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State of California *et al.*

ELECTRONICALLY

FILED

*Superior Court of California,
County of San Francisco*

DEC 24 2012

Clerk of the Court
BY: ANNIE PASCUAL
Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

**THE STATE OF CALIFORNIA *et al.*; and
THE CITY AND COUNTY OF SAN
FRANCISCO, individually, and on behalf of
all others similarly situated;**

Plaintiffs,

v.

**CHUNGHWA PICTURE TUBES, LTD. *et*
al.,**

Defendant.

Case No. CGC -11-515786

**EXHIBIT A TO DECLARATION OF
EMILIO VARANINI IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF SETTLEMENT;
CERTIFICATION OF SETTLEMENT
CLASS OF GOVERNMENT ENTITIES;
AND APPROVAL OF *PARENS* AND
CLASS NOTICES**

Date: January 8, 2013
Time: 9:30 a.m.
Dept: 304
Judge: Richard A. Kramer

Action Filed: November 8, 2011
(Chunghwa); May 11, 2012
(Philips)

EXHIBIT A

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by and between Chunghwa Picture Tubes, Ltd. ("Chunghwa") 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 Class of Government Entities as defined below), and as *parens patriae* on behalf of natural persons (collectively the "State"), on the other hand.

WHEREAS, the Attorney General alleges that Chunghwa 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 is currently conducting an investigation into the facts and the law regarding the participation of Chunghwa and other companies in an unlawful price fixing conspiracy of CRTs and believes her claims against Chunghwa are valid, but nevertheless believes that resolving her claims against Chunghwa according to the terms set forth below at this point in time in her investigation are in the best interest of the State in materially advancing her investigation; and

WHEREAS, Chunghwa, 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 Chunghwa Releasees, as defined below, based on the allegations to be made in a complaint to be filed by the Attorney

General against Chunghwa (hereafter "Chunghwa Complaint"), as more particularly set out below;

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 Chunghwa Releasees and except as hereinafter provided, without costs as to the Attorney General, Chunghwa, and Chunghwa Releasees, subject to the approval of the Court, on the following terms and conditions, and incorporating the preceding clauses:

A. Definitions

1. "Chunghwa Releasees" refers to Chunghwa, and to all of its respective past and present, direct and indirect, parents, subsidiaries, and/or affiliates; the predecessors, successors and assigns of Chunghwa; and each and all of the present and former principals, partners, officers, directors, supervisors, employees, representatives, insurers, attorneys, heirs, executors, administrators, and assigns of Chunghwa.

2. "Class of Government Entities" refers to all political subdivisions and public agencies in California (i.e., counties, cities, K-12 school districts, and utilities), 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.

3. The "MDL" refers to the Multidistrict Litigation entitled *In Re 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.

4. "Releasor" refers to the State.

5. "Relevant Conduct" refers to an alleged unlawful conspiracy between Chunghwa and its competitors to raise, fix, maintain, or stabilize the price of CRTs at artificially high levels, to maintain the quantities of CRTs at artificially low levels, or to allocate CRT customers, during the Relevant Period.

6. "Relevant Period" refers to the period beginning March 1, 1995, and continuing through November 25, 2007.

7. The "Settlement Fund" refers to the \$300,000.00 (U.S.) payment to be made by Chunghwa within thirty (30) days after the Attorney General notifies Chunghwa of the filing of a complaint based on the Relevant Conduct against any of Chunghwa's alleged co-conspirators in state or federal court as well as the Chunghwa Complaint in federal or state court. The payment shall not be made if the Attorney General fails to file a complaint against one or more of Chunghwa's alleged co-conspirators based on the Relevant Conduct.

8. "Released Claims" refers to any claims arising from the Relevant Conduct, including those arising under any federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, or trade practice law.

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

9. The Attorney General and Chunghwa (the "Settling Parties"), and the Settling Parties' counsel, shall use their best efforts to effectuate this Agreement and its purpose, including cooperating in seeking any necessary court approvals, filing the Chunghwa Complaint, filing a complaint or complaints against any of Chunghwa's alleged co-conspirators in federal or state court, and staying as to Chunghwa any litigation filed after the execution of this agreement, and shall jointly secure the prompt, complete, and final dismissal with prejudice of the Chunghwa Complaint as to Chunghwa Releasees, but not as to any party that is not a Chunghwa Releasee. The Settling Parties agree to take whatever further steps, if any, may be reasonably

necessary in this regard. For example, for purposes of this agreement only, Chunghwa agrees to accept service of the Chunghwa Complaint, and any related summons, through its undersigned attorneys.

