

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF WESTCHESTER**

JACK ISAACS, Individually and on Behalf
of All Others Similarly Situated,

Index No. 69123/2015

Plaintiff,

v.

ALLEN S. GREENE, JACK FINGERHUT, JOHN J.
GORMAN, MARTIN H. LAGER, LEONARD J.
STANLEY, SMARTPROS LTD., DF INSTITUTE, LLC,
and SPL MERGER CORP.,

Defendants.

STIPULATION OF SETTLEMENT AND RELEASE

The parties to the above-captioned action (the “NY Action”), as well as the parties to the action captioned *Robert Brieske v. SmartPros Ltd., et al.*, C.A. No. 11743-CB, that was pending in the Court of Chancery of the State of Delaware and was dismissed without prejudice on December 21, 2015 (the “Delaware Action,” and, together with the NY Action, the “Actions”), by and through their respective attorneys, enter into the following Stipulation of Settlement and Release (the “Stipulation”) effective as of March 2, 2016, subject to the approval of the Supreme Court of the State of New York, County of Westchester (the “Court”):

WHEREAS, the plaintiffs in the Actions (collectively, “Plaintiffs”) were shareholders of SmartPros Ltd. (“SmartPros” or the “Company”), and the Actions relate to the acquisition of SmartPros by an affiliate of Kaplan, Inc. (“Kaplan”), DF Institute, LLC (“DF Institute”), through the merger of its subsidiary, SPL Merger Corp (“Merger Sub”), with and into SmartPros;

WHEREAS, the defendants in the Actions are Allen S. Greene, Jack Fingerhut, John J. Gorman, Martin H. Lager, Leonard J. Stanley (collectively, the “Director Defendants”),

SmartPros, Kaplan, DF Institute, Merger Sub, and Graham Holdings Company (“Graham”) (collectively, the “Corporate Defendants,” and, together with the Director Defendants, the “Defendants”);

WHEREAS, on October 22, 2015, SmartPros and DF Institute issued a joint press release announcing that they had entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among DF Institute, Merger Sub, and the Company, under which DF Institute would acquire SmartPros for \$3.57 per share in a cash transaction valued at approximately \$16.9 million (the “Merger”);

WHEREAS, on November 6, 2015, plaintiff Jack Isaacs (“Isaacs”) filed a putative shareholder class action complaint in the NY Action challenging the Merger;

WHEREAS, the Actions were brought on behalf of a proposed class of shareholders of SmartPros against SmartPros, DF Institute, and Merger Sub, the Director Defendants (collectively, the “NY Defendants”), and the other Corporate Defendants (together with Plaintiffs, each a “Party” and collectively, the “Parties”), alleging, *inter alia*, that the Director Defendants breached fiduciary duties in connection with the Merger and that the Corporate Defendants aided and abetted the purported breaches of fiduciary duty;

WHEREAS, the Actions further alleged, *inter alia*, that, by reason of Defendants’ actions, Plaintiffs and the Class members had suffered and would suffer irreparable harm for which they had no adequate remedy at law and requested that the Court grant appropriate relief for such alleged harm;

WHEREAS, on November 6, 2015, SmartPros filed a Preliminary Proxy Statement on form PRE 14A with the United States Securities and Exchange Commission (“SEC”) (the “Preliminary Proxy Statement”);

WHEREAS, on November 17, 2015, SmartPros filed a Definitive Proxy Statement on form DEF 14A with the SEC (the “Definitive Proxy Statement”);

WHEREAS, the Board of Directors of SmartPros recommended in the Proxy Statements that the shareholders of SmartPros vote “FOR” the approval of the Merger Agreement;

WHEREAS, the Board of Directors of SmartPros set a special meeting for December 22, 2015, at which time the shareholders of SmartPros would vote for or against the Merger;

WHEREAS, on November 23, 2015, the Delaware Action was filed in the Court of Chancery of the State of Delaware against the Defendants alleging, *inter alia*, that the Director Defendants breached fiduciary duties in connection with the Merger and that other Defendants aided and abetted the purported breaches of fiduciary duty;

WHEREAS, on November 25, 2015, Plaintiff Jack Isaacs filed an Amended Class Action Complaint in the NY Action, alleging that the Director Defendants breached fiduciary duties in connection with the Merger, that the Definitive Proxy Statement filed in connection with the Merger contained material omissions and misleading statements, and that the other NY Defendants aided and abetted the purported breaches of fiduciary duty;

