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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

BARRY R. LLOYD, Individually and
on Behalf of All Others Similarly
Situated,

Plaintiff,

v.

CVB FINANCIAL CORP., et al.,

Defendants.

CASE NO. CV 10-06256 CAS

CLASS ACTION

**STIPULATION AND
AGREEMENT OF
SETTLEMENT**

STIPULATION AND AGREEMENT OF SETTLEMENT

1 This Stipulation and Agreement of Settlement (the “Stipulation”) is entered
2 into between (a) Lead Plaintiff Jacksonville Police & Fire Pension Fund (“Lead
3 Plaintiff” or “Jacksonville P&F”), on behalf of itself and the Settlement Class
4 (defined below); and (b) defendant CVB Financial Corp. (“CVB” or the
5 “Company”), and defendants Christopher D. Myers (“Myers”) and Edward J.
6 Biebrich, Jr. (“Biebrich”; with Myers “Individual Defendants”; and with CVB,
7 “Defendants”), and embodies the terms and conditions of the settlement of the
8 above-captioned action (the “Action”).¹ Subject to the approval of the Court and the
9 terms and conditions expressly provided herein, this Stipulation is intended to fully,
10 finally and forever compromise, settle, release, resolve, and dismiss with prejudice
11 the Action and all claims asserted therein against Defendants.

12 **WHEREAS:**

13 A. Beginning in August and September 2010, two putative securities class
14 actions were filed against Defendants. On January 21, 2011, the Court consolidated
15 the actions and appointed Jacksonville Police & Fire Pension Fund as the Lead
16 Plaintiff.

17 B. On March 7, 2011, Lead Plaintiff filed the Consolidated Class Action
18 Complaint For Violations Of The Federal Securities Laws (“Consolidated
19 Complaint”), alleging claims against Defendants under Sections 10(b) and 20(a) of
20 the Exchange Act of 1934 (“Exchange Act”), on behalf of a class of persons and
21 entities that purchased CVB common stock between October 21, 2009, and
22 August 9, 2010, inclusive.

23 C. In January 2012, the Court granted Defendants’ motion to dismiss the
24 Consolidated Complaint with leave to amend. Lead Plaintiff thereafter filed a First
25

26 ¹ All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in ¶1 herein.

1 Amended Consolidated Class Action Complaint (“First Amended Complaint”) on
2 February 27, 2012, which the Court later dismissed with leave to amend in August
3 2012.

4 D. On September 20, 2012, Lead Plaintiff filed the Second Amended
5 Consolidated Class Action Complaint (“Second Amended Complaint” or
6 “Complaint”). On May 9, 2013, the Court granted Defendants’ motion to dismiss
7 with leave to amend.

8 E. On June 3, 2013, Lead Plaintiff filed a Notice of Intent Not to File an
9 Amended Complaint and requested that judgment be entered so that an appeal may
10 be taken therefrom. Final judgment was entered on September 27, 2013, and Lead
11 Plaintiff timely appealed to the Ninth Circuit Court of Appeals (“Ninth Circuit”).

12 F. Following briefing and a hearing, on February 1, 2016, the Ninth
13 Circuit affirmed in part and reversed in part and remanded to the Court for further
14 proceedings. The Ninth Circuit sustained claims related to certain alleged false
15 statements and omissions made beginning on March 4, 2010.

16 G. Upon remand to the Court, Defendants filed their Answer to the
17 Complaint, and the Parties participated in a Rule 26(f) conference, exchanged initial
18 disclosures, negotiated a proposed pretrial schedule, and participated in two
19 conferences before the Court.

20 H. Pursuant to the Court’s pretrial schedule, on September 9, 2016, Lead
21 Plaintiff filed its motion for class certification, supported by an expert report.

22 I. While litigation was continuing, on July 28, 2016, the Parties and
23 CVB’s insurer participated in an in-person mediation before the Honorable Layn R.
24 Phillips (Fmr.). Although a settlement was not reached at that time, the Parties
25 stayed in contact with the mediator in the subsequent weeks and months and further
26 communicated in attempts to reach a settlement.

1 J. Following subsequent communications, and in connection with the
2 mediator's recommendation, on September 28, 2016, the Parties reached an
3 agreement to settle the Action, and entered into a Term Sheet that day. That same
4 day, the Parties filed a Notice of Settlement with the Court, informing it that the
5 Parties had entered into a Term Sheet, and that the Parties were in the process of
6 preparing and finalizing a full form stipulation and agreement of settlement. The
7 stipulation and agreement referred to in the Parties' Notice of Settlement is this
8 Stipulation.

9 K. This Stipulation (together with the exhibits hereto) reflects the final and
10 binding agreement between the Parties.

11 L. Based upon their investigation, prosecution and mediation of the case,
12 Lead Plaintiff and Lead Counsel have concluded that the terms and conditions of
13 this Stipulation are fair, reasonable and adequate to Lead Plaintiff and the other
14 members of the Settlement Class, and in their best interests. Based on Lead
15 Plaintiff's oversight of the prosecution of this matter and with the advice of its
16 counsel, Lead Plaintiff has agreed to settle and release the claims raised in the Action
17 pursuant to the terms and provisions of this Stipulation, after considering, among
18 other things: (a) the substantial financial benefit that Lead Plaintiff and the other
19 members of the Settlement Class will receive under the proposed Settlement; and
20 (b) the significant risks and costs of continued litigation and trial.

