

1 KAMALA D. HARRIS  
Attorney General of California  
2 MARK BRECKLER  
Chief Assistant Attorney General  
3 KATHLEEN FOOTE  
Senior Assistant Attorney General  
4 EMILIO VARANINI (SBN 163952)  
ESTHER H. LA (SBN 160706)  
5 MICHAEL JORGENSEN (SBN 201145)  
NICOLE S. GORDON (SBN 224138)  
6 PAMELA PHAM (SBN 235493)  
PAUL A. MOORE (SBN 241157)  
7 BRIAN D. WANG (SBN 284490)  
Deputy Attorneys General  
8 State Bar No. 163952  
455 Golden Gate Avenue, Suite 11000  
9 San Francisco, CA 94102-7004  
Telephone: (415) 703-5908  
10 Fax: (415) 703-5480  
E-mail: Emilio.Varanini@doj.ca.gov  
11 *Attorneys for Plaintiffs*  
*State of California, et al.*

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
13 COUNTY OF SAN FRANCISCO  
14

15  
16  
17 **THE PEOPLE OF THE STATE OF  
CALIFORNIA, et al.,**

18 Plaintiffs,

19 v.

20  
21 **SAMSUNG SDI, CO., LTD., et al,**

22 Defendants.

Case No. CGC-11-515784

**EXHIBIT C (PANASONIC  
SETTLEMENT AGREEMENT)  
TO VARANINI DECLARATION IN  
SUPPORT OF MOTION FOR  
PRELIMINARY APPROVAL OF  
SETTLEMENTS WITH HITACHI, LG,  
PANASONIC, TOSHIBA AND SAMSUNG**

23 Date: March 3, 2016  
Time: 8:30 a.m.  
24 Dept: 304  
Judge: Curtis E.A. Karnow  
Action Filed: November 8, 2011

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and between Panasonic Releasees, as defined below, on the one hand, and the Attorney General of California (“Attorney General”), on behalf of the State of California and its state agencies, its political subdivisions and public agencies (including the Settlement Class of Government Entities as defined below), and in her capacity as *parens patriae* on behalf of all natural persons resident in California at any time during the Relevant Period as defined below (collectively, the “State”), on the other hand. The Panasonic Releasees and the Attorney General are collectively referred to as the Settling Parties.

WHEREAS, the Attorney General alleges that the Panasonic Releasees participated in an unlawful conspiracy to raise, fix, maintain, or stabilize the price of Cathode Ray Tubes (“CRTs”) at artificially high levels, and to restrict output of CRTs in violation of the California Cartwright Act, the California Unfair Competition Law, and/or the doctrine of unjust enrichment; and

WHEREAS, the Attorney General has filed a case, No. CGC-11-515784, filed November 8, 2011, in the Superior Court of California, County of San Francisco, captioned *The State of California et al. v. Samsung SDI, Co. Ltd, et al.* (“the Action”), in which she has alleged that the Panasonic Releasees and other companies participated in an unlawful price fixing conspiracy of CRTs and believes her claims against the Panasonic Releasees are valid, but nevertheless believes that resolving her claims against the Panasonic Releasees according to the terms set forth below at this point in time in her case are in the best interest of the State in materially advancing that case and prosecuting claims against other companies participating in this conspiracy; and

WHEREAS, the Panasonic Releasees, despite the belief that it is not liable for any claims arising from allegations that it participated in an unlawful price fixing conspiracy of CRTs, and that it has good defenses thereto, has nevertheless agreed to enter into this Agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, and to obtain the releases, orders, and judgment contemplated by this Agreement, and to put to rest with finality all claims that have been or could have been asserted against the Panasonic Releasees based on the allegations in the Attorney General's November 8, 2011 complaint against the Panasonic Releasees and its other co-conspirators in the Action.

