



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE: FREEPORT-MCMORAN)
COPPER & GOLD INC. DERIVATIVE) C.A. No. 8145-VCN
LITIGATION)

SCHEDULING ORDER

WHEREAS, a consolidated stockholder derivative action is pending in this Court entitled *In re: Freeport-McMoRan Copper & Gold Inc. Derivative Litigation*, C.A. No. 8145-VCN (the “Action”);

WHEREAS, (a) plaintiffs Dauphin County Employee Retirement Fund; State-Boston Retirement System; Amalgamated Bank as Trustee for the LongView LargeCap 500 Index Fund, LongView LargeCap 500 Index VEBA Fund, LongView Quantitative LargeCap Fund and LongView Quantitative LargeCap VEBA Fund; and City of Roseville Employees’ Retirement System (collectively, “Plaintiffs”); and (b) individual defendants James R. Moffett, Richard C. Adkerson, Gerald J. Ford, Robert Addison Day, the estate of B.M. Rankin, Jr., H. Devon Graham, Jr., Robert J. Allison, Jr., Charles C. Krulak, Bobby Lee Lackey, Jon C. Madonna, Dustan E. McCoy, Stephen H. Siegele, Kathleen L. Quirk and James C. Flores (collectively, the “Settling Defendants,” and with Plaintiffs, each a “Party” and, collectively, the “Parties”) have determined to settle all claims asserted against the Settling Defendants in the Action with prejudice on the terms

and conditions set forth in the Stipulation and Agreement of Settlement, Compromise and Release entered into by the Parties dated January 12, 2015 (the “Stipulation”); and

WHEREAS, the Parties have made an application, pursuant to Court of Chancery Rule 23.1, for entry of a scheduling order in accordance with the Stipulation, approving the form and content of the notice of the Settlement to Freeport Stockholders and scheduling the date and time for the Settlement Hearing.

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

NOW THEREFORE, IT IS HEREBY ORDERED, this 22nd day of January, 2015, as follows:

1. **Definitions:** Unless otherwise defined herein, the capitalized terms used herein shall have the same meanings as they have in the Stipulation.
2. **Settlement Hearing:** The Court will hold a settlement fairness hearing (the “Settlement Hearing”) on April 7, 2015, at 2:00 p.m., at the Court of Chancery of the State of Delaware, Dover, Delaware, for the following purposes: (a) to determine whether Plaintiffs and Plaintiffs’ Counsel have adequately represented the interests of Freeport and its stockholders; (b) to determine whether the proposed Settlement on the terms and conditions provided

for in the Stipulation is fair, reasonable and adequate to Plaintiffs, Freeport and Freeport's stockholders, and should be approved by the Court; (c) to determine whether a Final Order and Judgment substantially in the form attached as Exhibit B to the Stipulation should be entered dismissing the Action with prejudice against the Settling Defendants; (d) to determine whether the application by Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of litigation expenses should be approved; (e) to hear and consider any objections to the Settlement and/or Plaintiffs' Counsel's application for an award of attorneys' fees and expenses; and (f) to consider any other matters that may properly be brought before the Court in connection with the Settlement. Notice of the Settlement and the Settlement Hearing shall be given to Freeport Stockholders as set forth in paragraph 4 of this Order.

3. The Court may adjourn the Settlement Hearing and approve the proposed Settlement with such modifications as the Parties may agree to without further notice to Freeport Stockholders.