21 M. This Stipulation constitutes a compromise of matters that are in dispute
22 between the Parties. Defendants are entering into this Stipulation solely to eliminate
23 the uncertainty, burden and expense of further protracted litigation. Each of the
24 Defendants denies any wrongdoing, and this Stipulation shall in no event be
25 construed or deemed to be evidence of or an admission or concession on the part of
26 any of the Defendants with respect to any claim or allegation of any fault or liability

1 or wrongdoing or damage whatsoever, or any infirmity in the defenses that the
2 Defendants have, or could have, asserted. The Defendants expressly deny that Lead
3 Plaintiff has asserted any valid claims as to any of them, and expressly deny any and
4 all allegations of fault, liability, wrongdoing or damages whatsoever. Similarly, this
5 Stipulation shall in no event be construed or deemed to be evidence of or an
6 admission or concession on the part of Lead Plaintiff of any infirmity in any of the
7 claims asserted in the Action, or an admission or concession that any of the
8 Defendants' defenses to liability had any merit. Each of the Parties recognizes and
9 acknowledges, however, that the Action has been initiated, filed and prosecuted by
10 Lead Plaintiff in good faith and defended by Defendants in good faith, that the
11 Action is being voluntarily settled with the advice of counsel, and that the terms of
12 the Settlement are fair, adequate and reasonable.

13 NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and
14 among Lead Plaintiff (individually and on behalf of all other members of the
15 Settlement Class) and Defendants, by and through their respective undersigned
16 attorneys and subject to the approval of the Court pursuant to Rule 23(e) of the
17 Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to the
18 Parties from the Settlement, all Released Plaintiffs' Claims as against the
19 Defendants' Releasees and all Released Defendants' Claims as against the Plaintiffs'
20 Releasees shall be settled and released, upon and subject to the terms and conditions
21 set forth below.

22 **DEFINITIONS**

23 1. As used in this Stipulation and any exhibits attached hereto and made a
24 part hereof, the following capitalized terms shall have the following meanings:
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1 (a) “Action” means the consolidated securities class action in the
2 matter styled *Lloyd v. CVB Financial Corp.*, Case No. 10-CV-06256 (C.D. Cal.), and
3 includes all actions consolidated therein.

4 (b) “Alternate Judgment” means a form of final judgment that may
5 be entered by the Court herein but in a form other than the form of Judgment
6 provided for in this Stipulation.

7 (c) “Authorized Claimant” means a Settlement Class Member who
8 submits a Proof of Claim Form to the Claims Administrator that is approved by the
9 Court for payment from the Net Settlement Fund.

10 (d) “Claim” means a Proof of Claim Form submitted to the Claims
11 Administrator.

12 (e) “Claim Form” or “Proof of Claim Form” means the form,
13 substantially in the form attached hereto as Exhibit 2 to Exhibit A, that a Claimant
14 or Settlement Class Member must complete and submit should that Claimant or
15 Settlement Class Member seek to share in a distribution of the Net Settlement Fund.

16 (f) “Claimant” means a person or entity who or which submits a
17 Claim Form to the Claims Administrator seeking to be eligible to share in the
18 proceeds of the Settlement Fund.

19 (g) “Claims Administrator” means the firm retained by Lead
20 Plaintiff and Lead Counsel, subject to approval of the Court, to provide all notices
21 approved by the Court to potential Settlement Class Members and to administer the
22 Settlement.

23 (h) “Class Distribution Order” means an order entered by the Court
24 authorizing and directing that the Net Settlement Fund be distributed, in whole or in
25 part, to Authorized Claimants.
26

1 (i) “Complaint” or “Second Amended Complaint” means the Second
2 Amended Consolidated Class Action Complaint filed by Lead Plaintiff in the Action
3 on or about September 20, 2012.

4 (j) “Court” means the United States District Court for the Central
5 District of California.

6 (k) “CVB” or the “Company” means CVB Financial Corp.

7 (l) “Defendants” means CVB and the Individual Defendants.

8 (m) “Defendants’ Counsel” means Vick Law Group, APC; and
9 Wachtell, Lipton, Rosen & Katz.

10 (n) “Defendants’ Releasees” means Defendants and their current and
11 former officers, directors, agents, parents, affiliates, subsidiaries, successors,
12 predecessors, assigns, assignees, employees, attorneys, and insurers, in their
13 capacities as such.

14 (o) “Effective Date” with respect to the Settlement means the first
15 date by which all of the events and conditions specified in ¶31 of this Stipulation
16 have been met and have occurred or have been waived.

17 (p) “Escrow Account” means an account maintained at Valley
18 National Bank wherein the Settlement Amount shall be deposited and held in escrow
19 under the control of Lead Counsel.

20 (q) “Escrow Agent” means Valley National Bank.

21 (r) “Escrow Agreement” means the agreement between Lead
22 Counsel and the Escrow Agent setting forth the terms under which the Escrow Agent
23 shall maintain the Escrow Account.

24 (s) “Excluded Claims” means (i) any claims asserted in any
25 derivative action or ERISA action; (ii) any claims based on CVB common stock
26 shares purchased or otherwise acquired through a CVB plan that is covered by

1 ERISA; and (ii) any claims of any person or entity who or which submits a request
2 for exclusion that is accepted by the Court.

3 (t) “Final,” with respect to the Judgment or, if applicable, the
4 Alternate Judgment, or any other court order, means: (i) if no appeal is filed, the
5 expiration date of the time provided for filing or noticing any appeal under the
6 Federal Rules of Appellate Procedure, *i.e.*, thirty (30) days after entry of the
7 judgment or order; or (ii) if there is an appeal from the judgment or order, (a) the
8 date of final dismissal of all such appeals, or the final dismissal of any proceeding
9 on certiorari or otherwise, or (b) the date the judgment or order is finally affirmed
10 on an appeal, the expiration of the time to file a petition for a writ of certiorari or
11 other form of review, or the denial of a writ of certiorari or other form of review,
12 and, if certiorari or other form of review is granted, the date of final affirmance
13 following review pursuant to that grant. However, any appeal or proceeding seeking
14 subsequent judicial review pertaining solely to an order issued with respect to (i)
15 attorneys’ fees, costs or expenses, or (ii) the plan of allocation of Settlement proceeds
16 (as submitted or subsequently modified), shall not in any way delay or preclude a
17 judgment from becoming Final.

18 (u) “Immediate Family” means children, stepchildren, parents,
19 stepparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law,
20 daughters-in-law, brothers-in-law, and sisters-in-law. As used in this paragraph,
21 “spouse” shall mean a husband, a wife, or a partner in a state-recognized domestic
22 relationship or civil union.