WHEREAS, the Parties engaged in discussions with respect to Plaintiffs’ intentions to move for a preliminary injunction to prevent completion of the Merger based on alleged deficiencies in the Definitive Proxy Statement and Plaintiffs’ demands that further information be disclosed to SmartPros shareholders;

WHEREAS, on December 2, 2015, Plaintiffs’ counsel sent Defendants’ counsel an email requesting the production of documents;

WHEREAS, on December 3, 2015, Plaintiff Jack Isaacs filed an Order to Show Cause in the NY Action, and Memorandum in support thereof, seeking (1) a hearing on his Motion for a

Preliminary Injunction Pending Expedited Discovery, (2) Expedited Discovery, and (3) a Hearing Date for a *Post*-Expedited Discovery Motion to Continue the Preliminary Injunction Pending Trial;

WHEREAS, on December 5, 2015, Plaintiffs' counsel sent Defendants' counsel an email outlining numerous purported deficiencies in the Definitive Proxy Statement and requesting additional disclosures on a number of topics;

WHEREAS, on December 8, 2015, counsel for SmartPros produced to Plaintiffs' counsel certain non-public, confidential Board-level documents concerning the Merger;

On December 9, Defendants opposed Plaintiff Jack Isaacs's motion for injunctive relief and expedited discovery;

WHEREAS, on December 10, 2015, the Court held a hearing on Plaintiff's Order to Show Cause and Motion for a Preliminary Injunction Pending Expedited Discovery.

WHEREAS, on December 10, 2015, the Court ordered the production of certain documents by Defendants, additional briefing on Plaintiffs' Motion for a Preliminary Injunction, and scheduled a hearing on December 16, 2015;

WHEREAS, counsel to the Parties engaged in arm's-length negotiations concerning disclosure of further information to SmartPros shareholders and the terms and conditions of a potential resolution of the Actions;

WHEREAS, on December 15, 2015, Plaintiff Jack Isaacs filed a Memorandum in support of his Motion for a Preliminary Injunction, seeking to enjoin the Merger pending the disclosure of certain information that was alleged by Plaintiff to be material to SmartPros stockholders;

WHEREAS, on December 15, 2015, Defendants filed their opposition to the Motion for a Preliminary Injunction;

WHEREAS, on December 16, 2015, the Parties reached an agreement-in-principle, which was memorialized in a Memorandum of Understanding (“MOU”) that provided for a settlement of the Actions between and among Plaintiffs, on behalf of themselves and the Class (as defined below), and Defendants on the terms and subject to the conditions set forth below (the “Settlement”);

WHEREAS, on December 17, 2015, SmartPros filed with the SEC a Form 8-K, which included additional disclosures agreed upon by the Parties in the MOU (the “Additional Disclosures”);

WHEREAS, on December 21, 2015, the Delaware Action was dismissed without prejudice pursuant to the terms of the MOU;

WHEREAS, on December 22, 2015, SmartPros stockholders voted to approve the Merger, and the Merger was consummated later that day; and

WHEREAS, Plaintiffs’ counsel has conducted confirmatory discovery through, among other means, (i) review of certain document discovery provided by Defendants, and (ii) the depositions of Mary Jo Zandy, of Berkery, Noyes & Co., LLC, on January 20, 2016 and Allen Greene, formerly of SmartPros, on January 26, 2016;

WHEREAS, Defendants have vigorously denied, and continue to vigorously deny, all allegations of wrongdoing, fault, liability or damage to Plaintiffs or the Class (as defined below), deny that they engaged in any wrongdoing, deny that they committed any violation of law, deny that the price paid to SmartPros’ stockholders in connection with the Merger was insufficient in any way, deny that they acted improperly in any way, believe that they acted properly at all

times, believe the Actions have no merit, and maintain that they have committed no violations or breaches of duty whatsoever, but wish to enter into this Stipulation solely because they consider it desirable that the litigation be settled and dismissed with prejudice in order to, among other things, (i) eliminate the burden, inconvenience, expense, risk and distraction of further litigation; and (ii) finally resolve and terminate all of the claims that were or could have been asserted against Defendants in the litigation;