NOW, THEREFORE, in consideration of the covenants, agreements, and releases set forth herein and for other good and valuable consideration, it is agreed by and among the undersigned that the relevant claims be settled, compromised, and dismissed on the merits with prejudice as to the Panasonic Releasees and, except as hereinafter provided, without costs as to the Attorney General, Panasonic, and Panasonic Releasees, subject to the approval of the Court, on the following terms and conditions, and incorporating the preceding clauses:

A. Definitions.

1. "Panasonic" refers to Panasonic Corporation f/k/a Matsushita Electric Industrial Co., Ltd. ("MEI"); Panasonic Corporation of North America ("Panasonic NA"); Panasonic Consumer Electronic Co. ("PCEC"); Matsushita Electronics Corporation (Malaysia) Sdn. Bhd. ("Matsushita Malaysia"); and MT Picture Display Co., Ltd. f/k/a Matsushita-Toshiba Picture Display Co., Ltd. ("MTPD"). Setting aside MTPD, the term "Panasonic" does not refer to any Toshiba-affiliated entity that has been sued by the Attorney General in Case No. CGC-11-515784 or to Toshiba Corporation's liability for the acts of, or its interests in, MTPD. The

release in this Agreement does not extend to Toshiba Corporation insofar as Toshiba Corporation is sued for acts of MTPD or Toshiba Corporation's interest in MTPD.

2. "Panasonic Releasees" refers to Panasonic and to all of its past and present, direct and indirect, parents, subsidiaries, and/or affiliates; the predecessors, successors, and assigns of any of the above; and each and all of their present and former principals, partners, officers, directors, supervisors, employees, agents, representatives, insurers, attorneys, heirs, executors, administrators, and assigns. "Panasonic Releasees" includes Beijing Matsushita Color CRT Co., Ltd. ("BMCC"), which is specifically included as a Panasonic Releasee because of Panasonic's former ownership interest in BMCC. BMCC, PCEC and Matsushita Malaysia are named in the Attorney General's November 8, 2011 complaint and covered by the release, but they will have no obligation to cooperate unless expressly specified below.

3. "Government Entities" refers to all political subdivisions and public agencies in California (i.e., counties, cities, K-12 school districts, and public utilities), plus the University of California and the State Bar of California, that have purchased CRTs and/or products containing CRTs ("CRT Products") during the Relevant Period. Excluded from this definition are all state agencies that either constitute an arm of the State of California under the Eleventh Amendment of the U.S. Constitution or are not otherwise treated under California law as being autonomous from the State of California itself.

4. "Settlement Class of Government Entities" refers to all political subdivisions and public agencies in California (i.e., counties, cities, K-12 school districts, and public utilities), plus the University of California and the State Bar of California, that have purchased CRTs and/or CRT Products during the Relevant Period. Excluded from this definition are all state agencies that either constitute an arm of the State of California under the Eleventh Amendment

of the U.S. Constitution or are not otherwise treated under California law as being autonomous from the State of California itself.

5. The “MDL” refers to the Multidistrict Litigation entitled In re Cathode Ray Tube (CRT) Antitrust Litigation, Master File No. 3:07-cv-5944 SC, MDL No. 1917, which includes direct and indirect purchaser class actions, and related actions, currently pending in the United States District Court for the Northern District of California.

6. “Releasor” refers to (1) the State of California in its own behalf and on behalf of all state agencies that constitute an arm of the State of California; (2) the State and/or Attorney General acting as *parens patriae* on behalf of all natural persons resident in California at any time during the Relevant Period; and (3) the Settlement Class of Government Entities.

7. “Relevant Conduct” refers to the Panasonic Releasees’ alleged participation in an unlawful conspiracy to raise, fix, maintain, or stabilize the price of CRTs at artificially high levels and maintain the quantities of CRTs at artificially low levels during the Relevant Period.

8. “Relevant Period” refers to the period beginning March 1, 1995, and continuing through November 25, 2007.

9. The “Settlement Fund” refers to the \$1,100,000 payment to be made by Panasonic within sixty (60) business days of the Effective Date as defined below.

10. “Effective Date” is the date upon which the Attorney General, Panasonic, and BMCC, through the undersigned counsel, sign this Agreement.

