation.

6.3. If for any reason the Effective Date of the Stipulation does not occur, or if the Stipulation is in any way canceled or terminated or if the judgment specified in ¶ 6.1(b) is successfully attacked collaterally by a Current URBN Shareholder, then the payments to Shareholders' Counsel pursuant to Section 5, and any and all interest accrued thereon since payment, shall be returned to URBN, its designee, and/or its successors within ten (10) business days of said event.

6.4. In the event that the Stipulation is not approved by the Court, or the Settlement is terminated for any reason, the Parties shall be restored to their respective positions as of the Execution Date of this Stipulation, and all negotiations, proceedings, documents prepared and statements made in connection herewith shall be without prejudice to the Parties, shall not be deemed or construed to be an admission by any of the Parties of any act, matter, or proposition, and shall not be used in any manner for any purpose in any subsequent proceeding in the Action or in any other action or proceeding. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶ 6.2-6.4, 8.4, 8.6, 8.9, 8.10, and 8.11 herein, shall have no further 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 any judgment or orders entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*.

7. Bankruptcy

7.1. In the event any proceedings by or on behalf of URBN, whether voluntary or involuntary, are initiated under any chapter of the U.S. Bankruptcy Code, including any act of receivership, asset seizure, or similar federal or state law action (“Bankruptcy Proceedings”), the Parties agree to use their reasonable best efforts to obtain all necessary orders, consents, releases, and approvals for effectuation of this Stipulation in a timely and expeditious manner.

7.2. In the event of any Bankruptcy Proceedings by or on behalf of URBN, the Parties agree that all dates and deadlines set forth herein will be extended for such periods of time as are necessary to obtain necessary orders, consents, releases and approvals from the Bankruptcy Court to carry out the terms and conditions of the Stipulation.

8. Miscellaneous Provisions

8.1. The Parties: (i) acknowledge that it is their intent to consummate this Stipulation; and (ii) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation.

8.2. The Parties agree that the terms of the Settlement were negotiated in good faith by the Parties through arms-length negotiations, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel. No discussions regarding the Fee Award were conducted until all material settlement terms were first agreed upon. The Parties will request that the Final Order and Judgment contain a finding that during the course of the litigation, the Parties and their respective counsel at all times complied with the requirements of the Pennsylvania Rules of Professional Conduct. The Parties reserve their right to rebut, in a

manner that such party determines to be appropriate, any contention made in any public forum that the Action and/or Demands were brought or defended in bad faith or without a reasonable basis.

8.3. Neither the Stipulation (including any exhibits attached hereto) nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, the validity of any of Shareholders' Released Claims, or of any fault, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons; or (ii) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, any fault, omission, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons and Shareholders' Released Persons may file the Stipulation and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

8.4. Pending final determination of whether the Settlement should be approved, all proceedings in the Action and all further activity between the Parties regarding or

directed toward the Action or Demands, save those activities and proceedings relating to this Stipulation and the Settlement, shall be stayed.

8.5. The exhibits to the Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

8.6. The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

8.7. The Stipulation and the exhibits attached hereto represent the complete and final resolution of all disputes among the Parties with respect to the Action and/or the Demands, constitute the entire agreement among the Parties, and supersede any and all prior negotiations, discussions, agreements, or undertakings, whether oral or written, with respect to such matters.

8.8. The Stipulation and the Settlement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties and the Released Persons. The Parties agree that this Stipulation will run to their respective successors-in-interest, and they further agree that any planned, proposed or actual sale, merger or change-in-control of URBN shall not void this Stipulation, and that in the event of a planned, proposed or actual sale, merger or change-in-control of URBN they will continue to seek final approval of this Stipulation expeditiously, including but not limited to the settlement terms reflected in this Stipulation and the Fee Award. The Parties also agree that URBN has already received adequate consideration for payment of the Fee Award.

8.9. No representations, warranties, or inducements have been made to any party concerning the Stipulation or its exhibits other than the representations, warranties, and covenants contained and memorialized in such documents.

8.10. All agreements made and orders entered during the course of the Action relating to the confidentiality of information and documents shall survive this Stipulation.

8.11. Each counsel or other Person executing the Stipulation or its exhibits on behalf of any of the Parties hereby warrants that such Person has the full authority to do so.

8.12. The Stipulation may be executed by facsimile or other electronic means and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

8.13. The Court shall retain jurisdiction with respect to implementation and enforcement of the Stipulation, and the Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

8.14. This Stipulation and the exhibits attached hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the Commonwealth of Pennsylvania, and the rights and obligations of the parties to this Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the Commonwealth of Pennsylvania without giving effect to the Commonwealth's choice-of-law principles.

Shareholders have not assigned, encumbered, or in any manner transferred in whole or in part any of the Shareholders' Released Claims.

IN WITNESS WHEREOF, the Parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys, dated as of December 8, 2017, and made effective December 15, 2017.

THE WEISER LAW FIRM, P.C.



ROBERT B. WEISER
PA Bar No. 81575
BRETT D. STECKER
PA Bar No. 86242
JAMES M. FICARO
PA Bar No. 308198
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Telephone: (610) 225-2677
Facsimile: (610) 408-8062

Counsel for Plaintiff Sciabacucchi

**KESSLER TOPAZ MELTZER &
CHECK, LLP**

ERIC L. ZAGAR
PA Bar No. 76596
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056

Counsel for Shareholder Milner

JOHNSON FISTEL, LLP

MICHAEL I. FISTEL, JR.
40 Powder Springs Street
Marietta, GA 30064
Telephone: (770) 200-3104
Facsimile: (770) 200-3101

Counsel for Shareholder Stokes

THE SHUMAN LAW FIRM

KIP B. SHUMAN
RUSTY GLENN
600 17th Street, Suite 2800 South

PA Bar No. 81575
BRETT D. STECKER
PA Bar No. 86242
JAMES M. FICARO
PA Bar No. 308198
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Telephone: (610) 225-2677
Facsimile: (610) 408-8062

Counsel for Plaintiff Sciabacucchi

**KESSLER TOPAZ MELTZER & CHECK,
LLP**

ERIC L. ZAGAR
PA Bar No. 76596
280 King of Prussia Road
Radnor, PA 19087
Telephone: (610) 667-7706
Facsimile: (610) 667-7056

Counsel for Shareholder Milner

JOHNSON FISTEL, LLP

MICHAEL I. FISTEL, JR.
40 Powder Springs Street
Marietta, GA 30064
Telephone: (770) 200-3104
Facsimile: (770) 200-3101

Counsel for Shareholder Stokes

THE SHUMAN LAW FIRM



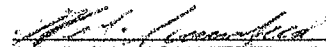
KIP B. SHUMAN
RUSTY GLENN
600 17th Street, Suite 2800 South
Denver, CO 80202
Tel. 303-861-3003

Counsel for Shareholder Cromwell

Denver, CO 80202
Tel. 303-861-3003

Counsel for Shareholder Cromwell

MORGAN, LEWIS & BOCKIUS, LLP



MARC J. SONNENFELD
JASON H. WILSON
1701 Market Street,
Philadelphia, PA 19103
Telephone: (215) 963-5000

Counsel for Defendants

Exhibit "A"

Urban Outfitters, Inc. (“URBN” or the “Company”) will institute the following revisions with respect to certain of its corporate governance documents, and will add one additional document, as indicated below. These revisions will remain in effect for at least three (3) years, subject to such modifications as may be necessary or appropriate (i) to comply, or eliminate any conflict with applicable laws, regulations or stock exchange rules; (ii) to adopt any changes or additions subject to precatory shareholder proposals that are adopted by the shareholders; (iii) to reflect changes in titles of legal personnel assigned specified responsibilities or of “Covered Persons,” in each case with respect to the Company’s Insider Trading Policy; and (iv) non-substantive changes/corrections, including, without limitation, changes to cure any ambiguity or correct any inconsistency.