WHEREAS, Plaintiffs' counsel represent that they have retained and consulted with a financial expert in connection with the prosecution of Plaintiffs' claims and reviewed with their expert both confidential discovery and non-confidential information prior to entry of this Stipulation;

WHEREAS, Plaintiffs and Plaintiffs' counsel believe that the terms contained in the Settlement are fair, reasonable and adequate to SmartPros' stockholders and members of the Class (as defined below) and that it is reasonable to agree to the terms set forth in this Stipulation;

NOW, THEREFORE, as a result of the foregoing and the negotiations among counsel for the Parties, the Parties agree as follows:

DEFINITIONS

1. In addition to capitalized terms defined above, the following capitalized terms used in this Stipulation shall have the meanings specified below:

a. "Class" means a mandatory, non-opt-out class, certified for settlement purposes only, that includes any and all record and beneficial holders of SmartPros common stock, their respective successors in interest, successors, predecessors 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, together with their predecessors and successors and assigns, who held SmartPros common stock at any time during the Settlement Class Period (as defined below), but excluding (i) the Defendants; (ii) the immediate families of the SmartPros Board; (iii) any parent, subsidiary, affiliate, officer, or director of SmartPros, Kaplan, DF Institute, Merger Sub, or Graham; (iv) any entity in which any person described in clauses (i) through (iii) immediately above has a controlling interest; and (v) the legal representatives, heirs, successors, and assigns of any such excluded person.

b. “Class Member” means a member of the Class.

c. “Effective Date” of the Settlement of the Actions shall be the date that the Final Approval of the Settlement is no longer subject to further appeal or review, whether by affirmance on or exhaustion of any possible appeal or review, writ of certiorari, lapse of time, or otherwise. The finality of the Judgment shall not be affected by any appeal or other proceeding regarding solely an application for attorneys’ fees and expenses.

d. “Final Approval” means that the Court has entered an order dismissing the Actions with prejudice on the merits (and, to the extent required, approving the Settlement on the terms set forth herein).

e. “Judgment” means the Final Order and Judgment to be entered in the NY Action substantially in the form attached as Exhibit 2 hereto.

f. “Person” means any individual, corporation, partnership, limited liability company, association, affiliate, joint stock company, estate, trust, unincorporated

association, entity, government, and any political subdivision thereof, or any other type of business or legal entity.

g. “Plaintiffs’ Counsel” means Levi & Korsinsky LLP, 30 Broad Street, 24th Floor, New York, New York 10004, and Rigrodsky & Long, P.A., 2 Righter Parkway, Suite 120, Wilmington, Delaware 19803.

h. “Released Claims” mean any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, fees, costs, expenses, actions, suits, and controversies, including Unknown Claims (as defined below), which Plaintiffs or any member of the Class ever had, now have, or may have, whether direct, derivative, individual, class, representative, legal, equitable, or of any other type, against any of the Released Persons (defined below), which: (a) are based on his, her, or its ownership of SmartPros common stock during the Class Period; (b) are based on any state’s statute, common law or rule; any federal securities laws or rules concerning disclosure; or any “aiding and abetting” theories related thereto; and (c) arise out of or relate to, directly or indirectly, the conduct or omission by any Released Person (as defined below) in the process leading up to, the negotiation of, discussions concerning, and/or the terms of the Merger or the Merger Agreement; the adequacy, accuracy, and completeness of the Preliminary Proxy Statement, the Definitive Proxy Statement, the Additional Disclosures or any other disclosures by or on behalf of any Released Person relating to the Merger; the allegations in any complaint or amended complaint filed in the Action; and/or the conduct or omission by any of the Released Persons (as defined below) in connection with the negotiation or execution of the Stipulation and the Settlement; provided, however, for the avoidance of doubt, the Released Claims shall not include (i) the right to

enforce this Stipulation or the Settlement, and/or (ii) the right of any member of the Class to pursue properly protected claims for appraisal, if any, pursuant to 8 *Del. C.* § 262.