B. Approval of this Agreement and Dismissal of Claims Against Panasonic.

11. The Attorney General, Panasonic, BMCC, and their counsel, shall use their best efforts to effectuate this Agreement and its purpose, including cooperating in seeking any necessary court approvals, either filing a settlement complaint in the current Action against the

Panasonic Releasees or amending the current complaint against Philips and Chunghwa in case No. CGC-11-515786, filed May 11, 2012, in the Superior Court of California, County of San Francisco, captioned *The State of California et al. v. Chunghwa Picture Tubes, Ltd. et al.* (the "Philips Action") to add the Panasonic Releasees solely for the purpose of effectuating this Agreement, and staying any litigation filed after the execution of this Agreement, and shall jointly secure the prompt, complete, and final dismissal with prejudice of any settlement complaint filed or amended as to the Panasonic Releasees, but not as to any party that is not a Panasonic Releasee. The Settling Parties agree to take whatever further steps, if any, may be reasonably necessary to effectuate the dismissal with prejudice of any complaint against Panasonic Releasees. BMCC agrees to personal jurisdiction solely for purposes of entering into and obtaining Court approval of the Agreement and for no other purpose.

12. The Settling Parties shall jointly seek any orders and final judgment necessary to effectuate this Agreement, the text of which the Settling Parties shall agree upon. The terms of such orders and final judgment will include, at a minimum, the substance of the following provisions:

- a. Any complaint filed shall be dismissed with prejudice as to the Panasonic Releasees, and, except as provided for in this Agreement, without recovery of costs to any party to that complaint;
- b. The Attorney General reserves exclusive jurisdiction over this settlement and this Agreement, including the administration and consummation of this settlement, to whichever court in which the Attorney General files a settlement complaint against the Panasonic Releasees, if any, or amends the settlement complaint in the Philips Action to add the Panasonic Releasees;
- c. Panasonic shall pay to the Attorney General, for the benefit of the State, a Settlement Fund amount of \$1,100,000 (U.S.) within sixty (60) business days of the Effective Date, which may be used for any of the following purposes, subject to applicable legal limitations:

- 1) reimbursement of the State's attorneys' fees and litigation expenses;
- 2) compensation for damages suffered by the State for, *inter alia*, harm to the general California economy caused by the Relevant Conduct otherwise known as deadweight loss, and damages/restitution for proprietary claims, including claims relating to purchases of CRTs and CRT Products by California government entities;
- 3) damages/restitution for *parens patriae* claims involving overcharges to natural persons;
- 4) civil penalties due to Panasonic and BMCC's alleged involvement in the conspiracy;
- 5) deposit into an antitrust or consumer protection account (e.g., revolving account, trust account, special fund) for use in accordance with the laws governing such an account;
- 6) antitrust or consumer protection enforcement by the Attorney General; and
- 7) cost of notice, and settlement administration.

d. MTPD shall be enjoined and restrained for a period of three (3) years from the date of final approval of this Agreement, from engaging in price fixing, market allocation, and/or bid rigging relating to CRTs for incorporation into monitors or to other display screens incorporated into monitors, which constitute horizontal conduct that are per se violations of sections 16700 et seq. of the Cartwright Act;

e. Panasonic Corporation and Panasonic NA shall be required to certify that they have an antitrust compliance program and that they do not manufacture or sell CRTs. In the event that they manufacture or sell CRTs within three (3) years of the date of execution of this Agreement, they shall: (1) establish, if not already established, and maintain a program to provide relevant antitrust compliance education to their officers and employees with responsibility for pricing and sales of CRTs in and to the United States regarding the legal standards imposed by federal and state antitrust laws, and Panasonic Corporation and Panasonic NA shall have ninety (90) days from re-entering the CRT business to establish this program if one has not already been established; and (2) for three (3) years from that date, on an annual basis, Panasonic Corporation and Panasonic NA shall certify in writing to the Attorney General that they are fully compliant with the provisions of this paragraph by

describing the nature of the program they have implemented or are maintaining pursuant to this sub-paragraph. The Attorney General is required to provide notice to counsel for Panasonic Corporation and Panasonic NA that the certification is due thirty (30) days prior to the deadline for its submission. Nothing in this provision shall cause, require or effect a waiver of any privileges otherwise applicable to the content or conduct of any antitrust compliance training;

f. Panasonic shall continue to provide cooperation to the Attorney General as described in paragraph 19 of this Agreement; and

g. The Settlement Class of Government Entities shall be certified solely for purposes of this Agreement.