4. **Manner of Giving Notice:** Notice of the Settlement and the Settlement Hearing shall be given by Freeport as follows:

(a) not later than fifteen (15) business days after the date of entry of this Order (the "Notice Date"), Freeport shall cause a copy of the Notice, substantially in the form attached to the Stipulation as Exhibit C, to be

mailed by first-class mail to Freeport Stockholders at their last known addresses as of the close of business on the date that the Stipulation was filed with the Court (the “Record Date”), as set forth in the stock transfer records maintained by or on behalf of Freeport;

(b) not later than the Notice Date, Freeport shall file a copy of the Notice as an exhibit to a Form 8-K with the Securities and Exchange Commission;

(c) not later than two (2) business days after the Notice Date, Plaintiffs’ Counsel shall post a copy of the Notice on their respective firm websites, and such copy shall remain posted on such websites through the Effective Date of the Settlement; and

(d) not later than fifteen (15) calendar days prior to the Settlement Hearing, (i) Freeport shall serve on Plaintiffs’ Counsel and file with the Court proof, by affidavit or declaration, of compliance with paragraphs 4(a) and (b) above; and (ii) Plaintiffs’ Counsel shall serve on counsel for the Settling Defendants’ and file with the Court proof, by affidavit or declaration, of compliance with paragraph 4(c) above.

5. **Approval of Form and Content of Notice:** The Court (a) approves, as to form and content, the Notice, attached to the Stipulation as Exhibit C, and (b) finds that the mailing and publication of the Notice in the manner and form set

forth in paragraph 4 of this Order: (i) constitutes notice that is reasonably calculated, under the circumstances, to apprise Freeport Stockholders of the pendency of the Action, of the effect of the proposed Settlement (including the Releases to be provided thereunder), of Plaintiffs' Counsel's application for an award of attorneys' fees and reimbursement of litigation expenses, of their right to object to the Settlement and/or Plaintiffs' Counsel's application for attorneys' fees and litigation expenses, and of their right to appear at the Settlement Hearing; (ii) constitutes due, adequate and sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement; and (iii) satisfies the requirements of Court of Chancery Rule 23.1, the United States Constitution (including the Due Process Clause), and all other applicable law and rules. The date and time of the Settlement Hearing shall be included in the Notice before it is mailed and published.

6. **Nominees Procedures:** Freeport shall use reasonable efforts to give notice to beneficial owners of Freeport stock by providing additional copies of the Notice to any record holder requesting the Notice for purpose of distribution to any beneficial owners of Freeport common stock that are entitled to notice. Brokerage firms, banks and other nominees who or which held shares of Freeport common stock as of the close of business on the Record Date as record holders for the benefit of another person or entity shall either (a) within seven (7) calendar days of

receipt of the Notice, request from Freeport, through the notice administrator retained by Freeport, sufficient copies of the Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notices forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Notice, send a list of the names and addresses of all such beneficial owners to the notice administrator, in which event the notice administrator shall promptly mail the Notice to such beneficial owners. Upon full compliance with this Order, such nominees may seek reimbursement of their reasonable expenses actually incurred in complying with this Order by providing the notice administrator with proper documentation supporting the expenses for which reimbursement is sought. Such properly documented expenses incurred by nominees in compliance with the terms of this Order shall be paid by Freeport.

7. **Appearance and Objections at Settlement Hearing:** Any person or entity who or which held shares of Freeport common stock as of the close of business on the Record Date and continues to hold such shares as of the date of the Settlement Hearing may enter an appearance in the Action, at his, her or its own expense, individually or through counsel of his, her or its own choice, by filing with the Register in Chancery and delivering a notice of appearance to representative counsel for Plaintiffs and the Settling Defendants, at the addresses

set forth in paragraph 8 below, such that it is received no later fifteen (15) calendar days prior to the Settlement Hearing, or as the Court may otherwise direct.

8. Any person or entity who or which held shares of Freeport common stock as of the close of business on the Record Date and continues to hold such shares as of the date of the Settlement Hearing may file a written objection to the proposed Settlement and/or Plaintiffs' Counsel's application for an award of attorneys' fees and litigation expenses and appear and show cause, if he, she or it has any cause, why the proposed Settlement and/or the application for attorneys' fees and litigation expenses should not be approved; *provided, however*, that, unless otherwise directed by the Court for good cause shown, no such person or entity shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement and/or the application for attorneys' fees and litigation expenses unless that person or entity has filed a written objection with the Register in Chancery and served copies of such objection on representative counsel for Plaintiffs and the Settling Defendants at the addresses set forth below such that they are received no later than fifteen (15) calendar days prior to the Settlement Hearing.