I. The Urban Outfitters Insider Trading Policy (the “Policy”) will be revised as follows [additions in italics; deletions in brackets]:

1. Paragraph (a) of Part I, Section (3) shall be amended to read as follows:

(a) **Materiality.** Insider trading restrictions come into play only if the information you possess is “material.” Information is generally regarded as “material” if it has market significance, that is, if its public dissemination is likely to affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

To the extent that the information is material, as defined above, the following are examples of some of the types of information where enforcement of insider trading restrictions has been sought:

- (i) financial results of the Company;
- (ii) significant changes in the Company’s prospects;
- (iii) significant write-downs or write-ups in assets, or significant changes in reserves;
- (iv) developments regarding significant litigation or government agency investigations;
- (v) liquidity problems;
- (vi) changes in earnings estimates;
- (vii) *restatements of Company financial statements;*
- (viii) major changes in management or organizational structure;
- (ix) adoption of share purchase plans;
- (x) *establishment or termination of a significant business relationship, including through strategic alliances;*

- (xi) agreements involving mergers, acquisitions, divestitures, [strategic alliances,] recapitalizations or purchases or sales of substantial assets; and
- (xii) public offerings.

Material information is not limited to historical facts but may also include projections and forecasts. *An evaluation of the materiality of information must take into account all relevant facts and circumstances. Material information can be positive or negative, and can pertain to a broad range of matters affecting the Company's business.* With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company's operations or share price should it occur. Movement in the Company's share price does not imply that information released prior to the movement is, by definition, "material."

The above examples of the types of information that may be material are not exhaustive. If you have a question as to whether information is material, you must contact the Company's General Counsel, Deputy General Counsel or Associate General Counsel (respectively referred to below as the "General Counsel," "Deputy General Counsel" and "Associate General Counsel") and abstain from trading in Company securities or disclosing the information until you have been informed that the information is not material or has been appropriately disclosed.

- 2. Paragraph (b) of Part I, Section 3 shall be amended to read as follows:

(b) Non-public Information. Insider trading prohibitions come into play only when you possess information that is material and "non-public." The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the third trading day after the information was publicly disclosed before you can treat the information as public and trade, subject to any other restrictions.

Non-public information may include:

- (i) Information available to a select group of analysts or brokers or institutional investors; and
- (ii) Information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two days).

As with questions of materiality, if you are not sure whether information is considered public, you [should either consult with the Company's Legal Department (the "**Legal Department**") or assume that the information is "non-public" and that it is confidential] *must contact the General Counsel, Deputy General Counsel or Associate General Counsel and abstain from trading in Company securities or disclosing the information until you have been informed that the information is not material or has been appropriately disclosed.*

3. Paragraph (c) of Part I, Section 3 shall be amended and included in a new Part III of the Policy, as described below:

4. Paragraph (a) of Part I, Section 4 shall be amended to read as follow:

(a) Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities while they are in possession of material non-public information can be subject to criminal and civil penalties.

In addition, a person who tips others may also be liable for transactions by the tippees to whom they have disclosed material non-public information. Tippers can be subject to the same penalties and sanctions as the tippees, and the Securities and Exchange Commission ("**SEC**") has imposed large penalties even when the tipper did not profit from the transaction.

[The SEC can also seek substantial penalties from any person who, at the time of an insider trading violation, directly or indirectly controlled the person who committed such violation.]

The Company may also be subject to substantial legal penalties in the event an Urban Associate engages in illegal insider trading.

5. Paragraph (b) of Part I, Section 4 shall be amended to read as follows:

(b) Company-imposed Penalties. Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. *In addition, the Company may seek reimbursement from an Urban Associate in the event the Company is obligated to pay any fines, fees or expenses resulting from such Urban Associate's violation of this policy. Any exceptions to the Policy, if permitted, may only be granted by the [Legal Department] [or] Company's Chief Executive Officer or General Counsel.*

6. Paragraph (c) of Part II, Section 1 shall be amended to read as follows:

(c) Exception. These trading restrictions do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement [under] *that complies with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (an "**Approved 10b5-1 Plan**")* that:

(i) has been reviewed and approved, [at least one month] in advance of [any trades thereunder] *adoption of such a plan, contract, instruction or arrangement*, by the *General Counsel, Deputy General Counsel or Associate General Counsel* (or, if an *Approved 10b5-1 Plan* is revised or amended, such revisions or amendments have been [reviewed and approved by the Legal Department] *so reviewed and approved; provided, that (A) any Approved 10b5-1 Plan and any revision or amendment to an Approved 10b5-1 Plan must be adopted at a time when a blackout period is not in effect, (B) any trades under an Approved 10b5-1 Plan may not commence until at least 30 days following adoption of the Approved 10b5-1 Plan); and (c) a revised or amended Approved 10b5-1 Plan will not be effective, and trades under such revised or Amended Approved 10b5-1 Plan may not commence, until 30 days following the adoption of the revision or amendment.*

(ii) was entered into in good faith by the Covered Person at a time when the Covered Person was not in possession of material non-public information about the Company *or as part of a plan or scheme to evade the prohibitions of Rule 10b5-1; and*

(iii) gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material non-public information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions.

7. Paragraph (b) of Part II, Section 3 shall be amended to read as follows:

(b) Subject to the exemption in subsection (d) below, no Covered Person may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the [Legal Department] *General Counsel, Deputy General Counsel or Associate General Counsel. All pre-clearance requests must be submitted in writing (which may include, without limitation, e-mail).*

8. Paragraph (b) of Part I, Section 4 shall be amended to read as follows:

(b) A Covered Person, including such person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, is prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the [Legal Department] *General Counsel, Deputy General Counsel or Associate General Counsel.*

(i) Short-term trading. Covered Persons who purchase Company securities (excluding the exercise of options or the conversion of other derivative securities previously acquired) may not sell any Company

securities of the same class for at least six months after the purchase, including round trip trading or any other series of transactions whether or not it effects a net change in position;

(ii) Short sales. Covered Persons may not sell the Company's securities short (short sales arising from certain types of hedging transactions are governed by Section 4(c) below); and

(iii) Options trading. Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities (other than the exercise of employee stock options) (option position arising from certain types of hedging transactions are governed by Section 4(c) below).

(iv) Margin Accounts and Pledges. *Executive Officers and Directors may not create or maintain a margin account that holds Company securities or pledge Company securities as collateral.*

Requests for advance approval must be submitted in writing (which may include, without limitation, e-mail).

9. There will be a new Part III of the Plan, which will include the following provisions [Paragraph (b) of Part III, Section 1 is a revision to current paragraph (c) of Part I, Section 3]:

1. **Administration and Oversight.**

(a) **Oversight.** *The Audit Committee of the Board of Directors will assist the Board in its oversight of the Policy. Appropriate corrective action will be taken with respect to a violation of the Policy when and as warranted in the judgment of the Audit Committee.*

(b) **Policy Administration.** The Company has designated the Company's Legal Department, *under the direction of the General Counsel*, to administer this Policy. The duties of the Legal Department for administration include, but are not limited to, the following:

(i) assisting with implementation of this Policy;

(ii) circulating this Policy to all employees;

(iii) circulating this Policy annually to all Covered Persons and obtaining certifications from each Covered Person certifying that he or she has read, and agrees to comply with, this Policy.