13. This Agreement shall become final when (i) the Court has entered an order and final judgment that dismisses with prejudice all claims as to Panasonic and all Panasonic Releasees in the complaint filed against the Panasonic Releasees in the Action, and any settlement complaint filed against Panasonic and the Panasonic Releasees, including in the Philips Action should the Attorney General amend that complaint to add the Panasonic Releasees, and (ii) the time for appeal or to seek permission to appeal has expired, or (iii) if appealed, approval of this Agreement and the order and final judgment dismissing with prejudice all claims in the complaint against the Panasonic Releasees, have been affirmed in their entirety by the court of last resort to which such appeal has been taken and such affirmance has become no longer subject to further appeal or review. This Agreement shall be deemed executed as of the later date of signature by either party. As of the date of execution of this Agreement, the Settling Parties shall be bound by the terms of this Agreement and this Agreement shall not be rescinded except in accordance with paragraphs 30 of this Agreement.

14. Neither this Agreement (whether or not it should become final) nor the resulting final judgment, nor any and all negotiations, documents, and discussions associated with such negotiation, shall be deemed or construed to be an admission by, or form the basis of an estoppel



argument by a third party against, Panasonic or any of the Panasonic Releasees; or evidence of any violation of any statute or law or of any liability or wrongdoing whatsoever by Panasonic or any of the Panasonic Releasees; or evidence of the truth of any of the claims or allegations contained in any complaint or any other pleading filed by the Attorney General in any action. Evidence thereof shall not be discoverable or used directly or indirectly, in any way, in any other action or proceeding. Neither this Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any action taken to carry out this Agreement by the Attorney General or the Panasonic Releasees shall be referred to, offered into evidence, or received into evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Agreement and solely for the purpose of enforcing this Agreement, or to defend against the assertion of Released Claims as defined below, or as otherwise required by law. This provision shall not apply to cooperation or materials received by the Attorney General pursuant to paragraph 19 herein.

C. Release, Discharge, and Covenant Not to Sue.

15. In addition to the effect of any final judgment entered in accordance with this Agreement, upon this Agreement becoming final as set out in paragraph 13 of this Agreement, and in consideration of payment of the Settlement Fund as specified in paragraphs 9 and 22 through 29 of this Agreement, and for other valuable consideration, the Panasonic Releasees are and shall be completely released, acquitted, and forever discharged to the fullest extent permitted by law from: (i) the claims, allegations and causes of action asserted in the complaint filed in the Action, and (ii) any and all claims, demands, judgments, actions, suits, or causes of action that Releasor ever had, now has, or hereafter can, shall, or may have on account of, or in any way arising out of or relating to, any act or omission of Panasonic or the Panasonic Releasees (or any

of them) or any other entity concerning the manufacture, supply, distribution, sale or pricing of CRTs and/or CRT Products up to the date of execution of this Agreement, including but not limited to any conduct alleged, and causes of action whether known or unknown that are asserted or that could have been alleged or asserted in complaints filed in the Action or the Philips Action, including those arising under any federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, unjust enrichment, contract, or trade practice law (the "Released Claims"). Releasor shall not, after the date of execution of this Agreement, sue or otherwise seek to establish liability against Panasonic or any Panasonic Releasee based, in whole or in part, upon any of the Released Claims or conduct at issue in the Released Claims.

16. In addition to the provisions of paragraph 15 of this Agreement, Releasor hereby expressly waives and releases, upon this Agreement becoming final, any and all provisions, rights, and benefits conferred by § 1542 of the California Civil Code which states:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE. 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;

or by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code. Each Releasor may hereafter discover facts other than or different from those which he, she, or it knows or believes to be true with respect to the claims which are the subject matter of the provisions of paragraph 15 of this Agreement. Each Releasor hereby expressly waives and fully, finally, and forever settles and releases, upon this Agreement becoming final, any known or unknown, suspected or unsuspected, contingent or non-contingent claim with respect to the subject matter of the

provisions of paragraph 15 of this Agreement, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

17. The release, discharge, and covenant not to sue set forth in paragraph 15 of this Agreement does not include claims by the Releasor other than the Released Claims, including without limitation those solely arising out of product liability, breach of warranty, or breach of contract claims in the ordinary course of business.