With respect to clause (ii) immediately above, SmartPros has confirmed that no member of the Class has demanded appraisal or otherwise protected a claim for appraisal, but Plaintiffs have insisted upon excluding any such claims from the definition of Released Claims in an abundance of caution and for the avoidance of doubt.

i. “Releasing Plaintiffs” means Plaintiffs and each of the other members of the Class, on behalf of themselves and each of their agents, representatives, heirs, executors, administrators, predecessors, successors, and assigns, and any other person or entity who has the right, ability, standing, or capacity to assert, prosecute, or maintain on behalf of any Class member any of the Released Claims or to obtain the proceeds of any recovery in whole or in part (whether individual, derivative, representative, legal, equitable, or any other type or in any other capacity).

j. “Released Parties” mean, without limitation, each of the Defendants and their respective past and/or present family members, heirs, estates, executors, administrators, predecessors, successors, assigns, parent entities, subsidiaries, associates, affiliates, employees, officers, directors, stockholders, agents, representatives, attorneys, financial or investment advisors (including, without limitation, Berkery), advisors, consultants, accountants, investment bankers, commercial bankers, trustees, insurers, co-insurers and re-insurers, general or limited partners or partnerships, limited liability companies, members, and any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related

to or affiliated with any of the Defendants, whether or not such Released Party was named, served with process, or appeared in the Actions.

k. “Settlement” means the settlement of the Actions as set forth in this Stipulation between and among Plaintiffs on behalf of themselves and the Class, on the one hand, and Defendants, on the other.

l. “Settlement Class Period” means October 22, 2015 through December 22, 2015, inclusive.

m. “Fairness Hearing” means the hearing to be held by the Court on _____ (or such other date and/or time as the Court directs) to determine whether to certify the Class, whether Plaintiffs and Plaintiffs’ Counsel have adequately represented the Class, whether the proposed Settlement should be approved as fair, reasonable, and adequate, whether all Released Claims should be dismissed with prejudice, and whether the Judgment approving the Settlement should be entered.

n. “Unknown Claims” means any claim that Plaintiffs or any Class Member do not know or suspect exists in his, her, or its favor at the time of the release of the Released Claims as against the Released Parties, including, without limitation, those which, if known, might have affected the decision to enter into the Settlement. With respect to any of the Released Claims, the Parties stipulate and agree that, upon the Effective Date, each Releasing Plaintiff shall expressly waive, relinquish, and release, and by operation of the Judgment by the Court shall have, expressly waived, relinquished, and released any and all provisions, rights, and benefits conferred by or under Cal. Civ. Code § 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 Cal. Civ. Code § 1542, which provides

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT 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.

Plaintiffs acknowledge, and the Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims, but that it is the intention of Plaintiffs, and by operation of law the Class Members, to extinguish completely, irrevocably, fully, finally, and forever any and all Released Claims, known or unknown, suspected, or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Plaintiffs acknowledge, and the Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of "Released Claims" and the waiver of rights pursuant to Cal. Civ. Code § 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, was separately bargained for and was a material element of the Settlement and was relied upon by each and all of Defendants in entering into the Stipulation.

SETTLEMENT CONSIDERATION

2. In consideration for the Settlement and dismissal with prejudice of the Actions and the releases provided herein, Defendants agreed to make the Additional Disclosures demanded by Plaintiffs and did so in the Form 8-K filed with the SEC on December 17, 2015.

The Additional Disclosures Defendants agreed to make, *inter alia*, are reflected in the Form 8-K attached hereto as Exhibit 1.

3. Defendants acknowledge that the filing and prosecution of the Actions and the efforts of Plaintiffs and Plaintiffs' Counsel, and the Settlement of the Actions, were the sole causes of SmartPros' decision to make the Additional Disclosures. The parties and their counsel believe that the terms of the Settlement are fair, reasonable, and adequate to the Class.

NOTICE

4. Notice of the proposed Settlement shall be provided by SmartPros, or its successor entity, at the expense of SmartPros (or its or the SmartPros' board of directors' insurer(s) or SmartPros' successor-in-interest), by mailing a notice in substantially the form attached hereto as Exhibit 3 ("Notice") to all shareholders of record of SmartPros who are members of the Class, in accordance with the Scheduling Order. Counsel for SmartPros or its successor entity shall, at least ten (10) business days before the Fairness Hearing, file with the Court an appropriate affidavit with respect to the preparation and mailing of the Notice.

SUBMISSION TO THE COURT

5. As soon as practicable after the execution of this Stipulation, the Parties shall jointly present the Settlement to the Court for approval at the Fairness Hearing, following appropriate notice to members of the Class.