10. 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. the Chunghwa Complaint shall be dismissed with prejudice as to Chunghwa and, except as provided for in this Agreement, without recovery of costs to any party to that Complaint except as set forth in this agreement;

b. reserving exclusive jurisdiction over this settlement and this Agreement, including the administration and consummation of this settlement, to the court in which the Attorney General files the Chunghwa Complaint;

c. Chunghwa shall pay to the Attorney General, for the benefit of the State, a Settlement Fund amount of \$300,000 thirty (30) days after the Attorney General notifies Chunghwa of the filing of a complaint or complaints against any of Chunghwa's alleged co-conspirators pursuant to paragraph 18, which may be used for any of the following purposes, subject to applicable legal limitations:

1) Reimbursement of the State's attorneys' fees and expenses;

2) Compensation for damages suffered by the State for, *inter alia*, harm to the general California economy caused by the Relevant Conduct;

3) 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;

4) Antitrust or consumer protection enforcement by the Attorney General.

d. enjoining and restraining Chunghwa and its subsidiary Chunghwa Malaysia for a period of ten years from the date of execution of this Agreement, from engaging in price fixing, market allocation, and/or bid rigging with respect to the sale of any CRTs or CRT products for delivery in the United States, which constitute horizontal conduct that are *per se* violations of Sections 16700 *et seq.* of the Cartwright Act, including participating in meetings, conversations, and communications with other CRT manufacturers (other than among affiliated entities) in the United States and elsewhere to discuss the prices or production of CRTs to be sold to original equipment manufacturers of personal computers, televisions, and other CRT products ("OEM customers") and exchanging information on sales of CRTs to OEM customers, for the purpose of monitoring and enforcing adherence to unlawfully agreed-upon prices;

e. requiring Chunghwa and its subsidiary Chunghwa Malaysia to 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. Chunghwa and its subsidiary Chunghwa Malaysia shall have ninety (90) days from final approval of this Agreement to establish this program if one has not already been established. For three (3) years from that date, on an annual basis, Chunghwa shall certify in writing to the Attorney General that it is fully compliant with the provisions of this paragraph by describing the nature of the program it has implemented or is maintaining pursuant to this sub-paragraph. The Attorney General is required to provide notice to Chunghwa that the certification is due thirty (30) days prior to the deadline for its submission. Nothing in this provision shall affect a waiver of any privileges otherwise applicable to the content of any antitrust compliance training;

f. Chunghwa shall provide cooperation to the Attorney General as described in paragraph 17 of this Agreement immediately upon execution of this Agreement by the Settling Parties; and

g. certifying solely for purposes of this Agreement the Class of Government Entities.

11. This Agreement shall become final when (i) the Court has entered an order and final judgment that dismisses as to Chunghwa the Chunghwa Complaint with prejudice against the State, 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 as to Chunghwa the Chunghwa Complaint with prejudice 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 25 or 26 of this Agreement.

12. 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 by a third party against, Chunghwa or any of the Chunghwa Releasees; or evidence of any violation of any statute or law or of any liability or wrongdoing whatsoever by Chunghwa or any of the Chunghwa Releasees; or 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 Chunghwa shall be referred to, offered into evidence, or received in evidence in any pending or future civil, criminal or administrative action or proceeding, except in a proceeding to enforce this Agreement, or to defend against the assertion of Released Claims, or

as otherwise required by law. This provision shall not apply to cooperation or materials received by the Attorney General pursuant to paragraph 17 herein.

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

13. 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 11 of this Agreement, and in consideration of payment of the Settlement Fund as specified in paragraphs 7 and 18 through 24 of this Agreement, and for other valuable consideration, the Chunghwa Releasees shall be completely released, acquitted, and forever discharged from any and all claims, demands, actions, suits, causes of action for the Released Claims, that Releasor ever had, now has, or hereafter can, shall, or may have.

14. In addition to the provisions of paragraph 13 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 13 of this Agreement, but each Releasor nevertheless 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 13 of this Agreement, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

15. The release, discharge, and covenant not to sue set forth in paragraph 13 of this Agreement does not include claims by the Releasor other than the Released Claims, including without limitation any claims as to other time periods outside of the Relevant Period, such as those solely arising out of product liability, breach of warranty, or breach of contract claims in the ordinary course of business.