(iv) arranging for training of all Covered Persons with respect to this Policy. Such training will occur in 2017 (except that for persons who become Covered Persons through initial employment or internal promotion, such training will occur within one year following such

employment or promotion) and at least every three years thereafter. Each Covered Person must certify that he or she has participated (either by attending in person or by monitoring a remote communication such as a webcast or closed circuit broadcast), in the training;

(v) [ensuring that] *conducting an annual review of this Policy [is amended] and amending this Policy* as necessary to [remain up to date with] *reflect any changes in insider trading laws;*

10. Part II, Section 5 will be redesignated as Part III, Section 2.

11. Part II, Section 6 will be redesignated as Part III, Section 3.

II. A separate document, titled "Additional Administrative Procedures with respect to "Covered Persons" under the Urban Outfitters, Inc. Insider Trading Policy" will be approved by the Audit Committee. The document will detail specific measures to be undertaken by the Legal Department, under the direction of the General Counsel in connection with "Covered Persons" (as defined in the Company's Insider Trading policy) and pre-clearance procedures. The document will provide the following preamble:

This document sets forth specific procedures with regard to the designation of "Covered Persons" and pre-clearance of specified transactions under the Urban Outfitters, Inc. Insider Trading Policy (the "Policy"). Capitalized terms not otherwise defined herein will have the meaning ascribed to them in the Policy.

The document will contain the following provisions:

1. **Covered Persons.** The General Counsel, or one or more other Urban Associates acting at the direction of the General Counsel, will: (a) maintain a schedule listing all Covered Persons, (b) notify each Covered Person that he or she has been so designated and is subject to the provisions of Part II of the Policy.

2. **Pre-Clearance Procedures for Covered Persons.**

(a) With respect to any request for pre-clearance of a securities transaction subject to the pre-clearance requirements of Part II, Section 3 of the Policy, the General Counsel, or his or her designee, will record the name of each person requesting pre-clearance, the date of such request, the disposition (i.e., approval or disapproval) of the request and the date of such disposition.

(b) With respect to any request for pre-clearance relating to any transaction constituting a prohibited transaction, as set forth in Part II, Section 4 of the Policy, the General Counsel, or his or her designee, will record the name of each person requesting pre-clearance, the date of such request, a summary of the reasons given for such request, the disposition (i.e., approval or disapproval of the request), and the date of such disposition.

III. URBN will amend the Urban Outfitters, Inc. Audit Committee Charter by adding the following paragraphs to the listing of Audit Committee responsibilities under the caption, "Duties and Responsibilities."

- Meet quarterly with the independent registered public accounting firm and management to review and discuss the annual audited financial statements and quarterly financial statements, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," in its annual report on Form 10-K and quarterly reports on Form 10-Q, as well as related earnings releases.
- At least annually, review and discuss with management the adequacy of information that it provides to the Committee.
- Assist the Board of Directors in its oversight of the URBN's Insider Trading Policy, including by:
 - approving and reviewing at least annually procedures under the Company's Code of Conduct and Ethics for the receipt, retention and treatment of complaints regarding violations of U.S. securities laws prohibiting insider trading ("Unlawful Insider Trading");
 - meeting quarterly with the General Counsel to discuss the status of any ongoing review, conducted pursuant to procedures approved by the Committee and set forth in the Company's Code of Conduct and Ethics, of complaints regarding Unlawful Insider Trading;
 - taking prompt and appropriate corrective action in the event it is determined that any employee, director or officer of the Company or its subsidiaries has engaged in Unlawful Insider Trading; and
 - reviewing and discussing at least annually with the General Counsel the operation of, and any issues arising under, the Policy.

III. URBN will amend the Code of Conduct and Ethics of Urban Outfitters, Inc. as follows [new language in italics; deleted language in brackets]:

1. The fourth paragraph of Section 1.A. will be amended to read as follows:

If you have a question as to whether certain information is material or if it has been adequately disclosed to the public, you must contact URBN's [Legal Department] *General Counsel, Deputy General Counsel or Associate General Counsel* and abstain from trading in URBN's securities or disclosing that information until you have been informed that the information is not material or has been appropriately disclosed. *You should also contact those persons if you have other questions relating to the Insider Trading Policy, a copy of which is available on the Investor Relation page of the Company's website (www.urbn.com).*

2. Section 7 will be amended to read as follows:

Reporting Procedures for Accounting, Auditing and anti-Bribery Matters

URBN is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices and all anti-bribery laws. To facilitate the reporting of complaints and concerns pursuant to Section 301 of the Sarbanes-Oxley Act of 2002, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, [and] other laws prohibiting inappropriate payments to government and other personnel, *and U.S. securities laws prohibiting insider trading*, the Audit Committee of the Board of Directors has established the following procedures for: (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters (“Accounting Matters”), [or] payments to officials of foreign governments or international organizations, foreign political candidates or to employees of private business to obtain or retain business (“Illegal Payments”) or *violation of U.S. securities laws prohibiting insider trading (“Unlawful Insider Trading”)*; and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, [or] possible Illegal Payments *or possible Unlawful Insider Trading*. Any person with concerns regarding any Accounting Matter, [or] possible Illegal Payment *or Unlawful Insider Trading* may report their good faith concerns without fear of retaliation.

Scope of Matters Covered by These Procedures

These procedures relate to all reports concerning any possible Illegal Payments, [and] any questionable accounting or auditing matters, *or possible Unlawful Insider Trading*, including, without limitation, the following:

- fraud or deliberate errors in the preparation, evaluation, review or audit of any financial statement;
- fraud or deliberate errors in the recording and maintenance of financial records;
- deficiencies in or noncompliance with URBN’s internal accounting controls;
- misrepresentations or false statements regarding a matter contained in URBN’s financial records, financial reports or audit reports; or
- deviations from full and fair reporting of URBN’s financial condition.

Procedures for and Treatment of Complaints

- URBN Associates may make complaints on a confidential or anonymous basis to the Internal Audit Department. Complaints may be made through: e-mail (accountingcomplaints@urbanout.com); or the mail (send complaints to: c/o the Director of Internal Audit, Urban Outfitters, Inc., 5000 South Broad Street, Philadelphia, PA 19112).
- Upon receipt of a complaint, the Director of Internal Audit will: (i) determine whether the complaint actually relates to an Accounting Matter, [or] an Illegal Payment or *Unlawful Insider Trading*; and (ii) when possible, acknowledge receipt of the complaint to the sender.
- The Director of Internal Audit (or such other persons the Audit Committee designates; *complaints regarding possible Unlawful Insider Trading will be referred to URBN's General Counsel*) will review the complaints submitted under the Audit Committee's direction and oversight. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- The Director of Internal Audit will maintain a log of all complaints, tracking their receipt, investigation and resolution and will prepare a periodic summary report thereof for the Audit Committee.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- URBN will not discharge, demote, suspend, threaten, harass or in any manner retaliate against any URBN Associate in the terms and conditions of employment based upon any lawful actions of such URBN Associate with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002 or regarding Illegal Payments or *Unlawful Insider Trading*.
- Copies of complaints and the Director of Internal Audit's log will be maintained for seven (7) years.

Exhibit "B"

MATTHEW SCIABACUCCHI,

Plaintiff,

v.

RICHARD A. HAYNE, et al.

Defendants.

) COURT OF COMMON PLEAS
) PHILADELPHIA COUNTY
) CIVIL DIVISION
)
) Case ID: 170301672
)
)
)
)
)
)

[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT

WHEREAS, plaintiff Matthew Sciabacucchi (“Plaintiff”), defendants Richard A. Hayne, Edward N. Antoian, Scott A. Belair, Harry S. Cherken, Jr., Margaret A. Hayne, Elizabeth Ann Lambert, Joel S. Lawson, III, Robert H. Strouse, Francis J. Conforti, and Tedford G. Marlow, and nominal defendant Urban Outfitters, Inc. (“URBN” or the “Company”), have made an application, pursuant to Pa. R.C.P. 1506(d) for an order: (i) preliminarily approving the proposed settlement (the “Settlement”) of the above-captioned shareholder derivative action (the “Action”) in accordance with the Stipulation and Agreement of Settlement (the “Stipulation”), fully executed on December 8, 2017 and effective December 15, 2017, which, together with the exhibits annexed thereto, sets forth the terms and conditions of the proposed Settlement and for dismissal of the Action with prejudice upon the terms and conditions set forth therein; (ii) approving distribution of the Notice and Summary Notice attached to the Stipulation as Exhibits C and D, respectively; and (iii) scheduling a date for the Settlement Hearing (defined below), pursuant to Pa. R.C.P. 1506(d), for the Court to consider and determine whether to approve the terms of the Settlement as fair, reasonable, and adequate, including the amount of attorneys’ fees and expenses for which Plaintiff’s Counsel has applied;

WHEREAS, all capitalized terms contained herein shall have the same meanings as set forth in the Stipulation (in addition to those capitalized terms defined herein); and

WHEREAS, this Court, having considered the Stipulation and the exhibits annexed thereto and having heard the arguments of the Parties;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. This Court does hereby preliminarily approve, subject to further consideration at the Settlement Hearing described below, the Stipulation and the Settlement set forth therein.