CLASS CERTIFICATION

6. For settlement purposes only, the Actions shall be conditionally maintained as a class action pursuant to New York Civil Practice Law and Rules 902 on behalf of the Class.

7. If for any reason the Settlement does not become effective or final, Defendants reserve the right to oppose certification of any plaintiff class in the Actions or in any future proceedings.

FINAL COURT APPROVAL

8. If the Settlement (including any modification thereto made with the consent of the Plaintiffs and Defendants as provided for herein) has the Court's Final Approval after the Fairness Hearing, the Parties shall jointly request the entry of the Judgment substantially in the form attached hereto as Exhibit 2:

a. Approving this Stipulation, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of the terms and provisions of the Settlement;

b. Determining that the requirements of the New York Civil Practice Law and Rules and due process have been satisfied in connection with the Notice;

c. Certifying the Class pursuant to New York Civil Practice Law and Rules 901-904, and certifying Plaintiffs as representatives of the Class and Plaintiffs' Counsel as Counsel for the Plaintiffs and the Class;

d. Dismissing the Actions with prejudice, and without costs (except as set forth in paragraphs 14 and 15 below);

e. Providing for the final release of the Released Claims by the Releasing Plaintiffs as described and set forth above;

f. Providing for the final release of the Released Parties by the Releasing Plaintiffs as set forth above;

g. Permanently enjoining the prosecution of all Released Claims; and

- h. Reserving jurisdiction for the purpose of effectuating the Settlement.

DISMISSAL AND RELEASE

9. On the Effective Date:

- a. The obligations incurred pursuant to this Stipulation shall be in full and final disposition of the NY Action, and any and all related claims as to any settling party to this Action, or any party that could have been named in the Actions or any related action.

- b. The Actions and the Released Claims shall be dismissed with prejudice, on the merits and without costs (except as set forth in paragraphs 14 and 15 below);

- c. All Releasing Plaintiffs shall and hereby do completely, fully, finally, and forever release, relinquish, and discharge all Released Claims as against all Released Parties; provided, however, that Plaintiffs retain the right to enforce the terms of the Stipulation and the Settlement;

- d. The Released Parties shall be deemed to be fully, finally, and forever released and discharged from all of the Released Claims;

- e. All Releasing Plaintiffs agree not to institute, maintain, or prosecute any or all Released Claims against any or all of the Released Parties, or their respective counsel, and shall be forever barred and enjoined from asserting, commencing, assisting, instituting, prosecuting, or in any way participating in the commencement or prosecution of any Released Claims against any of the Released Parties; provided, however, that Plaintiffs retain the right to enforce the terms of the Stipulation and the Settlement; and

- f. Defendants fully, finally, and forever release, relinquish, settle, extinguish, dismiss with prejudice, and discharge Plaintiffs, each and all members of the Class, and

all Plaintiffs' Counsel from all claims, sanctions, liabilities, allegations, complaints, or petitions arising out of, relating to, or in connection with, directly or indirectly, the investigation, institution, prosecution, litigation, assertion, settlement, or resolution of the NY Action, the Delaware Action, or the Settled Claims; provided, however, that Defendants retain the right to enforce the terms of the Stipulation and the Settlement, and, in the event that any class member attempts to pursue an appraisal, Defendants retain all rights in connection with any appraisal proceeding pursuant to 8 *Del. C.* § 262.

NO ADMISSION OF FAULT

10. Defendants (i) have denied and continue to deny that they have committed, or aided or abetted in the commission of, any unlawful or wrongful act or violation of any duty owed to Plaintiffs, the Class or anyone else in connection with the Released Claims and the subject matter thereof, including the Merger, the Merger Agreement, the Preliminary Proxy Statement, the Definitive Proxy Statement, the Additional Disclosures, any amendments, supplements, or modifications to any of the foregoing, or any other public disclosures made in connection with or regarding the Merger; (ii) expressly maintain that they diligently and scrupulously complied with any and all fiduciary and other legal duties and obligations in connection therewith; and (iii) are entering into the Stipulation solely because the Settlement will eliminate the distraction, burden, risk, and expense of continued litigation, and, without admitting the validity of any allegation made in the Actions or any liability with respect thereto, have concluded that it is in the best interests of SmartPros' shareholders, and not due to any infirmity in their defenses to the claims asserted by Plaintiffs, that the claims against them be settled and dismissed on the terms reflected in this Stipulation.