23 (v) “Individual Defendants” means Christopher D. Myers and
24 Edward J. Biebrich, Jr.

25 (w) “Judgment” means the final judgment, substantially in the form
26 attached hereto as Exhibit B, to be entered by the Court approving the Settlement.

1 (x) “Lead Counsel” means the law firm of Bernstein Litowitz
2 Berger & Grossmann LLP.

3 (y) “Lead Plaintiff” means the Jacksonville Police & Fire Pension
4 Fund.

5 (z) “Litigation Expenses” means costs and expenses incurred in
6 connection with commencing, prosecuting and settling the Action (which may
7 include the costs and expenses of Lead Plaintiff directly related to their
8 representation of the Settlement Class), for which Lead Counsel intends to apply to
9 the Court for reimbursement from the Settlement Fund.

10 (aa) “Net Settlement Fund” means the Settlement Fund less: (i) any
11 Taxes; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses
12 awarded by the Court; and (iv) any attorneys’ fees awarded by the Court.

13 (bb) “Notice” means the Notice of (I) Pendency of Class Action,
14 Certification of Settlement Class, and Proposed Settlement; (II) Settlement Fairness
15 Hearing; and (III) Motion for an Award of Attorneys’ Fees and Reimbursement of
16 Litigation Expenses, substantially in the form attached hereto as Exhibit 1 to Exhibit
17 A, which is to be mailed to Settlement Class Members.

18 (cc) “Notice and Administration Costs” means the costs, fees and
19 expenses that are incurred by the Claims Administrator and/or Lead Counsel in
20 connection with: (i) providing notices to the Settlement Class; and (ii) administering
21 the Settlement, including but not limited to the Claims process, as well as the costs,
22 fees and expenses incurred in connection with the Escrow Account.

23 (dd) “Officer” means any officer as that term is defined in Rule 16a-
24 1(f), Securities Exchange Act of 1934.

25 (ee) “Parties” means Defendants and Lead Plaintiff, on behalf of itself
26 and the Settlement Class.

1 (ff) “Plaintiffs’ Counsel” means Lead Counsel and any other legal
2 counsel who, at the direction and under the supervision of Lead Counsel, performed
3 services on behalf of the Settlement Class in the Action.

4 (gg) “Plaintiffs’ Releasees” means Lead Plaintiff, its attorneys, and all
5 other Settlement Class Members, and their respective current and former officers,
6 directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns,
7 assignees, employees, and attorneys, in their capacities as such.

8 (hh) “Plan of Allocation” means the proposed plan of allocation of the
9 Net Settlement Fund set forth in the Notice.

10 (ii) “Preliminary Approval Order” means the order, substantially in
11 the form attached hereto as Exhibit A, to be entered by the Court preliminarily
12 approving the Settlement and directing that notice of the Settlement be provided to
13 the Settlement Class.

14 (jj) “PSLRA” means the Private Securities Litigation Reform Act of
15 1995, 15 U.S.C. § 78u-4, as amended.

16 (kk) “Released Claims” means all Released Defendants’ Claims and
17 all Released Plaintiffs’ Claims.

18 (ll) “Released Defendants’ Claims” means all claims and causes of
19 action of every nature and description, whether known claims or Unknown Claims,
20 whether arising under federal, state, common or foreign law, that arise out of or relate
21 in any way to the institution, prosecution, or settlement of the claims asserted in the
22 Action against the Defendants. Released Defendants’ Claims do not include any
23 claims relating to the enforcement of the Settlement or any claims against any person
24 or entity who or which submits a request for exclusion from the Settlement Class
25 that is accepted by the Court.
26

1 (mm) “Released Plaintiffs’ Claims” means, to the extent allowed by
2 law, all claims and causes of action of every nature and description, whether known
3 claims or Unknown Claims, whether arising under federal, state, common or foreign
4 law, that relate to the purchase of CVB common stock during the Settlement Class
5 Period, and that Lead Plaintiff or any other member of the Settlement Class:
6 (i) asserted in the Complaint; or (ii) could have asserted in any forum that arise out
7 of or are based upon the allegations, transactions, facts, matters or occurrences,
8 representations or omissions involved, set forth, or referred to in the Complaint.
9 Released Plaintiffs’ Claims do not include: (i) any claims relating to the enforcement
10 of the Settlement; (ii) any Excluded Claims; and (iii) any claims of any person or
11 entity who or which submits a request for exclusion that is accepted by the Court.

12 (nn) “Releasee(s)” means each and any of the Defendants’ Releasees
13 and each and any of the Plaintiffs’ Releasees.

14 (oo) “Releases” means the releases set forth in ¶¶5-6 of this
15 Stipulation.

16 (pp) “Settlement” means the settlement between Lead Plaintiff and
17 Defendants on the terms and conditions set forth in this Stipulation.

18 (qq) “Settlement Amount” means six million two-hundred thousand
19 U.S. Dollars (\$6,200,000.00) in cash.

20 (rr) “Settlement Class” means all persons and entities who purchased
21 or otherwise acquired the common stock of CVB between March 4, 2010, and
22 August 9, 2010, inclusive, and were damaged thereby. Excluded from the Settlement
23 Class are Defendants; the officers and directors of CVB during the Settlement Class
24 Period (the “Excluded Officers and Directors”); members of the Immediate Family
25 of each of the Individual Defendants and of the Excluded Officers and Directors;
26 any entity in which any Defendant, any Excluded Officer and Director, or any of

1 their respective Immediate Family had during the Settlement Class Period and/or has
2 a controlling interest; Defendants' liability insurance carriers; any affiliates, parents
3 or subsidiaries of CVB; all CVB plans that are covered by ERISA; and the legal
4 representatives, heirs, agents, affiliates, successors-in-interest or assigns of any
5 excluded person or entity, in their respective capacity as such. Also excluded from
6 the Settlement Class are any persons and entities who or which exclude themselves
7 by submitting a request for exclusion that is accepted by the Court.