**Representative Counsel
for Plaintiffs:**

Michael J. Barry
Grant & Eisenhofer P.A.
123 Justison Street
Wilmington, DE 19801

**Representative Counsel
for the Settling Defendants:**

William M. Lafferty
Morris Nichols Arsht & Tunnell LLP
1201 N. Market Street, 18th Floor
Wilmington, DE 19801

M. Duncan Grant
Pepper Hamilton LLP
1313 N. Market Street, Suite 5100
Wilmington, DE 19899

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

10. Unless the Court orders otherwise, any person or entity who or which does not make his, her or its objection in the manner provided herein shall be deemed to have waived his, her or its right to object to any aspect of the proposed

Settlement and Plaintiffs' Counsel's application for an award of attorneys' fees and litigation expenses and shall be forever barred and foreclosed from objecting to the fairness, reasonableness or adequacy of the Settlement or the requested attorneys' fees and litigation expenses, or from otherwise being heard concerning the Settlement or the requested attorneys' fees and litigation expenses in this or any other proceeding.

11. **Stay and Temporary Injunction:** Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiffs and all other Freeport Stockholders from commencing, instituting or prosecuting any of the Released Plaintiffs' Claims against any of the Released Defendant Parties.

12. **Notice and Administration Costs:** Except for the costs and expenses of posting the Notice on the websites of Plaintiffs' Counsel, any and all costs and expenses related to providing Notice shall be paid by Freeport regardless of whether the Court declines to approve the Settlement or the Effective Date otherwise fails to occur. In no event shall the Settling Defendants, Plaintiffs, Plaintiffs' Counsel, the Escrow Amount be responsible for such notice costs.

13. **Termination of Settlement:** If the Settlement is terminated pursuant to paragraph 14 of the Stipulation, the Parties shall be restored to their respective positions in the Action immediately prior to the execution of the Stipulation, and shall promptly agree on a new scheduling order to govern further proceedings in this Action.

14. **Use of this Order:** Neither the Stipulation nor any act or omission in connection therewith is intended or shall be deemed to be a presumption, concession or admission by: (i) any of the Settling Defendants or any of the other Released Defendant Parties as to the validity of any claims, defenses, other issues raised, or which might be or have been raised, in the Action or in any other litigation, or to be evidence of or constitute an admission of wrongdoing or liability by any of them, and each of them expressly denies such wrongdoing or liability; or (ii) Plaintiffs as to the infirmity of any claim or the validity of any defense, or that damages in the Action would not have exceeded the Escrow Amount. The existence of the Stipulation, its contents or any negotiations, statements or proceedings in connection therewith, shall not be offered or admitted in evidence or referred to, interpreted, construed, invoked or otherwise used by any Person for any purpose in the Action or otherwise, except as may be necessary to effectuate the Settlement. This provision shall remain in force in the event that the Settlement is terminated for any reason whatsoever. Notwithstanding the

foregoing, any of the Released Parties may file the Stipulation or any judgment or order of the Court related thereto in any other action that may be brought against them, in order to support any and all defenses or counterclaims based on *res judicata*, collateral estoppel, good-faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

15. **Supporting Papers:** Plaintiffs' Counsel shall file and serve the opening papers in support of the proposed Settlement and Plaintiffs' Counsel's application for an award of attorneys' fees and reimbursement of litigation expenses no later than thirty (30) calendar days prior to the Settlement Hearing; opposition papers, if any, shall be filed and served no later than fifteen (15) calendar days prior to the Settlement Hearing; and reply papers, if any, shall be filed and served no later than five (5) calendar days prior to the Settlement Hearing.

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

/s/ John W. Noble
Vice Chancellor