11. Plaintiffs and Plaintiffs' Counsel, by entering into this Stipulation, are not admitting the lack of merit of any of the claims asserted in the Actions, and Plaintiffs and Plaintiffs' Counsel further believe (i) that the terms of the Stipulation are fair, reasonable, adequate, and in the best interest of all members of the proposed Class, and (ii) that Plaintiffs held shares of SmartPros common stock at all times material hereto. Plaintiffs' Counsel further represent that none of Plaintiffs' claims or causes of action referred to in the Stipulation have been assigned, encumbered, or otherwise transferred.

12. Neither this Stipulation nor any of its provisions or documents prepared or proceedings taken in accordance with the terms set forth herein shall be deemed a presumption, concession, or an admission by any of the Parties to the Actions of (i) any fault, liability, or wrongdoing as to any facts or claims that have been or might be alleged in the Actions, or in any other action or proceeding, or (ii) on the part of Plaintiffs, any lack of merit as to any facts or claims alleged or asserted in the Actions, or any other actions or proceedings.

13. Neither this Stipulation nor any of its provisions or documents prepared or proceedings taken in accordance with the terms set forth herein shall be interpreted, construed, deemed, invoked, offered, received in evidence, or otherwise used by any Person in the Actions or in any other action or proceeding, whether civil, criminal, or administrative, except in connection with (i) any proceeding to enforce the terms of the Stipulation and the Settlement, or (ii) Plaintiffs' Counsel's application for an award of attorneys' fees and expenses, or (iii) argument it has *res judicata*, collateral estoppel, or other issue or claim preclusion effect, or (iv) as may be necessary to explain to the Court or any member of the Class why the Settlement was not consummated in the event that it is terminated. This provision shall remain in force in the event the Settlement is terminated.

ATTORNEYS' FEES

14. Concurrent with seeking final approval of the Settlement, Plaintiffs' Counsel intends to petition this Court for an award of attorneys' fees and expenses in connection with the Actions (the "Fee Application"). The parties to the Actions have attempted in good faith to agree on a fee amount to be paid to such counsel. Defendants shall not oppose the Fee Application up to the amount of \$175,000.00, which shall be the only fee application made in the Actions. SmartPros (or any successor thereof), on behalf of and for the benefit of the other Defendants, agrees to pay (or, if applicable, will endeavor to cause any relevant insurer to pay) any final award of attorneys' fees and expenses approved by the Court. All attorneys' fees and expenses awarded by the Court or any appellate court to Plaintiffs' Counsel in connection with the Fee Application shall be paid solely by SmartPros (or its successor-in-interest) or its liability insurer, on behalf of itself and the other Defendants in the Actions, in accordance with the payment instructions to be provided by Plaintiffs' Counsel within fifteen (15) business days after the entry of an order awarding attorneys' fees and expenses; provided, however, that such counsel shall have a joint and several obligation to refund to SmartPros and/or its insurers, as the case may be, within fifteen (15) business days, all amounts received, if and when, as a result of any appeal and/or further proceeding on remand, or successful collateral attack, the fee or expense award is reduced or reversed, if the Settlement itself is voided as provided herein, or if the Settlement is reversed or vacated by any Court. Payment by or on behalf of SmartPros (or any successor entity) of attorneys' fees and expenses to Plaintiffs' Counsel in the amount approved by the Court will discharge in full any obligation of Defendants to pay any attorneys' fees or expenses to Plaintiffs or Plaintiffs' Counsel pursuant to the Settlement. The Parties'

counsel did not negotiate with respect to attorneys' fees until after the Parties agreed to all other substantive terms of the Settlement contained in the MOU.