8 (ss) "Settlement Class Member" means each person and entity who
9 or which is a member of the Settlement Class.

10 (tt) "Settlement Class Period" means the period between
11 March 4, 2010, and August 9, 2010, inclusive.

12 (uu) "Settlement Fund" means the Settlement Amount plus any and
13 all interest earned thereon.

14 (vv) "Settlement Hearing" means the hearing set by the Court under
15 Rule 23(e)(2) of the Federal Rules of Civil Procedure to consider final approval of
16 the Settlement.

17 (ww) "Summary Notice" means the Summary Notice of (I) Pendency
18 of Class Action, Certification of Settlement Class, and Proposed Settlement; (II)
19 Settlement Fairness Hearing; and (III) Motion for an Award of Attorneys' Fees and
20 Reimbursement of Litigation Expenses, substantially in the form attached hereto as
21 Exhibit 3 to Exhibit A, to be published as set forth in the Preliminary Approval
22 Order.

23 (xx) "Taxes" means: (i) all federal, state and/or local taxes of any kind
24 (including any interest or penalties thereon) on any income earned by the Settlement
25 Fund; (ii) the expenses and costs incurred by Lead Counsel in connection with
26 determining the amount of, and paying, any taxes owed by the Settlement Fund

1 (including, without limitation, expenses of tax attorneys and accountants); and (iii)
2 all taxes imposed on payments by the Settlement Fund, including withholding taxes.

3 (yy) “Unknown Claims” means any Released Plaintiffs’ Claims
4 which any Plaintiff or any other Settlement Class Member does not know or suspect
5 to exist in his, her or its favor at the time of the release of such claims, and any
6 Released Defendants’ Claims which any Defendant or any other Defendants’
7 Releasee does not know or suspect to exist in his, her, or its favor at the time of the
8 release of such claims, which, if known by him, her or it, might have affected his,
9 her or its decision(s) with respect to this Settlement. With respect to any and all
10 Released Claims, the Parties stipulate and agree that, upon the Effective Date of the
11 Settlement, Lead Plaintiff and Defendants shall expressly waive, and each of the
12 other Settlement Class Members and each of the other Defendants’ Releasees shall
13 be deemed to have waived, and by operation of the Judgment or the Alternate
14 Judgment, if applicable, shall have expressly waived, any and all provisions, rights,
15 and benefits conferred by any law of any state or territory of the United States, or
16 principle of common law or foreign law, which is similar, comparable, or equivalent
17 to California Civil Code §1542, which provides:

18 A general release does not extend to claims which the creditor does not
19 know or suspect to exist in his or her favor at the time of executing the
20 release, which if known by him or her must have materially affected his
21 or her settlement with the debtor.

21 Lead Plaintiff and Defendants acknowledge, and each of the other Settlement Class
22 Members and each of the other Defendants’ Releasees shall be deemed by operation
23 of law to have acknowledged, that the foregoing waiver was separately bargained
24 for and is a key element of the Settlement.

1 released, resolved, relinquished, waived and discharged each and every Released
2 Plaintiffs' Claim against the Defendants and the other Defendants' Releasees, and
3 shall forever be barred and enjoined from prosecuting any or all of the Released
4 Plaintiffs' Claims against any of the Defendants' Releasees. This release shall not
5 apply to any Excluded Claim.

6 6. Pursuant to the Judgment, or the Alternate Judgment, if applicable,
7 without further action by anyone, upon the Effective Date of the Settlement,
8 Defendants, on behalf of themselves, and their respective heirs, executors,
9 administrators, predecessors, successors, and assigns in their capacities as such, shall
10 be deemed to have, and by operation of law and of the judgment shall have, fully,
11 finally and forever compromised, settled, released, resolved, relinquished, waived
12 and discharged each and every Released Defendants' Claim against Lead Plaintiff
13 and the other Plaintiffs' Releasees, and shall forever be barred and enjoined from
14 prosecuting any or all of the Released Defendants' Claims against any of the
15 Plaintiffs' Releasees. This release shall not apply to any person or entity who or
16 which submits a request for exclusion from the Settlement Class that is accepted by
17 the Court.

18 7. Notwithstanding ¶¶5-6 above, nothing in the Judgment, or the Alternate
19 Judgment, if applicable, shall bar any action by any of the Parties to enforce or
20 effectuate the terms of this Stipulation or the Judgment, or Alternate Judgment, if
21 applicable.

22 **THE SETTLEMENT CONSIDERATION**

23 8. In consideration of the settlement of the Released Plaintiffs' Claims
24 against Defendants and the other Defendants' Releasees, Defendants shall pay or
25 cause to be paid the Settlement Amount into the Escrow Account within fifteen (15)
26 business days after the latter of: (a) the date of entry by the Court of an order

1 preliminarily approving this Settlement; or (b) the date on which Lead Counsel
2 provides Defendants' Counsel with both the applicable Form W-9 and all necessary
3 payment instructions for the electronic wire transfer of the Settlement Amount.

4 **USE OF SETTLEMENT FUND**

5 9. The Settlement Fund shall be used to pay: (a) any Taxes; (b) any Notice
6 and Administration Costs; (c) any Litigation Expenses awarded by the Court; and
7 (d) any attorneys' fees awarded by the Court. The balance remaining in the
8 Settlement Fund, that is, the Net Settlement Fund, shall be distributed to Authorized
9 Claimants as provided in ¶¶18-29 below.