2. The Settlement Hearing shall be held before this Court on _____, 2018, at ____:__.m. at the Philadelphia Court of Common Pleas, City Hall, Room 425, Philadelphia, Pennsylvania 19107, to determine: (i) whether the proposed Settlement of the Action on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate and in the best interests of URBN and its shareholders; (ii) whether to approve the Fee Award and Incentive Award; and (iii) whether the Final Order and Judgment attached as Exhibit E to the Stipulation should be entered herein.

3. The Court approves, as to form and content, the Notice (attached to the Stipulation as Exhibit C) and Summary Notice (attached to the Stipulation as Exhibit D) and finds that the distribution of the Notice and Summary Notice substantially in the manner and form set forth in ¶ 3.2 of the Stipulation meets the requirements of Pa. R.C.P. 1506(d) and due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice of the matters set forth therein for all purposes to all Persons entitled to such notice.

4. Not later than ten (10) business days following entry of this Order, URBN shall cause to be furnished to or filed with the U.S. Securities and Exchange Commission a Current Report on Form 8-K that includes, as an exhibit, the Summary Notice, substantially in the form attached to the Stipulation as Exhibit D.

5. Not later than ten (10) business days following entry of this Order, URBN shall post the Stipulation and Summary Notice, substantially in the form attached to the Stipulation as Exhibit D, on the Investor Relations page of URBN's website until the entry of the Final Order and Judgment, such that visitors to the site will readily find a hyperlink to the Stipulation and Summary Notice.

6. Not later than ten (10) business days following entry of this Order, URBN shall cause a copy of the Summary Notice, substantially in the form attached to the Stipulation as Exhibit D, to be posted on *Business Wire*.

7. URBN shall be solely responsible for the costs of notice set forth herein.

8. At least fourteen (14) business days prior to the Settlement Hearing, counsel for URBN shall file with the Court proof, by affidavit or declaration, of such filing and dissemination of the Notice and Summary Notice.

9. All papers filed by the Plaintiff in support of the Settlement, the Fee Award, and Incentive Award shall be filed with the Court and served at least twenty-one (21) calendar days prior to the Settlement Hearing. The Parties shall file with the Court and serve responses to any objections filed pursuant to ¶ 10 below at least seven (7) calendar days prior to the Settlement Hearing.

10. Any Current URBN Shareholder who owned URBN common stock as of the date of the Stipulation (and will continue to own share(s) as of the date of the Settlement Hearing) who objects to the Settlement, the Final Order and Judgment to be entered in the Action, the Fee Award, Incentive Award, or otherwise wishes to be heard, may appear, in person or by attorney, at the Settlement Hearing and present evidence or argument that may be proper and relevant concerning why the proposed Settlement should not be approved as fair, reasonable and

adequate; why a Final Order and Judgment should not be entered thereon; or why the Fee Award or Incentive Award should not be approved; provided, however, that unless otherwise ordered by the Court, no Current URBN Shareholder shall be heard or entitled to contest the approval of all or any of the terms and conditions of the proposed Settlement, the Fee Award to be awarded to Shareholders' Counsel, the Incentive Award to be awarded to Plaintiff Sciabacucchi or, if approved, the Final Order and Judgment to be entered thereon approving the same, and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless, said objector: (i) files with the Court at least twenty-one calendar days (21) before the Settlement Hearing, (a) a notice of an intention to appear that includes proof of current ownership of URBN common stock, and (b) papers in support of the objection; and (ii) ensures such notice and papers in support of the objection have been served on and received by counsel identified below at least twenty-one (21) calendar days prior to the Settlement Hearing.

Robert B. Weiser
Brett D. Stecker
James M. Ficaro
The Weiser Law Firm, P.C.
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Counsel for Plaintiff Sciabacucchi

Marc J. Sonnenfeld
Jason H. Wilson
Morgan, Lewis & Bockius, LLP
1701 Market Street,
Philadelphia, PA 19103
Counsel for Defendants

Any Current URBN Shareholder who does not make his, her or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the Settlement as incorporated in the Stipulation and to the Fee Award and Incentive Award, unless

otherwise ordered by the Court, but shall otherwise be bound by the Final Order and Judgment to be entered and the releases to be given.

11. All Current URBN Shareholders shall be bound by all orders, determinations and judgments in the Action concerning the Settlement, whether favorable or unfavorable to URBN shareholders.

12. Pending final determination of whether the Settlement should be approved, no Current URBN Shareholder, either directly, representatively, or in any other capacity, shall commence or further prosecute against any of the Defendants' Released Persons any action or proceeding in any court or tribunal asserting any of the Shareholders' Released Claims.

13. Neither the Stipulation (including any exhibits attached hereto) nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, the validity of any of Shareholders' Released Claims, or of any fault, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons; or (ii) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, any fault, omission, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons and Shareholders' Released Persons may file the Stipulation and/or the Judgment in any action that may be brought against them in order to

support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14. Pending final determination of whether the Settlement should be approved, all proceedings in the Action and all further activity between the Parties regarding or directed toward the Action or Demands, save those activities and proceedings relating to this Stipulation and the Settlement, shall be stayed.

15. The Court reserves the right to adjourn the date of the Settlement Hearing or modify any other dates set forth herein without further notice to Current URBN Shareholders, and retains jurisdiction to consider all further applications arising out of or connected with the any shareholder's derivative rights and this Settlement.

16. The Court may approve the Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to Current URBN Shareholders.

IT IS SO ORDERED.

DATED: _____

RAMY I. DJERASSI, J.

Exhibit "C"

MATTHEW SCIABACUCCHI,	)	COURT OF COMMON PLEAS
	)	PHILADELPHIA COUNTY
Plaintiff,	)	CIVIL DIVISION
)	
v.	)	Case ID: 170301672
)	
RICHARD A. HAYNE, et al.)	
)	
Defendants.)	
)	

**NOTICE OF PENDENCY AND SETTLEMENT OF
SHAREHOLDER DERIVATIVE ACTION**

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF THE COMMON STOCK OF URBAN OUTFITTERS, INC. AS DECEMBER 15, 2017, INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS IN INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER ANY OF THEM, AND EACH OF THEM.

PLEASE READ ALL OF THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS OF THIS LAWSUIT. IF THE COURT APPROVES THE PROPOSED SETTLEMENT OF THIS LAWSUIT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS AND ADEQUACY OF THE PROPOSED SETTLEMENT AND RELATED MATTERS AND FROM PURSUING THE SHAREHOLDERS' RELEASED CLAIMS (AS DEFINED BELOW IN SECTION VII).

PLEASE NOTE THAT THIS LAWSUIT IS NOT A "CLASS ACTION" AND NO INDIVIDUAL SHAREHOLDER HAS THE RIGHT TO SEEK COMPENSATION AS A RESULT OF THE SETTLEMENT OF THIS LAWSUIT.