15. Final resolution by the Court of Plaintiffs' Counsel's petition for attorneys' fees and expenses shall not be a precondition to Final Approval of the Settlement or of dismissal of the Actions in accordance with the Stipulation. Any such petition by Plaintiffs' Counsel may be considered separately from the proposed Settlement of the Action; likewise, the Settlement will take effect upon passage of the Effective Date, regardless of the status, pendency, or the Court's decision upon any petition by Plaintiffs' Counsel for attorneys' fees and/or expenses. Any disapproval or modification of any petition by Plaintiffs' Counsel for attorneys' fees and/or expenses by the Court or on appeal shall not affect or delay the enforceability of this Stipulation, provide any of the Parties with the right to terminate the Settlement or this Stipulation, or affect or delay the binding effect or finality of the Judgment or the release of the Released Claims. If the Settlement is not effectuated, Plaintiffs' Counsel reserve the right to seek an award of attorneys' fees and expenses, and Defendants reserve the right to object to any such application.

CONDITIONS OF SETTLEMENT

16. Any of the Parties shall have the right to withdraw from the Settlement in the event that (i) the Settlement is not approved by the Court, is terminated, overturned, or materially modified on appeal or as a result of further proceedings on remand, (ii) any court rescinds the Merger, (iii) the Merger is found to be otherwise ineffective under New York or Delaware law, or (iv) any action asserting any of the Released Claims is commenced or prosecuted against any of the Released Parties in any court prior to the Effective Date of the Settlement, and such claims are not dismissed with prejudice or stayed in contemplation of dismissal. In the event that any such action asserting any of the Released Claims is commenced or prosecuted against any of the

Defendants, the Parties shall cooperate and use best efforts to secure the dismissal with prejudice (or a stay in contemplation of dismissal with prejudice following the Effective Date of the Settlement) thereof. If the Parties are unsuccessful in dismissing such related actions, any of the Defendants may at his, her, or its sole option withdraw from this Stipulation and the Settlement so as to be relieved from any obligations going forward; provided however, Plaintiffs' Counsel reserve the right to seek an award of attorneys' fees and expenses, and Defendants reserve the right to object to any such application.

17. In the event that some but not all of the Defendants withdraw from this Stipulation and the Settlement, this Stipulation and the Settlement shall remain binding as to the remaining parties hereto. If all Defendants withdraw from this Stipulation and the Settlement, unless the Parties agree otherwise, the Parties shall return to their respective litigation positions in the Actions as of the time immediately prior to the date of the execution of the MOU, as though it was never executed or agreed to, and this Stipulation shall not be deemed to prejudice in any way the positions of the Parties with respect to the Actions, or to constitute an admission of fact by any Party, shall not entitle any Party to recover any costs or expenses incurred in connection with the implementation of this Stipulation, and neither the existence of this Stipulation or the MOU, nor either document's contents, shall be admissible in evidence or be referred to for any purposes in the Actions or in any litigation or judicial proceeding, other than to enforce the terms hereof; provided however, that Plaintiffs and their counsel may use the MOU, this Stipulation, and the Settlement in connection with an application for an award of attorneys' fees and expenses and Defendants and their counsel may use such documents to object to any such application.

BEST EFFORTS

18. The Parties and their respective counsel agree to cooperate fully with one another, use their best efforts, and take all other such steps as may be necessary and required in seeking Final Approval from the Court, the dismissal of the Actions with prejudice and without costs (except as set forth in paragraphs 14 and 15 above), and all other events and occurrences necessary to render the Settlement effective on the terms set forth in this Stipulation.

RETURN OF DOCUMENTS

19. Plaintiffs' Counsel agree that within thirty (30) days of receipt of a written request by any producing party following the Effective Date, they will return to the producing party all discovery material obtained from such producing party, including all documents produced by any of the Defendants or any of the Released Parties in the Actions (herein "Discovery Material"), or destroy all such Discovery Material and certify to that fact; provided, however, that Plaintiffs' Counsel shall be entitled to retain all filings, court papers, deposition and trial transcripts, and attorney work product containing or reflecting Discovery Materials, subject to the requirement that Plaintiffs' Counsel shall not disclose any information contained or referenced in the Discovery Material to any Person except pursuant to court order or agreement with Defendants. The Parties agree to submit to the Court any dispute concerning the return or destruction of Discovery Material.

EXECUTION OF COUNTERPARTS

20. This Stipulation may be executed in multiple counterparts by the signatories hereto, including by email in PDF format or by telecopier, and as so executed shall constitute one agreement.