18. The Attorney General agrees and covenants that she will not challenge preliminary or final approval of any settlement by any Panasonic Releasee with the indirect purchaser plaintiffs (the "IPPs"), the direct purchaser plaintiffs (the "DPPs"), or any individual action/opt-out plaintiff (the "DAPs") in the MDL where that settlement was entered into before the execution of this Agreement, except that the Attorney General may weigh in on any proposal or decision in the MDL pertaining to the allocation or distribution of any settlement funds, from an IPP, DAP or DPP settlement with any Panasonic Releasee, to natural persons in California either directly or via *cy pres*.

The Settling Parties agree, however, that the exercise of *parens patriae* authority under California Business & Professions Code Section 16760 *et seq.* does not, in this Agreement, operate to release or supplant the indirect purchaser class claims in the parallel federal proceeding, MDL No. 1917, Case No. 3:07-cv-05944-SC *In re Cathode Ray Tube (CRT) Antitrust Litigation*, nor does it bar Californian natural persons from obtaining relief as a member of the indirect purchaser class in that proceeding. However, this Agreement shall not be interpreted to preclude any offset required by the court in the MDL under applicable legal principles in the event that any total recovery by Californian natural persons between that proceeding and this settlement should exceed their total damages.

D. Panasonic Cooperation.

19. Panasonic agrees to cooperate with the Attorney General by:

- a. Undertaking the best efforts to make up to four (4) deposed individuals who are Panasonic employees at the time the testimony is requested available for trial according to a reasonable schedule and to make one appropriate not-yet-deposed individual who is a Panasonic employee at the time the testimony is requested available for deposition and the Settling Parties agree to consider, without limitation, whether the expected testimony of such employees duplicates the testimony of other witnesses in the case and/or whether the substance of the expected testimony is sufficiently established by documentary evidence;
- b. Producing at trial in person, by deposition, or by affidavit, whichever is least burdensome but legally sufficient, testimony to establish the status of Panasonic documents as business records, and/or authenticity of Panasonic documents relating to Panasonic's relevant sales, to the extent there is a good faith basis to do so;
- c. Providing a declaration from Panasonic to the Attorney General that may be submitted by the Attorney General to the Japanese Fair Trade Commission ("JFTC") stating that Panasonic has no objection to the JFTC's release of copies of any MTPD expense reports related to CRTs in the JFTC's possession that the JFTC seized from MTPD to the Attorney General and provide reasonably necessary assistance in the release of the expense reports;
- d. Providing copies of statements made to the JFTC by individuals of Chunghwa in connection with the JFTC's investigation of the alleged CRT price-fixing conspiracy that are in the possession of Panasonic;
- e. Providing a declaration from counsel for BMCC on behalf of BMCC regarding the companies to whom BMCC sold CRTs that shipped to the United States and Mexico; and
- f. Suspending all discovery by or against the Panasonic Releasees as to claims asserted by the Attorney General.

Any cooperation by Panasonic pursuant to this paragraph 19 will be consistent with its continuing obligations to the United States Department of Justice, if any; and such cooperation shall not be contingent upon the filing of actions against Panasonic and/or any of its co-conspirators. In the event that this Agreement fails to receive final approval by the Court as contemplated in paragraph 13, or in the event that it is terminated by either Settling Party under any provision herein, the Settling Parties agree that the Attorney General (or the parties that she

represents) shall not use any information and materials made available by the Panasonic Releasees under the cooperation provisions of this Agreement for any purpose, nor shall such information and materials be deemed an admission by the Panasonic Releasees or be admissible into evidence in any forum. However, if this Agreement fails to receive final approval by the Court as contemplated in paragraph 13 herein or is terminated by either party under any provision herein, then the Attorney General may be permitted to offer into evidence any sworn statements, oral or written, whether made in a formal or informal setting, including deposition or trial, by any individual made available by the Panasonic Releasees pursuant to the cooperation provisions of this paragraph 19. Unless this Agreement is rescinded, disapproved, or otherwise fails to take effect, the Panasonic Releasees' obligation to provide cooperation under this Agreement shall continue only until otherwise ordered by the Court, or the date that final judgment has been entered in any action brought by the Attorney General concerning price-fixing, allocating markets, bid-rigging, or any other forms of anti-competitive conduct in the manufacture, sale, or distribution of CRTs.