16. The Attorney General agrees and covenants that it will not challenge final approval of Chunghwa's settlements with the indirect purchaser plaintiffs (the "IPPs") or the direct purchaser plaintiffs (the "DPPs") in the MDL, except that the Attorney General may weigh in on any proposal or decision in the MDL pertaining to the allocation or distribution of the IPP or DPP settlements' funds to natural persons in California either directly or via *cy pres*. If either the IPP or DPP classes in the MDL are decertified, or the Chunghwa settlements with the IPP or DPP classes in the MDL are not made final, the Attorney General reserves the right to pursue her *parens patriae* claims in state or federal court to recover damages to California natural persons. Such aforementioned claims are only released by the Releasor contingent upon the IPP and DPP classes in the MDL being made final.

D. Chunghwa Cooperation

17. Chunghwa agrees to cooperate with the Attorney General by:

a. No later than twenty (20) days after execution of the Agreement, unless the Settling Parties mutually agree on a different date, providing a full accounting to the Attorney General via a detailed proffer of all facts known to Chunghwa (including its subsidiaries and employees) that are relevant to the Relevant Conduct or the MDL, including, but not limited to, issues that may relate to the structure of the conspiracy as set out in the complaint filed by the IPP classes in the MDL or to the application of the Foreign Trade and Antitrust Improvement Act;

b. No later than ten (10) days after execution of the Agreement, unless the Settling Parties mutually agree on a different date, producing to the Attorney General relevant documents (including English translations) that will be treated as investigative materials pursuant to California Government Code section 6254(f) sufficient to evidence any collusive meetings among CRT makers (and/or their subsidiaries and/or their employees) and how any alleged conspiracy was formed, implemented, and enforced, to the extent known by Chunghwa, including documents relating to sales, pricing, capacity, production, damages, and liability;

c. Meeting and conferring in good faith about making the appropriate current employees available for deposition and trial according to a reasonable schedule, including making available at a mutually agreed-upon time and place for deposition such key employees as are reasonably identified by the Attorney General;

d. Making available other appropriate employees in the United States in person as reasonably practical, by video conference, or by such other means as the Settling Parties may agree to, for such interviews and affidavits as reasonably required by the Attorney General;

e. Coordinating the production of any Chunghwa employees for purposes of depositions and interviews with any other plaintiffs in the MDL or related actions (e.g., including but not limited to, any other states) in order to avoid duplication to the extent reasonably possible. The Attorney General likewise agrees to coordinate in good faith with any other plaintiffs in the MDL or related actions (e.g., including but not limited to, any other states) in order to avoid such duplication;

f. Upon request, providing the last-known contact information for any potentially relevant former employees;

g. Producing at trial in person, by deposition, or by affidavit, whichever is legally necessary, representatives to establish for admission into evidence the amount of their respective relevant sales and to testify as to the genuineness, status as business records, and authenticity of documents. Any cooperation by Chunghwa pursuant to this paragraph 17 will be consistent with its continuing obligations to the United States Department of Justice; and

h. Such cooperation shall not be contingent upon the filing of actions against Chunghwa and/or any of its co-conspirators.

E. Settlement Fund

18. Subject to the provisions hereof, and in full, complete and final settlement of the Chunghwa Complaint as provided herein, Chunghwa shall pay a Settlement Fund in the amount of \$300,000 (U.S.) by wire transfer, within thirty (30) days of the date that the Attorney General notifies Chunghwa that she has filed a complaint based on the Relevant Conduct against one or more of Chunghwa's alleged co-conspirators in a federal or state court as well as the Chunghwa Complaint in federal or state court. The Attorney General agrees that the factual allegations in both the aforementioned complaints must be substantially the same and that the later of the filing dates for each of those two complaints shall control the operation of the provisions of this paragraph 18. Chunghwa shall have no responsibility for, no right in, nor authority over, the allocation of the Settlement Fund as provided herein. The Attorney General will provide wire instructions to Chunghwa within three (3) business days after the effective date of this Agreement.

19. Chunghwa 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, which amounts shall not be recoverable by Chunghwa in the event that this settlement does not become final. After this Agreement becomes final within the meaning of

paragraph 11, all court ordered disbursements, including attorneys' fees and litigation costs, may be made from the Settlement Fund.