I. PURPOSE OF THIS NOTICE

The purpose of this Notice is to inform you about the above-captioned shareholder derivative action (the "Action") brought by Plaintiff Matthew Sciabacucchi ("Plaintiff") on behalf of nominal defendant Urban Outfitters, Inc. ("URBN"), which is now pending in the Court of Common Pleas of Philadelphia County, Pennsylvania (the "Court") and the proposed settlement (the "Settlement") of the Action and related litigation demands (the "Demands") made by Plaintiff and certain other URBN shareholders (together with Plaintiff, the "Shareholders"). This Notice is being provided pursuant to the Court's Order Preliminarily Approving Settlement. This Notice also informs you of your right to participate in a hearing to be held on April 17, 2018, at 11:00 a.m at the Philadelphia Court of Common Pleas, City Hall, Room 425, Philadelphia, Pennsylvania 19107 (the "Settlement Hearing"), to determine: (1) whether the Court should approve the Settlement as fair, reasonable, adequate and in the best interests of URBN and Current URBN

Shareholders (as defined in Section VII, below) pursuant to Pa. R.C.P. 1506(d); (2) whether to enter judgment dismissing the Action with prejudice and release all Released Parties (as defined in Section VII, below) from all Shareholders' Released Claims and Defendants' Released Claims (as defined in Section VII, below); (3) whether the requirements of the Pennsylvania Rules of Civil Procedure and due process have been satisfied in connection with this Notice and the Summary Notice of Pendency and Proposed Settlement of Shareholder Derivative Action (the "Summary Notice"); and (4) if the Court approves the Settlement whether the Court should approve Shareholders' Counsel's (as defined in Section II, below) request for the Fee Award (as defined in Section XII, below) and Plaintiff Sciabacucchi's request for an Incentive Award (as defined in Section XII, below) as agreed to by the Parties (as defined in Section III, below), as well as to consider such other matters as may properly come before the Court.

THE FOLLOWING RECITATIONS ARE MADE BY THE PARTIES TO THE DERIVATIVE ACTION. THE COURT HAS NOT RULED ON THE MERITS OF THE DERIVATIVE ACTION.

II. BACKGROUND OF THE LAWSUIT

On March 9, 2016, Plaintiff, acting through his counsel, the Weiser Law Firm, P.C. ("Shareholders' Counsel"), sent a litigation demand letter to URBN's Board of Directors (the "Board") contending that certain current and former officers and directors (the "Individual Defendants," and together with URBN, the "Defendants") breach their fiduciary duties in connection with (1) the issuance of false and misleading statements regarding URBN's financial status; and (2) certain dispositions of URBN stock made by the Individual Defendants while URBN's statements were false and misleading. Substantially similar allegations were raised in the Demands submitted by the Shareholders David V. Milner, Julia Cromwell and Cynthia Stokes.

Plaintiff filed the Action on March 13, 2017. The Action alleges that Plaintiff's pre-suit demand was improperly ignored by the Board. The Action further alleges that the Individual Defendants breached their fiduciary duties to URBN by, *inter alia*, issuing false and misleading statements to the public and failing to maintain internal controls. The Action also asserts causes of action for abuse of control and unjust enrichment.

III. THE PARTIES' SETTLEMENT NEGOTIATIONS

Settlement negotiations were extensive and spanned several months. Prior to engaging in settlement discussions, Defendants produced to Shareholders' Counsel over 128,000 pages of internal URBN documents.

After Plaintiff filed his Complaint, the Shareholders, Individual Defendants and URBN (collectively, the "Parties") reached an agreement in principle to settle all claims raised in the Action and the Demands (the "Settlement"), entered into a Stipulation and Agreement of Settlement ("Stipulation"), fully executed on December 8, 2017 and effective December 15, 2017, memorializing the terms of the Settlement.

IV. CLAIMS OF THE PLAINTIFF AND BENEFITS OF THE SETTLEMENT

Shareholders' Counsel believes that the claims asserted in the Action and Demands have merit and that their investigation supports the claims asserted. Without conceding the merit of any of Defendants' defenses or the lack of merit of any of their own allegations, and solely in order to avoid the potentially protracted time, expense, and uncertainty associated with continued litigation, including a potential trial and appeal, Shareholders have concluded that it is desirable that the Action and Demands be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Shareholders' and Shareholders' Counsel recognize the significant risk, expense, and length of continued proceedings necessary to prosecute the Action against the Individual Defendants through trial and through possible appeal. Shareholders' Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in a complex case such as the Action, as well as the difficulties and delays inherent in such litigation. Based on their evaluation, the Shareholders and Shareholders' Counsel have determined that the Settlement set forth in the Stipulation is in the best interests of URBN and Current URBN Shareholders. Shareholders' Counsel believes that the Settlement set forth in the Stipulation is fair, reasonable and adequate, and confers substantial benefits upon URBN and Current URBN Shareholders. Shareholders' Counsel base this conclusion upon, among other things, their extensive investigation during the development, prosecution and settlement of the Action and Demands, which included, *inter alia*: (1) inspecting, analyzing, and reviewing URBN's public filings with the U.S. Securities and Exchange Commission, press releases, announcements, transcripts of investor conference calls, and news articles; (2) drafting and serving the various pre-suit litigation demands; (3) with respect to Plaintiff, drafting the Complaint in the Action; (4) researching the applicable law with respect to the claims asserted in the Action and the potential defenses thereto; (5) researching corporate governance issues; (6) reviewing confidential documents produced by the Company prior to engaging in settlement discussions; and (7) participating in extensive settlement discussions with counsel for Defendants.

V. DEFENDANTS' DENIALS OF WRONGDOING

The Individual Defendants have denied and continue to deny that they committed or attempted to commit any violations of law, any breach of fiduciary duty owed to URBN, or any wrongdoing whatsoever. Without admitting the validity of any of the claims Shareholders have asserted in the Action and/or Demands, or any liability with respect thereto, Defendants have concluded that it is desirable that the claims be settled on the terms and subject to the conditions set forth herein. Defendants are entering into this Settlement because it will eliminate the uncertainty, distraction, disruption, burden, risk, and expense of further litigation. Further, Defendants acknowledge, without admitting wrongdoing, that the Settlement is fair, reasonable, adequate, and in the best interests of URBN and Current URBN Shareholders.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF PLAINTIFF'S CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW BY DEFENDANTS OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT IF THE ACTION WERE NOT SETTLED.

VI. SETTLEMENT CONSIDERATION

In consideration for the Settlement and dismissal with prejudice of the Action, and the releases described herein, URBN, through the Board, has agreed to adopt and implement certain corporate governance measures designed to ensure that the Individual Defendants' alleged misconduct will not be repeated and that the corporation is able to protect itself from similar misconduct in the future. The Settlement consists of the adoption by URBN of additions and modifications to URBN's Insider Trading Policy, Audit Committee Charter and Code of Conduct. These measures are set forth in full in Exhibit A to the Stipulation.

The Parties agree that the aforementioned enhancements to URBN's corporate governance confer a substantial benefit upon URBN and its shareholders. The Shareholders and Defendants believe that the Settlement set forth in the Stipulation is fair, reasonable and adequate, and in the best interests of, and confers substantial benefits upon, URBN and its shareholders.

VII. RELEASES

If the Court approves the Settlement, the following releases will occur: Upon the Effective Date (as defined below) of the Settlement, the Shareholders (acting on their own behalf and derivatively on behalf of URBN), URBN, and Current URBN Shareholders (solely in their capacities as URBN shareholders), and each of such persons' respective heirs, executors, administrators, estates, predecessors in interest, predecessors, successors in interest, successors, and assigns, shall fully, finally, and forever release, relinquish, and discharge and dismiss with prejudice the Shareholders' Released Claims against the Defendants' Released Persons and any and all claims, including Unknown Claims (as defined below), arising out of the Settlement or resolution of the Action and/or Demands against Defendants' Released Persons (except for claims by the Parties to enforce the Settlement). Upon the Effective Date of the Settlement, each of Defendants' Released Persons shall be deemed to have, and by operation of the Judgment in the Action shall have, fully, completely, finally, and forever released, relinquished and discharged Shareholders, Shareholders' Counsel and all Current URBN Shareholders from all claims, including Unknown Claims, arising out of or relating to, the institution, prosecution, settlement, or resolution of the Action, Demands or the Defendants' Released Claims and Shareholders' Released Claims (except for claims by the Parties to enforce the Settlement). Upon the effective date of the Settlement, Shareholders (acting on their own behalf and derivatively on behalf of URBN and its shareholders), the Individual Defendants, URBN and any Person acting on behalf of URBN, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be forever barred and enjoined from commencing, instituting or prosecuting any of the Defendants' Released Claims and Shareholders' Released Claims against any of the Released Parties or any action or other proceeding against any of the Released Parties arising out of, relating to, or in connection with the Defendants' Released Claims and Shareholders' Released Claims, the Action, the Demands, or the filing, prosecution, defense, settlement, or resolution of the Action (except for claims by the Parties to enforce the Settlement).