20. The Attorney General shall maintain all statements made by the Panasonic Releasees as strictly confidential and it shall not use directly or indirectly the information so received for any purpose other than the prosecution of the Action. The parties and their counsel further agree that any statements made by Panasonic's counsel and/or BMCC's counsel in connection with and/or as part of this settlement shall be protected by Federal Rule of Evidence 408 and all similar provisions of state law, and shall in no event be discoverable by any person or treated as evidence of any kind.

21. If any document protected by the attorney-client privilege, attorney work product protection, joint defense or any other protection, privilege, or immunity is accidentally or

inadvertently produced, the document shall promptly be destroyed and/or returned to Panasonic, and its production shall in no way be construed to have waived any privilege or protection attached to such document.

E. Settlement Fund.

22. Subject to the provisions hereof, and in full, complete and final settlement of the complaint against the Panasonic Releasees, Panasonic shall pay into a Settlement Fund the amount of \$1,100,000 (U.S.) by wire transfer, within sixty (60) business days of the Effective Date of this Agreement. Panasonic shall have no responsibility for, no right in, and no authority over, the allocation of the Settlement Fund as provided herein. The Settling Parties shall agree on escrow provisions applicable to the Settlement Fund. The Attorney General will provide wire instructions to Panasonic within three (3) business days after the Effective Date of this Agreement.

23. Panasonic agrees that any costs incurred by the Attorney General in providing any notice of the proposed settlement and in claims administration may be paid from the Settlement Fund. In the event the Agreement is not ultimately approved, the Attorney General need not refund to Panasonic any expenditures that the Attorney General has made for notice costs and/or claims administration up to \$100,000. Any expenditures made by the Attorney General for notice costs and/or claims administration that exceed \$100,000 shall be refunded to Panasonic. After this Agreement becomes final within the meaning of paragraph 13, all court ordered disbursements, including attorneys' fees and litigation costs, shall be made from the Settlement Fund.

24. Releasor shall look solely to the Settlement Fund for settlement and satisfaction of all Released Claims against Panasonic Releasees, and shall have no other recovery against Panasonic or any other Panasonic Releasee.

25. The Attorney General shall be responsible for distribution of the Settlement Fund in accordance with California state law and related orders of the Court in which it has filed a complaint against any of the Panasonic Releasees. In no event shall any Panasonic Releasee have any responsibility, financial obligation, tax liability, or other liability whatsoever with respect to the distribution or administration of the Settlement Fund, including but not limited to the costs and expenses of such distribution and administration.

26. The Panasonic Releasees shall not be liable for any costs, fees, or expenses of the State, or its attorneys, experts, advisers, agents, or representatives, but all such costs, fees, and expenses shall be paid out of the Settlement Fund.

27. After this Agreement becomes final within the meaning of paragraph 13, the Settlement Fund shall be distributed in accordance with plans for direct distributions, *cy pres*, or as otherwise permitted by law, all to be submitted at the appropriate time by the Attorney General and approved by the Court. Neither Panasonic nor any other Panasonic Releasee under this Agreement shall have any responsibility for, or interest in, or liability whatsoever with respect to, or shall file any opposition to, the proposed or actual plan(s) for distribution of the Settlement Fund by the Attorney General and/or any other person or entity who may assert some claim to the Settlement Fund.

28. The Attorney General may in her sole discretion allocate the monies in the Settlement Fund for each category of damages/restoration (including damages/restoration for proprietary claims, such as claims relating to purchases of CRTs and CRT Products by

Government Entities, and damages/restitution for *parens patriae* claims, including deadweight loss), for civil penalties, and for expenses (including fees, litigation expenses, costs of notice, and settlement administration).