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

21. The Attorney General shall be responsible for distribution of the Settlement Fund in accordance with California state law and orders of the Court in which it files the Chunghwa Complaint. In no event shall any Chunghwa Releasee have any responsibility, financial obligation, or 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.

22. The Chunghwa 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.

23. After this Agreement becomes final within the meaning of paragraph 11, 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 Chunghwa nor any other Chunghwa 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.

24. It is contemplated that the State's counsel may seek attorneys' fees award(s) and reimbursement of costs and expenses (including expert witness fees and expenses) in whole or in part from the Settlement Fund. The State reserves all rights regarding the propriety of any

request for or award of attorneys' fees or reimbursement of costs. Chunghwa 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 to-be-filed actions against Chunghwa and/or any of its co-conspirators;
- (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.

25. 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 provided for in paragraph 11 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 Chunghwa and the Attorney General shall each, in their 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 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 11 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.

26. In the event that this Agreement does not become final, or in the event that the Attorney General shall fail to file any actions based on the Relevant Conduct against one or more of Chunghwa's alleged co-conspirators in state or federal court within a reasonable period of time from execution of this Agreement, then this Agreement shall be of no force or effect (except for this paragraph and paragraphs 12 and 17) and any and all parts of the Settlement Fund, including all interest earned on such accounts, shall be returned forthwith to Chunghwa less only disbursements made in accordance with this Agreement. The Settling Parties expressly reserve all of their rights if this Agreement does not become final.

27. 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 relevant claims with respect to each Chunghwa Releasee as provided in this Agreement.

28. The Settling Parties contemplate and agree that, prior to final approval of the Agreement as provided for in paragraph 11 of this Agreement, appropriate notice shall be given to the Class of Government Entities of this Agreement and the Chunghwa Complaint. The Class 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 Class may opt out of the Class under this Agreement.

G. Miscellaneous

29. This Agreement does not settle or compromise any claim by the Attorney General against any defendant or alleged co-conspirator other than Chunghwa and Chunghwa Releasees. All rights against such other defendant or alleged co-conspirator are specifically reserved by the Attorney General. The Settling Parties intend that joint and several liability against defendants

other than the Chunghwa Releasees shall include the volume of CRT sales of Chunghwa during the Relevant Period.

30. 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.

31. 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, (ii) to participate in or benefit from any relief or recovery as part of a judgment or settlement in any actions against any other party named as a defendant (other than Chunghwa or any Chunghwa Releasee), or (iii) to assert any product liability, breach of warranty, breach of contract, or other claims in the ordinary course of business.

32. The court in which the Attorney General files the Chunghwa Complaint 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.

33. This Agreement constitutes the entire, complete, and integrated agreement between the Settling Parties pertaining to the settlement against Chunghwa, and supersedes all prior and contemporaneous undertakings of the Settling Parties in connection herewith. 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 files the Chunghwa Complaint.

34. This Agreement may be executed in counterparts by the Attorney General and Chunghwa, and an email or facsimile signature shall be deemed an original signature for purposes of executing this Agreement.

35. Neither the Attorney General nor Chunghwa shall be considered to be the drafters of this Agreement or 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.

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

37. 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 for the party to whom notice is being provided.

38. 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.

39. Each of the undersigned attorneys represents that he or she is fully authorized to enter into the terms and conditions of, and has obtained all the requisite approvals necessary to execute, this Agreement on behalf of the Settling Parties he or she represents, subject to the approval of the Court in which the Attorney General files the Chunghwa Complaint.

40. Chunghwa agrees that any persons signing this Settlement Agreement on its behalf is authorized by Chunghwa to do so.

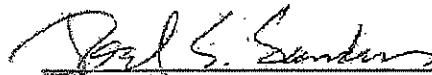
41. Chunghwa hereby waives any and all of its rights:

a) to appeal any order or final judgment 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 12, to remove to federal court any complaint that may be filed in state court against it under jurisdiction that includes, but is not limited to, the Class Action Fairness Act of 2005 ("CAFA").

CHUNGHWA PICTURE TUBES, LTD.

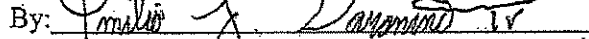
Dated: October 7, 2011



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KAMALA D. HARRIS
Attorney General of California

Dated: October 11, 2011

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