The releases extend to claims that any of the Released Parties do not know or suspect exist in his, her, or its favor at the time of the release of the Shareholders' Released Claims and Defendants' Released Claims, which if known might have affected the decision to enter into this Settlement (the "Unknown Claims"). In granting the releases herein, the Parties have

acknowledged that they have read and understand California Civil Code Section 1542, which reads as follows:

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.

The Parties have stipulated and agreed that upon the Effective Date, the Parties and other releasing Current URBN Shareholders shall be deemed to have, and by operation of the Final Order and Judgment (as defined below in Section VIII) shall have, expressly waived, relinquished and released all provisions, rights and benefits conferred by or under California Civil Code Section 1542 or any law of the United States or any state of the United States or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code Section 1542.

The Parties acknowledge that they may discover facts in addition to or different from those now known or believed to be true by them with respect to the Shareholders' Released Claims and Defendants' Released Claims, but it is nonetheless the intention of the Parties to completely, fully, finally, and forever compromise, settle, release, discharge, and extinguish any and all of the Shareholders' Released Claims and Defendants' Released Claims known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. The Parties further acknowledge that the inclusion of "Unknown Claims" in the Shareholders' Released Claims and Defendants' Released Claims was separately bargained for and was a key element of the Settlement.

* * *

The following definitions apply to this Notice:

(1) The "Effective Date" shall be the first date by which all of conditions specified in ¶ 6.1 of the Stipulation have been met and have occurred.

(2) "Person" means an individual, corporation, limited liability company, professional corporation, partnership, limited partnership, limited liability partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives, or assignees.

(4) "Current URBN Shareholder" means any Person who owned URBN common stock as of the Execution Date of the Stipulation and who continues to hold their URBN common stock as of the date of the Settlement Hearing, excluding the Individual Defendants, the officers and directors of URBN, members of their immediate families, and their legal representatives, heirs, successors, or assigns, and any entity in which Individual Defendants have or had a controlling interest.

(5) “Immediate Family” with respect to the Individual Defendants means any spouse, domestic partner, parent, step-parent, grandparent, child, step-child, grandchild, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.

(6) “Shareholders’ Released Claims” means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that might have been asserted in any forum by Shareholders’ Released Persons or any other URBN shareholder derivatively on behalf of URBN, against any of Defendants’ Released Persons, that arise from, are based on or relate to the matters or occurrences that were alleged in the Action (except for claims to enforce the Settlement) or the Demands and that were or could have been asserted in the Action. “Shareholder’s Released Claims” includes “Unknown Claims.”

(7) “Shareholders’ Released Persons” means Shareholders, Shareholders’ Counsel and each of their immediate family members, spouses, heirs, executors, administrators, successors, trustees, attorneys, personal or legal representatives, advisors, estates, assigns, and agents thereof.

(8) “Defendants’ Released Claims” means collectively all actions, suits, claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, including both known claims and Unknown Claims, asserted or that might have been asserted in any forum by Defendants’ Released Persons against Shareholders’ Released Persons, which arise out of, are based on, or relate in any way, directly or indirectly, to the institution, prosecution, or settlement of the Action (except for claims under the Settlement).

(9) “Defendants’ Released Persons” means each of the Defendants and, to the maximum extent permitted by law, each of Defendants’ Immediate Family Members (as defined herein), spouses, heirs, executors, estates, beneficiaries, administrators, trustees, assigns, and any trusts in which Defendants, or any of them, are settlors, or which are for the benefit of any Defendants and/or members of his/her immediate family; any entity in which a Defendant, and/or members of his/her family has a controlling interest; each of the Defendants’ present and former attorneys, legal representatives, and assigns in connection with the Action and Demands; Defendants’ insurers; and all present and former directors and officers, agents, advisors, representatives, accountants, advisors, investment bankers, employees, affiliates, predecessors, successors, parents, subsidiaries, and divisions of URBN.

(10) “Released Parties” means Defendants’ Released Persons and Shareholders’ Released Persons.

VIII. THE SETTLEMENT HEARING

The Court has scheduled the Settlement Hearing to be held on April 17, 2018, at 11:00 a.m. at the Philadelphia Court of Common Pleas, City Hall, Room 425, Philadelphia, Pennsylvania 19107, to determine: (1) whether the Court should approve the Settlement as fair, reasonable,

adequate and in the best interests of URBN and Current URBN Shareholders pursuant to Pa. R.C.P. 1506(d); (2) whether to enter judgment dismissing the Action with prejudice and release all Released Parties from all Shareholders' Released Claims and Defendants' Released Claims; (3) whether the requirements of the Pennsylvania Rules of Civil Procedure and due process have satisfied in connection with this Notice and the Summary Notice; and (4) if the Court approves the Settlement whether the Court should approve Shareholders' Counsel's request for the Fee Award and Plaintiff Sciabacucchi's request for an Incentive Award as agreed to by the Parties, as well as to consider such other matters as may properly come before the Court.

The Court may adjourn and reconvene the Settlement Hearing, once or repeatedly, by written order or oral announcement at such hearing or at any time without further notice of any kind to anyone other than the parties to the Action. The Court also may approve the Settlement at or after the Settlement Hearing, enter its judgment, and order the payment of attorneys' fees and expenses without further notice to you of any kind.

If the Settlement is approved by the Court following the Settlement Hearing as fair, reasonable, adequate and in the best interests of the URBN, and Current URBN Shareholders, the Court shall enter an order (the "Final Order and Judgment") which will, among other things: (1) determine that the requirements of Pa. R.C.P. 1506(d) and due process have been satisfied in connection with the Notice and Summary Notice provided to Current URBN Shareholders; (2) approve the Settlement as fair, reasonable, adequate and in the best interests of URBN and Current URBN Shareholders; (3) dismiss the Action with prejudice on the merits, as against any and all Defendants, without costs except as provided in the Stipulation, and release Defendants or any other of the Defendants' Released Persons from Shareholders' Released Claims; and (4) determine any award of attorneys' fees and reimbursement of expenses incurred by Shareholders' Counsel as provided for in Section XII, below.

IX. YOUR RIGHT TO OBJECT

CURRENT URBN SHAREHOLDERS WHO HAVE NO OBJECTION TO THE PROPOSED SETTLEMENT NEED NOT TAKE ANY FURTHER ACTION. Any record or beneficial shareholder of URBN as of December 15, 2017 who objects to the Settlement, the Final Order and Judgment proposed to be entered, or Shareholders' Counsel's requested Fee Award, Plaintiff Sciabacucchi's request for an Incentive Award, or who otherwise wishes to be heard ("Objector"), may appear, in person or by attorney, at the Settlement Hearing and present evidence or argument that may be proper and relevant, provided, however, that, unless the Court rules otherwise, no Objector shall be heard or entitled to contest the approval of all or any of the terms and conditions of the Settlement, or, if approved, the judgment to be entered thereon, unless said Objector: mails to counsel identified below at least twenty-one calendar days (21) before the Settlement Hearing, (a) a notice of an intention to appear that includes proof of current ownership of URBN common stock, and (b) papers in support of the objection.