10 10. Except as provided herein or pursuant to orders of the Court, the Net
11 Settlement Fund shall remain in the Escrow Account prior to the Effective Date. All
12 funds held by the Escrow Agent shall be deemed to be in the custody of the Court
13 and shall remain subject to the jurisdiction of the Court until such time as the funds
14 shall be distributed or returned pursuant to the terms of this Stipulation and/or further
15 order of the Court. The Escrow Agent shall invest any funds in the Escrow Account
16 exclusively in United States Treasury Bills (or a mutual fund invested solely in such
17 instruments) and shall collect and reinvest all interest accrued thereon, except that
18 any residual cash balances up to the amount that is insured by the FDIC may be
19 deposited in any account that is fully insured by the FDIC. In the event that the yield
20 on United States Treasury Bills is negative, in lieu of purchasing such Treasury Bills,
21 all or any portion of the funds held by the Escrow Agent may be deposited in any
22 account that is fully insured by the FDIC or backed by the full faith and credit of the
23 United States. Additionally, if short-term placement of the funds is necessary, all or
24 any portion of the funds held by the Escrow Agent may be deposited in any account
25 that is fully insured by the FDIC or backed by the full faith and credit of the United
26 States.

1 11. The Parties agree that the Settlement Fund is intended to be a Qualified
2 Settlement Fund within the meaning of Treasury Regulation § 1.468B-1 and that
3 Lead Counsel, as administrator of the Settlement Fund within the meaning of
4 Treasury Regulation § 1.468B-2(k)(3), shall be solely responsible for filing or
5 causing to be filed all informational and other tax returns as may be necessary or
6 appropriate (including, without limitation, the returns described in Treasury
7 Regulation § 1.468B-2(k)) for the Settlement Fund. Lead Counsel shall also be
8 responsible for causing payment to be made from the Settlement Fund of any Taxes
9 owed with respect to the Settlement Fund. The Defendants' Releasees shall not have
10 any liability or responsibility for any such Taxes. Upon written request, Defendants
11 will provide to Lead Counsel the statement described in Treasury Regulation
12 § 1.468B-3(e). Lead Counsel, as administrator of the Settlement Fund within the
13 meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections
14 as are necessary or advisable to carry out this paragraph, including, as necessary,
15 making a "relation back election," as described in Treasury Regulation § 1.468B-
16 1(j), to cause the Qualified Settlement Fund to come into existence at the earliest
17 allowable date, and shall take or cause to be taken all actions as may be necessary or
18 appropriate in connection therewith.

19 12. All Taxes shall be paid out of the Settlement Fund, and shall be timely
20 paid by the Escrow Agent pursuant to the disbursement instructions to be set forth
21 in the Escrow Agreement, and without further order of the Court. Any tax returns
22 prepared for the Settlement Fund (as well as the election set forth therein) shall be
23 consistent with the previous paragraph and in all events shall reflect that all Taxes
24 on the income earned by the Settlement Fund shall be paid out of the Settlement
25 Fund as provided herein. The Defendants' Releasees shall have no responsibility or
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1 liability for the acts or omissions of Lead Counsel or its agents with respect to the
2 payment of Taxes, as described herein.

3 13. The Settlement is not a claims-made settlement. Upon the occurrence
4 of the Effective Date, no Defendant, Defendants' Releasee, or any other person or
5 entity who or which paid any portion of the Settlement Amount shall have any right
6 to the return of the Settlement Fund or any portion thereof for any reason whatsoever,
7 including without limitation, the number of Claim Forms submitted, the collective
8 amount of Recognized Claims of Authorized Claimants, the percentage of recovery
9 of losses, or the amounts to be paid to Authorized Claimants from the Net Settlement
10 Fund.

11 14. Notwithstanding the fact that the Effective Date of the Settlement has
12 not yet occurred, Lead Counsel may pay from the Settlement Fund, without further
13 approval from Defendants or further order of the Court, Notice and Administration
14 Costs actually incurred and paid or payable up to \$250,000. After the Effective Date,
15 without further approval from Defendants or further order of the Court, Lead
16 Counsel may pay from the Settlement Fund, all Notice and Administration Costs
17 actually incurred and paid or payable. Such costs and expenses shall include,
18 without limitation, the actual costs of printing and mailing the Notice, publishing the
19 Summary Notice, reimbursements to nominee owners for forwarding the Notice to
20 their beneficial owners, the administrative expenses incurred and fees charged by
21 the Claims Administrator in connection with providing notice, administering the
22 Settlement (including processing the submitted Claims), and the fees, if any, of the
23 Escrow Agent. In the event that the Settlement is terminated pursuant to the terms
24 of this Stipulation, all Notice and Administration Costs paid or incurred, including
25 any related fees, shall not be returned or repaid to Defendants, any of the other
26

1 Defendants' Releasees, or any other person or entity who or which paid any portion
2 of the Settlement Amount.

3 **ATTORNEYS' FEES AND LITIGATION EXPENSES**

4 15. Lead Counsel will apply to the Court for an award of attorneys' fees to
5 Plaintiffs' Counsel to be paid from (and out of) the Settlement Fund. Lead Counsel
6 also will apply to the Court for reimbursement of Litigation Expenses, which may
7 include a request for reimbursement of Lead Plaintiff's costs and expenses directly
8 related to their representation of the Settlement Class, to be paid from (and out of)
9 the Settlement Fund. Lead Counsel's application for an award of attorneys' fees
10 and/or Litigation Expenses is not the subject of any agreement between Defendants
11 and Lead Plaintiff other than what is set forth in this Stipulation.

12 16. Any attorneys' fees and Litigation Expenses that are awarded by the
13 Court shall be paid to Lead Counsel immediately upon award, notwithstanding the
14 existence of any timely filed objections thereto, or potential for appeal therefrom, or
15 collateral attack on the Settlement or any part thereof, subject to Lead Counsel's
16 obligation to make refunds or repayments to the Settlement Fund, plus accrued
17 interest at the same net rate as is earned by the Settlement Fund, if the Settlement is
18 terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or
19 further proceedings on remand, or successful collateral attack, the award of
20 attorneys' fees and/or Litigation Expenses is reduced or reversed and such order
21 reducing or reversing the award has become Final. Lead Counsel shall make the
22 refund or repayment in full to the person or entity that paid the Settlement Amount
23 no later than fifteen (15) business days after: (a) receiving from Defendants' Counsel
24 notice of the termination of the Settlement; or (b) any order reducing or reversing
25 the award of attorneys' fees and/or Litigation Expenses has become Final. An award
26 of attorneys' fees and/or Litigation Expenses is not a necessary term of this

1 Stipulation and is not a condition of the Settlement embodied herein. Neither Lead
2 Plaintiff nor Lead Counsel may cancel or terminate the Settlement based on this
3 Court's or any appellate court's ruling with respect to attorneys' fees and/or
4 Litigation Expenses.