29. It is contemplated that the State's counsel may seek an attorneys' fees award and reimbursement of costs and expenses (including expert witness fees and expenses) in whole or in part from the Settlement Fund. The Attorney General reserves all rights regarding the propriety of any request for or award of attorneys' fees or reimbursement of costs. The Panasonic Releasees shall take no position on any application for attorneys' fees or reimbursement of costs. Subject to the foregoing reservation of rights, and subject to Court approval, any amounts awarded or distributed by the Court to the Attorney General as a fee award and reimbursement of costs may be used for any of the following purposes, within the limits of applicable law:

- a. Reimbursement of attorneys' fees and expenses incurred in the investigation and prosecution of the action against Panasonic;
- b. Deposit into a state antitrust or consumer protection account (e.g., revolving account, trust account) for use in accordance with the laws governing the account;
- c. Deposit into a fund exclusively dedicated to assisting the State of California to defray the costs of experts, economists and consultants in multistate antitrust investigations and litigations; or
- d. Antitrust or consumer protection enforcement by the Attorney General.
- F. Rescission if this Agreement is Not Approved or Final Judgment is Not Entered.

30. If the Court refuses to approve this Agreement or any material part thereof, or if such approval is materially modified or set aside on appeal, or if the Court does not enter the final judgment as provided for in paragraph 13 of this Agreement, or if the Court enters the final judgment and appellate review is sought, and on such review, such final judgment is not affirmed in its entirety, then Panasonic and the Attorney General shall each, in its or her sole discretion,



have the option to rescind this Agreement in its entirety. Written notice of the exercise of any such right to rescind shall be made by email and overnight courier and by filing a copy of such notice with the Court no later than the twentieth (20) day from the day on which the Settling Parties receive notice that the Agreement has not been approved in whole or in material part or that it has been reversed or modified in whole or in material part on appeal, or that final judgment has not been entered as provided for in paragraph 13 of this Agreement, or that the final judgment has not been affirmed in its entirety on appeal. A modification or reversal on appeal of any amount of the fees for counsel for the State shall not be deemed a modification of all or a part of the terms of this Agreement or such final judgment.

31. In the event that this Agreement does not become final, then this Agreement shall be of no force or effect and any and all parts of the Settlement Fund, including all interest earned on such accounts, shall be returned forthwith to Panasonic except only that the Attorney General need not refund to Panasonic any expenditures that the Attorney General has made for notice costs and/or claims administration up to \$100,000. Any expenditures made by the Attorney General for notice costs and/or claims administration that exceed \$100,000 shall be refunded to Panasonic. The Settling Parties expressly reserve all of their rights if this Agreement does not become final.

32. This Agreement shall be construed and interpreted to effectuate the intent of the Settling Parties, which is to provide, through this Agreement, for a complete resolution of the Released Claims with respect to each Panasonic Releasee as provided in this Agreement.

33. The Settling Parties contemplate and agree that, prior to final approval of the Agreement as provided for in paragraph 13 of this Agreement, appropriate notice of this Agreement and the complaint that is filed against Panasonic in the Action shall be given to the

Settlement Class of Government Entities. The Settlement Class of Government Entities will further be notified that there will be a hearing at which the Court will consider the approval of this Agreement, and that members of that Settlement Class of Government Entities may opt out of the Class under this Agreement.

G. Miscellaneous.

34. This Agreement does not settle or compromise any claim by the Attorney General against any defendant or alleged co-conspirator other than Panasonic and the Panasonic Releasees. All rights against such other defendant or alleged co-conspirator are specifically preserved by the Attorney General. Panasonic and the Panasonic Releasees will not object to Panasonic's sales and the sales of BMCC remaining in the case for purposes of holding any other defendant liable for any price-fixing activities involving CRTs. Aside from MTPD, the Settling Parties further agree that the release in this Agreement does not extend to Toshiba-affiliated entities that were sued by the Attorney General insofar as those Toshiba entities were sued for acts committed by MTPD or the interest of any of those entities in MTPD.

35. Neither this Agreement, nor any act performed or document executed pursuant to or in furtherance of this Agreement, is, or may be deemed to be, or may be used as an admission of or evidence of (i) the validity of any claim or defense, or (ii) the appropriateness or inappropriateness of any class or other representational capacity, whether contemporaneously with this Agreement or at any time in the future.