GOVERNING LAW

21. This Stipulation and the Settlement contemplated by it, and any dispute arising out of or relating in any way to this Stipulation or the Settlement, whether in contract, tort, or otherwise, shall be governed by and construed in accordance with the laws of the state of New York, without regard to conflicts of law principles. Each of the Parties (a) irrevocably submits to the personal jurisdiction of the Court in any suit, action, or proceeding arising out of or relating to this Stipulation or the Settlement, (b) agrees that all claims in respect of such suit, action, or proceeding shall be brought, heard, and determined exclusively in the Court, (c) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court, (d) agrees not to bring any action or proceeding arising out of or relating to this Stipulation or the Settlement in any other court, and (e) expressly waives, and agrees not to plead or to make any claim that any such action or proceeding is subject (in whole or in part) to, a jury trial. Each of the Parties waives any defense of inconvenient forum to the maintenance of any action or proceeding brought in accordance with this Paragraph. Each of the Parties further consents and agrees that process in any suit, action, or proceeding may be served on such Party by certified mail, return receipt requested, addressed to such Party or such Party's registered agent in the state of its incorporation or organization, or in any other manner provided by law, and in the case of Plaintiffs by giving such written notice to Plaintiffs' Counsel.

REPRESENTATION BY COUNSEL

22. The Parties represent and agree that the terms of the Settlement were negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

ENTIRE AGREEMENT/WRITTEN MODIFICATIONS

23. This Stipulation constitutes the entire agreement among the Parties with respect to the subject matter hereof, supersedes all written or oral communications, agreements, or understandings that may have existed prior to the execution of this Stipulation, including the MOU, and may be modified or amended only by a writing signed by the Parties hereto. The Parties have not executed or authorized the execution of this instrument in reliance upon any promise, representation, or warranty not contained herein. All of the exhibits hereto are incorporated herein by reference as if set forth herein verbatim, and the terms of all exhibits are expressly made part of this Stipulation.

SUCCESSORS, ASSIGNS, AND THIRD PARTY BENEFICIARIES

24. This Stipulation shall be binding upon and inure to the benefit of the Parties (including the Class Members) and their respective agents, executors, heirs, successors and assigns; provided, that no Party shall assign or delegate its rights or responsibilities under this Stipulation without the prior written consent of the other Parties hereto. The Released Parties who are not Parties are intended third party beneficiaries under this Stipulation entitled to enforce this Stipulation in accordance with its terms.

INTERPRETATION

25. This Stipulation shall be deemed to have been mutually prepared by the Parties; accordingly, in interpreting its terms, no Party shall be deemed the principal draftsman and nothing will be construed against any of them by reason of authorship. Paragraph titles have been inserted for convenience only and shall not be used in determining the terms of this Stipulation.

REPRESENTATION OF PLAINTIFFS AND PLAINTIFFS' COUNSEL

26. Plaintiffs and Plaintiffs' Counsel hereby represent and warrant that Plaintiffs have been stockholders in SmartPros throughout the period covered by the Actions and this Stipulation, that they are Class Members, and that their claims and causes of action referred to in this Stipulation have not been and will not be assigned, encumbered, or in any manner transferred in whole or in part.

CONFIDENTIALITY AGREEMENTS

27. To the extent permitted by law, all agreements, stipulations, and orders entered during the course of the Actions relating to the confidentiality of documents or information shall survive this Stipulation.

WAIVER

28. The waiver by any Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of that or any other prior or subsequent breach of any provision of this Stipulation by any other Party.

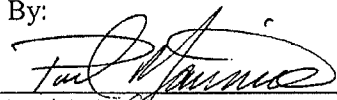
AUTHORITY

29. This Stipulation is being executed by counsel for the Parties, each of whom represents and warrants that they have been granted full and complete authority from their client or clients to enter into this Stipulation, which has full force and effect as a binding obligation of such clients.

WHEREFORE, the Parties hereto have executed this Stipulation as of this 2nd day of March, 2016.

[Signature Page Follows]

By:



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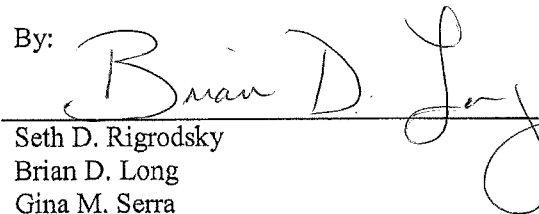
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