Robert B. Weiser
Brett D. Stecker
James M. Ficaro
The Weiser Law Firm, P.C.
22 Cassatt Avenue, First Floor

Berwyn, PA 19312
Counsel for Plaintiff Sciabacucchi

Marc J. Sonnenfeld
Jason H. Wilson
Morgan, Lewis & Bockius, LLP
1701 Market Street,
Philadelphia, PA 19103
Counsel for Defendants

Unless the Court otherwise directs, any URBN shareholder who does not make an objection in the manner provided herein shall be deemed to have waived his, her or its objection and shall forever be barred from making any such objection in this Action or contesting the terms of this Settlement in any way in any other action or proceeding.

X. STAY PENDING COURT APPROVAL AND INTERIM INJUNCTION

Pending final determination of whether the Settlement should be approved, all proceedings in the Action and all further activity between the Parties regarding or directed toward the Action or Demands, save those activities and proceedings relating to this Stipulation and the Settlement, shall be stayed.

XI. FINAL APPROVAL

The approval of the Court shall be considered final when the Final Order and Judgment has not been reversed, vacated, or modified in any way and is no longer subject to appellate review, either because of disposition on appeal and conclusion of the appellate process or because of the passage, without action, of time for seeking appellate review. More specifically, it is that situation when: (i) either no appeal has been filed and the time has passed for any notice of appeal to be timely filed in the Action; or (ii) an appeal has been filed and the Superior Court has either affirmed the judgment or dismissed that appeal and the time for any reconsideration or further appellate review has passed; or (iii) a higher court has granted further appellate review and that court has either affirmed the underlying judgment or affirmed the Superior Court's decision affirming the judgment or dismissing the appeal.

XII. THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND INCENTIVE AWARD

After negotiating the principal terms of the Settlement, Shareholders' Counsel and counsel for Defendants negotiated at arms-length the amount of attorneys' fees and expenses for which Shareholders' Counsel might apply to the Court. As a result of these negotiations, Shareholders and Defendants agreed that Shareholders' Counsel may seek Court approval of an award of attorneys' fees and reimbursement of expenses in an amount not to exceed \$387,500.00 in the aggregate (the "Fee Award"), and Defendants will not oppose or object to a requested Fee Award in an amount not to exceed \$387,500.00. The Fee Award shall be paid by URBN or its insurers. The Parties mutually agree that the Fee Award is fair and reasonable in light of the substantial benefits conferred upon URBN and Current URBN Shareholders by the Settlement. The Fee

Award shall be paid to the receiving agents for Shareholders' Counsel within ten (10) business days of the entry of the Final Order and Judgment, notwithstanding the existence of any timely filed objections to the Settlement, or potential appeal, subject to Shareholders' Counsel's obligation to refund or repay within fifteen (15) business days any amounts paid if, for any reason, including as a result of any appeal and/or further proceedings or demand, or successful collateral attack, the amount awarded is overturned or reduced. Any failure of the Court to approve the amount of such fees and reimbursement of expenses shall not affect the validity of the terms of the Settlement or preclude the Final Order and Judgment from becoming final.

In light of the substantial benefits they have helped to create for URBN and all Current URBN Stockholders, Plaintiff Sciabacucchi has applied for an incentive award in the amount of \$1,000.00 (the "Incentive Award"), subject to approval by the Court. The Incentive Award shall be funded from the Fee Award, to the extent that this settlement is approved in whole or part by the Court. Defendants take no position on the Incentive Award.

XIII. EXAMINATION OF PAPERS AND INQUIRIES

The Action and Demands are being settled on the terms set forth in the Stipulation. This Notice should be read in conjunction with, and is qualified in its entirety by reference to, the text of the Stipulation (and its exhibits), all of which are on file with the Court and also available for review on URBN's website at <http://investor.urbn.com/investor-relations>. For a complete copy of the Stipulation, you are referred to the above website or you may obtain a fuller description of the Action and Demands, the claims and defenses that have been asserted by the parties and the terms and conditions of the Settlement by contacting counsel for Plaintiff in the Action:

Robert B. Weiser
Brett D. Stecker
James M. Ficaro
The Weiser Law Firm, P.C.
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Phone: (610) 408-8062

DO NOT CALL OR WRITE THE COURT OR URBAN OUTFITTERS REGARDING THIS NOTICE. For general Court information, such as hours and accessibility, contact (215) 686-7000.

Exhibit “D”

MATTHEW SCIABACUCCHI,	)	COURT OF COMMON PLEAS
	)	PHILADELPHIA COUNTY
Plaintiff,	)	CIVIL DIVISION
)	
v.	)	Case ID: 170301672
)	
RICHARD A. HAYNE, et al.)	
)	
Defendants.)	
)	

**SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT
OF SHAREHOLDER DERIVATIVE ACTION**

PHILADELPHIA, PA – February 16, 2018 – Urban Outfitters, Inc. (“URBN”) today announced the issuance of the following summary notice of pendency and proposed settlement of shareholder derivative action:

TO: ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF THE COMMON STOCK OF URBN AS OF DECEMBER 15, 2017 AND WHO CONTINUES TO HOLD THROUGH THE DATE OF THE SETTLEMENT HEARING (DEFINED BELOW), INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS IN INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING UNDER ANY OF THEM, AND EACH OF THEM.

This Summary Notice announces the proposed settlement (the “Settlement”) of the above-captioned shareholder derivative action initiated by Plaintiff Matthew Sciabacucchi (“Plaintiff”) on behalf of nominal defendant URBN now pending in the Court of Common Pleas of Philadelphia County, Pennsylvania (the “Court”) and related litigation demands (the “Demands”) made by Plaintiff and certain other URBN shareholders (collectively, the “Shareholders”), involving certain of URBN’s current and former officers and directors (the “Individual Defendants”). The existence of the Action and the Demands, and the parties’ agreement in principle to settle them, were previously announced by URBN in a Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission on February 16, 2018.

The Action alleges that the Individual Defendants breached their fiduciary duties and committed other violations of law in connection with: (1) the issuance of false and misleading statements regarding URBN’s financial status; and (2) certain dispositions of URBN stock made by the Individual Defendants while URBN’s statements were false and misleading. Substantially similar allegations were made in the Demands.

The Settlement consists of the adoption by URBN of additions and modifications to URBN’s Insider Trading Policy, Audit Committee Charter and Code of Conduct. The Action is not a “class action” and no individual shareholder has the right to receive any direct recovery from

the Settlement. The Settlement, if approved by the Court, will fully and finally resolve the issues raised in the Action and Demands.

If you have not already reviewed the full Notice of Pendency and Settlement of Shareholder Derivative Action (the “Notice”) and the Stipulation and Agreement of Settlement (the “Stipulation”), fully executed on December 8, 2017 and effective December 15, 2017 (along with its exhibits), those documents are available on URBN’s website at <http://investor.urbn.com/investor-relations> and you are encouraged to review them. You may also inspect those documents at the office of the Prothonotary of the Court, City Hall, Philadelphia, PA 19107, during regular business hours of each business day. This Summary Notice should be read in conjunction with, and is qualified by reference to, the full Notice and the Stipulation.

If you are a record or beneficial shareholder of Urban Outfitters as of December 15, 2017 (“Current URBN Shareholder”), your rights will be affected by the Settlement described above. The Court will hold a hearing on April 17, 2018, at 11:00 a.m at City Hall, Room 425, Philadelphia, Pennsylvania 19107 (the “Hearing”), at which the Court will consider: (i) whether to approve the settlement as fair, reasonable, adequate and in the best interests of URBN and Current URBN Shareholders; (ii) whether to dismiss the Action and whether the releases set forth in the Stipulation should be made full and final; (iii) whether the Notice and this Summary Notice provided to Current URBN Shareholders conformed with Court rules and due process; (iv) whether the Court should approve Shareholders’ counsel’s request for attorneys’ fees and reimbursement of expenses in an aggregate amount no greater than \$387,500.00 (the “Fee Award”); and (v) whether the Court should approve Plaintiff Sciabacucchi’s request for an incentive award in the amount of \$1,000.00 (which shall be funded from the Fee Award to the extent the Settlement is approved in whole or in part by the Court), as well as such other matters as may properly come before the Court (the “Settlement Hearing”).