36. Except as otherwise set forth herein, this Agreement shall not affect whatever rights Releasor may have (i) to participate in or benefit from, where appropriate, any relief or other recovery as part of a settlement or judgment in any action on behalf of any direct or indirect purchasers of CRTs against any party named as a defendant, other than Panasonic or any

Panasonic Releasee, in the MDL or in civil action No. CGC-11-515784, filed November 8, 2011, in the Superior Court of California, County of San Francisco, captioned *The State of California et al. v. Samsung SDI, Co. Ltd et al.* or (ii) to assert any product liability, breach of warranty, breach of contract, or other claims in the ordinary course of business.

37. The Court in which the Attorney General has filed an action against Panasonic and one or more of its co-conspirators shall retain jurisdiction over the implementation, enforcement, and performance of this Agreement, and shall have exclusive jurisdiction over any suit, action, proceeding, or dispute arising out of or relating to this Agreement or the applicability of this Agreement that cannot be resolved by negotiation and agreement by the Settling Parties. This Agreement shall be construed according to the laws of the State of California without regard to its choice of law or conflict of laws principles.

38. This Agreement constitutes the entire, complete, and integrated agreement between the Settling Parties pertaining to the settlement with Panasonic and the Panasonic Releasees, and supersedes all prior and contemporaneous undertakings of the Settling Parties in connection therewith. This Agreement may not be modified or amended, except in writing executed by the Settling Parties and approved by the Court in which the Attorney General has filed an action against Panasonic.

39. This Agreement may be executed in counterparts by the Attorney General, Panasonic, BMCC, or its counsel, and an email or facsimile signature shall be deemed an original signature for purposes of executing this Agreement.

40. Neither the Attorney General nor any Panasonic Releasee shall be considered to be the drafters of this Agreement or of any of its provisions for the purpose of any statute, case

law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafters of this Agreement.

41. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience only and do not constitute part of this Agreement.

42. Where this Agreement requires either Settling Party to provide notice or any other communication or document to the other, such notice shall be in writing, and such notice, communication, or document shall be provided by email, facsimile or letter by overnight delivery to the undersigned counsel of record for the party to whom notice is being provided.

43. Each Settling Party and their counsel agree to do anything reasonably necessary to effectuate the performance of, and uphold the validity and enforceability of, this Agreement.

44. Each of the undersigned attorneys or representatives of the Settling Parties represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Agreement on behalf of the Settling Party he or she represents, subject to Court approval.

45. Panasonic agrees that any persons signing this Agreement on its behalf is authorized by Panasonic to do so.

46. Panasonic hereby waives any and all of its rights:

(a) to appeal any order or final judgment that is both arising out of and consistent with the terms of this Agreement; and

(b) unless this Agreement does not become final within the meaning of paragraph 13, to remove to federal court any complaint or amendment of a complaint filed in state court to plead a Settlement Class of Government Entities against it under jurisdiction that includes, but is not limited to, the Class Action Fairness Act of 2005 ("CAFA").

Dated: 11-11-2014

Jeffrey L. Kessler  
Jeffrey L. Kessler  
Winston & Strawn LLP  
200 Park Avenue  
New York, NY 10166-4193  
Tel: (212) 294-4698  
Email: [jkessler@winston.com](mailto:jkessler@winston.com)  
Attorney for Panasonic

Dated: 2/1/2014

Richard Snyder  
Richard Snyder  
Freshfields Bruckhaus Deringer  
707 Pennsylvania Avenue NW, Suite 600  
Washington, D.C. 20004  
Tel: (202) 777-4500  
Email: [Richard.Snyder@freshfields.com](mailto:Richard.Snyder@freshfields.com)  
Attorney for BMCC

KAMALA D. HARRIS  
Attorney General of California

Dated: 12/23/2014

By: Emilio E. Varanini  
Emilio E. Varanini  
Deputy Attorney General  
Office of the Attorney General of California  
455 Golden Gate Ave., Suite 11000  
San Francisco, CA 94102  
Tel: (415) 703-5908  
Fax: (415) 703-5480  
Email: [Emilio.Varanini@doj.ca.gov](mailto:Emilio.Varanini@doj.ca.gov)  
Attorney for State of California *et al.*