5 17. Lead Counsel shall allocate the attorneys' fees awarded amongst
6 Plaintiffs' Counsel in a manner which it, in good faith, believes reflects the
7 contributions of such counsel to the institution, prosecution and settlement of the
8 Action. Defendants' Releasees shall have no responsibility for or liability
9 whatsoever with respect to the allocation or award of attorneys' fees or Litigation
10 Expenses. The attorneys' fees and Litigation Expenses that are awarded to Plaintiffs'
11 Counsel shall be payable solely from the Escrow Account.

12 **NOTICE AND SETTLEMENT ADMINISTRATION**

13 18. As part of the Preliminary Approval Order, Lead Plaintiff shall seek
14 appointment of a Claims Administrator. The Claims Administrator shall administer
15 the Settlement, including but not limited to the process of receiving, reviewing and
16 approving or denying Claims, under Lead Counsel's supervision and subject to the
17 jurisdiction of the Court. Other than CVB's obligation to provide its securities
18 holders records as provided in ¶19 below, none of the Defendants, nor any other
19 Defendants' Releasees, shall have any involvement in or any responsibility, authority
20 or liability whatsoever for the selection of the Claims Administrator, the Plan of
21 Allocation, the administration of the Settlement, the Claims process, or disbursement
22 of the Net Settlement Fund, and shall have no liability whatsoever to any person or
23 entity, including, but not limited to, Lead Plaintiff, any other Settlement Class
24 Members or Plaintiffs' Counsel in connection with the foregoing. Defendants'
25 Counsel shall cooperate in the administration of the Settlement to the extent
26 reasonably necessary to effectuate its terms, including by providing information to

1 the Claims Administrator in order to determine who are persons and claims excluded
2 from the Settlement as set forth herein.

3 19. In accordance with the terms of the Preliminary Approval Order to be
4 entered by the Court, Lead Counsel shall cause the Claims Administrator to mail the
5 Notice and Proof of Claim Form to those members of the Settlement Class as may
6 be identified through reasonable effort. Lead Counsel shall also cause the Claims
7 Administrator to have the Summary Notice published in accordance with the terms
8 of the Preliminary Approval Order to be entered by the Court. For the purposes of
9 identifying and providing notice to the Settlement Class, within five (5) business
10 days of the date of entry of the Preliminary Approval Order, CVB shall provide or
11 cause to be provided to the Claims Administrator in electronic format (at no cost to
12 the Settlement Fund, Lead Counsel or the Claims Administrator) its security lists
13 (consisting of names and addresses) of the holders of CVB common stock during
14 the Settlement Class Period.

15 20. The Claims Administrator shall receive Claims and determine first,
16 whether the Claim is a valid Claim, in whole or part, and second, each Authorized
17 Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized
18 Claimant's Recognized Claim compared to the total Recognized Claims of all
19 Authorized Claimants (as set forth in the Plan of Allocation set forth in the Notice
20 attached hereto as Exhibit 1 to Exhibit A, or in such other plan of allocation as the
21 Court approves).

22 21. The Plan of Allocation proposed in the Notice is not a necessary term
23 of the Settlement or of this Stipulation and it is not a condition of the Settlement or
24 of this Stipulation that any particular plan of allocation be approved by the Court.
25 Lead Plaintiff and Lead Counsel may not cancel or terminate the Settlement (or this
26 Stipulation) based on this Court's or any appellate court's ruling with respect to the

1 Plan of Allocation or any other plan of allocation in this Action. Defendants and the
2 other Defendants' Releasees shall not object in any way to the Plan of Allocation or
3 any other plan of allocation in this Action. No Defendant, nor any other Defendants'
4 Releasees, shall have any involvement with or liability, obligation or responsibility
5 whatsoever for the application of the Court-approved plan of allocation.

6 22. Any Settlement Class Member who does not submit a valid Claim Form
7 will not be entitled to receive any distribution from the Net Settlement Fund, but will
8 otherwise be bound by all of the terms of this Stipulation and Settlement, including
9 the terms of the Judgment or, the Alternate Judgment, if applicable, to be entered in
10 the Action and the releases provided for herein and therein, and will be permanently
11 barred and enjoined from bringing any action, claim, or other proceeding of any kind
12 against the Defendants' Releasees with respect to the Released Plaintiffs' Claims in
13 the event that the Effective Date occurs with respect to the Settlement.

14 23. Lead Counsel shall be responsible for supervising the administration of
15 the Settlement and the disbursement of the Net Settlement Fund subject to Court
16 approval. No Defendant, or any other Defendants' Releasees, shall be permitted to
17 review, contest or object to any Claim Form, or any decision of the Claims
18 Administrator or Lead Counsel with respect to accepting or rejecting any Claim for
19 payment by a Settlement Class Member. Lead Counsel shall have the right, but not
20 the obligation, to waive what it deems to be formal or technical defects in any Claim
21 Forms submitted in the interests of achieving substantial justice.