Any Current URBN Shareholder who wishes to object to the Settlement, the Order and Final Judgment proposed to be entered, or Shareholders’ counsel’s requested Fee Award, or who otherwise wishes to be heard must: mail to counsel identified below at least twenty-one calendar days (21) before the Settlement Hearing, (a) a notice of an intention to appear that includes proof of current ownership of URBN common stock, and (b) papers in support of the objection.

Robert B. Weiser
Brett D. Stecker
James M. Ficaro
The Weiser Law Firm, P.C.
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Counsel for Plaintiff Sciabacucchi

Marc J. Sonnenfeld
Jason H. Wilson
Morgan, Lewis & Bockius, LLP
1701 Market Street,
Philadelphia, PA 19103
Counsel for Defendants

Unless the Court otherwise directs, anyone who does not make an objection in the manner provided shall be deemed to have waived his, her or its objection and shall forever be barred from making any such objection or otherwise contesting the terms of the settlement.

Any inquiries regarding the Settlement, Fee Award or Incentive Award may be directed to Plaintiff's counsel:

Robert B. Weiser
Brett D. Stecker
James M. Ficaró
The Weiser Law Firm, P.C.
22 Cassatt Avenue, First Floor
Berwyn, PA 19312
Phone: (610) 408-8062

**DO NOT CALL OR WRITE THE COURT OR URBN REGARDING THIS SUMMARY
NOTICE. For general Court information, such as hours and accessibility, contact (215)
686-7000.**

Exhibit "E"

MATTHEW SCIABACUCCHI,	)	COURT OF COMMON PLEAS
	)	PHILADELPHIA COUNTY
Plaintiff,	)	CIVIL DIVISION
)	
v.	)	Case ID: 170301672
)	
RICHARD A. HAYNE, et al.)	
)	
Defendants.)	
)	

PROPOSED FINAL ORDER AND JUDGMENT

This Court having considered the Stipulation and Agreement of Settlement, fully executed on December 8, 2017 and effective December 15, 2017, including all exhibits thereto (the "Stipulation"), between: (i) plaintiff Matthew Sciabacucchi ("Plaintiff"); (ii) defendants Richard A. Hayne, Edward N. Antoian, Scott A. Belair, Harry S. Cherken, Jr., Margaret A. Hayne, Elizabeth Ann Lambert, Joel S. Lawson, III, Robert H. Strouse, Francis J. Conforti, and Tedford G. Marlow ("Individual Defendants"); and (iii) nominal defendant Urban Outfitters, Inc. ("URBN," and together with the Individual Defendants, the "Defendants"), and having held a hearing on _____, 2018; and having considered all of the submissions and arguments with respect thereto, and for the reasons stated on the record:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Final Order and Judgment ("Judgment") incorporates herein and makes a part hereof, the Stipulation, including the exhibits thereto. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings as set forth in the Stipulation.
2. This Court has jurisdiction over the subject matter of the Action, including all matters necessary to effectuate the Settlement.
3. The record shows that Notice has been given to Current URBN Shareholders in the manner approved by the Court in its Preliminary Approval Order dated _____

____, 201 ____ . The Court finds that such Notice: (i) constitutes the best notice practicable under the circumstances; (ii) constitutes notice that was reasonably calculated, under the circumstances, to apprise all Current URBN Shareholders of the pendency of the Action, the terms of the Settlement, and Current URBN Shareholders' right to object to and to appear at the settlement fairness hearing held on _____, 2018; (iii) constitutes due, adequate, and sufficient notice to all persons or entities entitled to receive notice in accordance with Pa. R.C.P. 1506(d); and (iv) meets the requirements of due process.

4. The Court hereby fully and finally approves the Settlement, pursuant to Pa. R.C.P. 1506(d), as set forth in the Stipulation and finds that the Settlement is, in all respects, fair, reasonable, adequate, and in the best interests of URBN and Current URBN Shareholders. This Court further finds the Settlement set forth in the Stipulation is the result of arms-length negotiations between experienced counsel representing the interests of URBN, Current URBN Shareholders, and the Individual Defendants. The Court has considered any submitted objections to the Settlement and hereby overrules them.

5. The Parties are hereby directed to implement and consummate the Settlement according to the terms and provisions of the Stipulation.

6. The Action is hereby dismissed in its entirety as to the Defendants, with prejudice, and without costs to any party to the Action, except as otherwise provided in the Stipulation. The parties to the Action are to bear their own costs, except as otherwise provided in the Stipulation.

7. Upon the Effective Date, URBN, each of URBN's shareholders and the Shareholders (acting on their own behalf and derivatively on behalf of URBN), for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be

deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and forever released, relinquished and discharged and dismissed with prejudice the Shareholders' Released Claims against Defendants' Released Persons and any and all causes of action or claims (including Unknown Claims) that have and could have been asserted in the Action by Shareholders, URBN or any URBN shareholder derivatively on behalf of URBN against the Defendants' Released Persons, based on the Individual Defendants' acts and/or omissions in connection with, arising out of, or relating to, the facts, transactions, events, matters, occurrences, acts, disclosures, statements, omissions or failures to act at issue in this Action and/or the Demands, through and including the date of execution of this Stipulation, including claims arising out of, relating to, or in connection with the defense, settlement, or resolution of the Action and/or the Demands. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

8. Upon the Effective Date, Shareholders (acting on their own behalf and derivatively on behalf of URBN and its shareholders), the Individual Defendants, URBN and any Person acting on behalf of URBN, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be forever barred and enjoined from commencing, instituting or prosecuting any of the Defendants' Released Claims and Shareholders' Released Claims against any of the Released Parties or any action or other proceeding against any of the Released Parties arising out of, relating to, or in connection with the Defendants' Released Claims and Shareholders' Released Claims, the Action, the Demands, or the filing, prosecution, defense, settlement, or resolution of the Action. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

9. Upon the Effective Date, each of the Defendants' Released Persons, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, finally, and forever released, relinquished and discharged each and all of the Shareholders and Shareholders' Counsel and all Current URBN Shareholders (solely in their capacity as URBN stockholders) from all claims (including Unknown Claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Action, Demands or the Defendants' Released Claims and Shareholders' Released Claims. Nothing herein shall in any way impair or restrict the rights of any Party to enforce the terms of the Stipulation.

10. Neither the Stipulation (including any exhibits attached hereto) nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, the validity of any of Shareholders' Released Claims, or of any fault, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons; or (ii) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Parties as a presumption, a concession or an admission of, or evidence of, any fault, omission, wrongdoing or liability of any of the Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons or Shareholders' Released Persons in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The Parties, Shareholders' Counsel, Defendants' Counsel, Defendants' Released Persons and Shareholders' Released Persons may file the Stipulation and/or the Judgment in any action that may be brought against them in order to

support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

11. Shareholders' Counsel is hereby awarded fees and expenses of \$_____ in the aggregate, which the Court finds to be fair, reasonable and adequate.

12. Plaintiff Sciabacucchi is awarded an incentive award in the amount of \$1,000.00, which shall be funded from the fees and expenses awarded to Shareholders' Counsel pursuant to Paragraph 11 above.

13. Without affecting the finality of this Judgment, the Court shall retain jurisdiction with respect to implementation and enforcement of the Stipulation, and the Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

14. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation, this Judgment shall be vacated, and all Orders entered and releases delivered in connection with the Stipulation and this Judgment shall be null and void, except as otherwise provided for in the Stipulation.

15. This Judgment is a final, appealable judgment and should be entered forthwith by the Prothonotary.

IT IS SO ORDERED.

DATED: _____

RAMY I. DJERASSI, J.