22 24. For purposes of determining the extent, if any, to which a Settlement
23 Class Member shall be entitled to be treated as an Authorized Claimant, the
24 following conditions shall apply:

25 (a) Each Settlement Class Member shall be required to submit a
26 Claim Form, substantially in the form attached hereto as Exhibit 2 to Exhibit A,

1 supported by such documents as are designated therein, including proof of the
2 Claimant's loss, or such other documents or proof as the Claims Administrator or
3 Lead Counsel, in their discretion, may deem acceptable;

4 (b) All Claim Forms must be submitted by the date set by the Court
5 in the Preliminary Approval Order and specified in the Notice. Any Settlement Class
6 Member who fails to submit a Claim Form by such date shall be forever barred from
7 receiving any distribution from the Net Settlement Fund or payment pursuant to this
8 Stipulation (unless by Order of the Court such Settlement Class Member's Claim
9 Form is accepted), but shall in all other respects be bound by all of the terms of this
10 Stipulation and the Settlement, including the terms of the Judgment or Alternate
11 Judgment, if applicable, and the Releases provided for herein and therein, and will
12 be permanently barred and enjoined from bringing any action, claim or other
13 proceeding of any kind against any Defendants' Releasees with respect to any
14 Released Plaintiffs' Claim. Provided that it is mailed by the claim-submission
15 deadline, a Claim Form shall be deemed to be submitted when postmarked, if
16 received with a postmark indicated on the envelope and if mailed by first-class mail
17 and addressed in accordance with the instructions thereon. In all other cases, the
18 Claim Form shall be deemed to have been submitted on the date when actually
19 received by the Claims Administrator;

20 (c) Each Claim Form shall be submitted to and reviewed by the
21 Claims Administrator who shall determine in accordance with this Stipulation and
22 the plan of allocation the extent, if any, to which each Claim shall be allowed, subject
23 to review by the Court pursuant to subparagraph (e) below as necessary;

24 (d) Claim Forms that do not meet the submission requirements may
25 be rejected. Prior to rejecting a Claim in whole or in part, the Claims Administrator
26 shall communicate with the Claimant in writing, to give the Claimant the chance to

1 remedy any curable deficiencies in the Claim Form submitted. The Claims
2 Administrator shall notify, in a timely fashion and in writing, all Claimants whose
3 Claim the Claims Administrator proposes to reject in whole or in part, setting forth
4 the reasons therefor, and shall indicate in such notice that the Claimant whose Claim
5 is to be rejected has the right to a review by the Court if the Claimant so desires and
6 complies with the requirements of subparagraph (e) below; and

7 (e) If any Claimant whose Claim has been rejected in whole or in
8 part desires to contest such rejection, the Claimant must, within twenty (20) days
9 after the date of mailing of the notice required in subparagraph (d) above, serve upon
10 the Claims Administrator a notice and statement of reasons indicating the Claimant's
11 grounds for contesting the rejection along with any supporting documentation, and
12 requesting a review thereof by the Court. If a dispute concerning a Claim cannot be
13 otherwise resolved, Lead Counsel shall thereafter present the request for review to
14 the Court.

15 25. Each Claimant shall be deemed to have submitted to the jurisdiction of
16 the Court with respect to the Claimant's Claim, and the Claim will be subject to
17 investigation and discovery under the Federal Rules of Civil Procedure, provided,
18 however, that such investigation and discovery shall be limited to that Claimant's
19 status as a Settlement Class Member and the validity and amount of the Claimant's
20 Claim. No discovery shall be allowed on the merits of this Action or of the
21 Settlement in connection with the processing of Claim Forms.

22 26. Lead Counsel will apply to the Court, on notice to Defendants' Counsel,
23 for a Class Distribution Order: (a) approving the Claims Administrator's
24 administrative determinations concerning the acceptance and rejection of the Claims
25 submitted; (b) approving payment of any administration fees and expenses
26 associated with the administration of the Settlement from the Escrow Account; and

1 (c) if the Effective Date has occurred, directing payment of the Net Settlement Fund
2 to Authorized Claimants from the Escrow Account.

3 27. Payment pursuant to the Class Distribution Order shall be final and
4 conclusive against all Settlement Class Members. All Settlement Class Members
5 whose Claims are not approved by the Court for payment shall be barred from
6 participating in distributions from the Net Settlement Fund, but otherwise shall be
7 bound by all of the terms of this Stipulation and the Settlement, including the terms
8 of the Judgment or Alternate Judgment, if applicable, to be entered in this Action
9 and the Releases provided for herein and therein, and will be permanently barred
10 and enjoined from bringing any action against any and all Defendants' Releasees
11 with respect to any and all of the Released Plaintiffs' Claims.

12 28. No person or entity shall have any claim against Lead Plaintiff,
13 Plaintiffs' Counsel, the Claims Administrator or any other agent designated by
14 Plaintiffs' Counsel, or the Defendants' Releasees and/or their respective counsel,
15 arising from distributions made substantially in accordance with the Stipulation, the
16 plan of allocation approved by the Court, or any order of the Court. Lead Plaintiff
17 and Defendants, and their respective counsel, and Lead Plaintiff's damages expert
18 and all Releasees shall have no liability whatsoever for the investment or distribution
19 of the Settlement Fund or the Net Settlement Fund, the plan of allocation, or the
20 determination, administration, calculation, or payment of any claim or
21 nonperformance of the Claims Administrator, the payment or withholding of taxes
22 (including interest and penalties) owed by the Settlement Fund, or any losses
23 incurred in connection therewith.

24 29. All proceedings with respect to the administration, processing and
25 determination of Claims and the determination of all controversies relating thereto,
26 including disputed questions of law and fact with respect to the validity of Claims,

1 shall be subject to the jurisdiction of the Court. All Settlement Class Members and
2 Parties to this Settlement expressly waive trial by jury (to the extent any such right
3 may exist) and any right of appeal or review with respect to such determinations.

4 **TERMS OF THE JUDGMENT**

5 30. If the Settlement contemplated by this Stipulation is approved by the
6 Court, Lead Counsel and Defendants' Counsel shall request that the Court enter a
7 Judgment, substantially in the form attached hereto as Exhibit B.

8 **CONDITIONS OF SETTLEMENT AND EFFECT OF**
9 **DISAPPROVAL, CANCELLATION OR TERMINATION**

10 31. The Effective Date of the Settlement shall be deemed to occur on the
11 occurrence or waiver of all of the following events:

12 (a) the Court has entered the Preliminary Approval Order,
13 substantially in the form set forth in Exhibit A attached hereto, as required by ¶3
14 above;

15 (b) the Settlement Amount has been deposited into the Escrow
16 Account in accordance with the provisions of ¶8 above;

17 (c) Defendants have not exercised their option to terminate the
18 Settlement pursuant to the provisions of this Stipulation;

19 (d) Lead Plaintiff has not exercised its option to terminate the
20 Settlement pursuant to the provisions of this Stipulation; and

21 (e) the Court has approved the Settlement as described herein,
22 following notice to the Settlement Class and a hearing, as prescribed by Rule 23 of
23 the Federal Rules of Civil Procedure, and entered the Judgment and the Judgment
24 has become Final, or the Court has entered an Alternate Judgment and none of the
25 Parties seek to terminate the Settlement and the Alternate Judgment has become
26 Final.

1 32. Upon the occurrence of all of the events referenced in ¶31 above, any
2 and all remaining interest or right of Defendants in or to the Settlement Fund, if any,
3 shall be absolutely and forever extinguished and the Releases herein shall be
4 effective.

5 33. If (i) Defendants exercise their right to terminate the Settlement as
6 provided in this Stipulation; (ii) Lead Plaintiff exercises its right to terminate the
7 Settlement as provided in this Stipulation; (iii) the Court disapproves the Settlement;
8 or (iv) the Effective Date as to the Settlement otherwise fails to occur, then:

9 (a) The Settlement and the relevant portions of this Stipulation shall
10 be canceled and terminated.

11 (b) Lead Plaintiff and Defendants shall revert to their respective
12 positions in the Action as of September 28, 2016.

13 (c) The terms and provisions of this Stipulation, with the exception
14 of this ¶33 and ¶¶14, 16, 36 and 56, shall have no further force and effect with respect
15 to the Parties and shall not be used in the Action or in any other proceeding for any
16 purpose, and any Judgment, or Alternate Judgment, if applicable, or order entered
17 by the Court in accordance with the terms of this Stipulation shall be treated as
18 vacated, *nunc pro tunc*.

19 (d) Within five (5) business days after joint written notification of
20 termination is sent by Defendants' Counsel and Lead Counsel to the Escrow Agent,
21 the Settlement Fund (including accrued interest thereon and any funds received by
22 Lead Counsel consistent with ¶16 above), less any Notice and Administration Costs
23 actually incurred, paid or payable and less any Taxes paid, due or owing shall be
24 refunded by the Escrow Agent to the person or entity that paid the Settlement
25 Amount. In the event that the funds received by Lead Counsel consistent with ¶16
26 above have not been refunded to the Settlement Fund within the five (5) business

1 days specified in this paragraph, those funds shall be refunded by the Escrow Agent
2 to the person or entity that paid the Settlement Amount immediately upon their
3 deposit into the Escrow Account consistent with ¶16 above.

4 34. It is further stipulated and agreed that Lead Plaintiff, provided they
5 unanimously agree, and Defendants, provided they unanimously agree, shall each
6 have the right to terminate the Settlement and this Stipulation, by providing written
7 notice of their election to do so (“Termination Notice”) to the other Parties to this
8 Stipulation within thirty (30) days of: (a) the Court’s final refusal to enter the
9 Preliminary Approval Order in any material respect; (b) the Court’s final refusal to
10 approve the Settlement or any material part thereof; (c) the Court’s final refusal to
11 enter the Judgment in any material respect as to the Settlement; (d) the date upon
12 which the Judgment is modified or reversed in any material respect by the United
13 States Court of Appeals for the Ninth Circuit or the United States Supreme Court; or
14 (e) the date upon which an Alternate Judgment is modified or reversed in any
15 material respect by the United States Court of Appeals for the Ninth Circuit or the
16 United States Supreme Court, and the provisions of ¶33 above shall apply. However,
17 any decision or proceeding, whether in this Court or any appellate court, with respect
18 to an application for attorneys’ fees or reimbursement of Litigation Expenses or with
19 respect to any plan of allocation shall not be considered material to the Settlement,
20 shall not affect the finality of any Judgment or Alternate Judgment, if applicable, and
21 shall not be grounds for termination of the Settlement.

22 35. In addition to the grounds set forth in ¶34 above, Defendants, provided
23 they unanimously agree, shall have the right to terminate the Settlement if the
24 number of damaged shares represented by persons or entities who would otherwise
25 be Settlement Class Members but who validly exclude themselves from the
26 Settlement Class meets the conditions set forth in the Parties’ confidential

1 supplemental agreement (the “Supplemental Agreement”), in accordance with the
2 terms of that agreement. The Supplemental Agreement, which is being executed
3 concurrently herewith, shall not be filed with the Court and its terms shall not be
4 disclosed in any other manner (other than the statements herein and in the Notice, to
5 the extent necessary, or as otherwise provided in the Supplemental Agreement)
6 unless and until the Court otherwise directs, in which event the Parties shall submit
7 the Supplemental Agreement to the Court in camera, to the extent allowed, and
8 request that the Court afford it confidential treatment.

9 **NO ADMISSION OF WRONGDOING**

10 36. Neither the Term Sheet, this Stipulation (whether or not consummated),
11 including the exhibits hereto and the Plan of Allocation contained therein (or any
12 other plan of allocation that may be approved by the Court), the negotiations leading
13 to the execution of this Stipulation, nor any proceedings taken pursuant to or in
14 connection with this Stipulation and/or approval of the Settlement (including any
15 arguments proffered in connection therewith):

16 (a) shall be offered against any of the Defendants’ Releasees as
17 evidence of, or construed as, or deemed to be evidence of any presumption,
18 concession, or admission by any of the Defendants’ Releasees with respect to the
19 truth of any fact alleged by Lead Plaintiff or the validity of any claim that was or
20 could have been asserted or the deficiency of any defense that has been or could
21 have been asserted in this Action or in any other litigation, or of any liability,
22 negligence, fault, or other wrongdoing of any kind of any of the Defendants’
23 Releasees or in any way referred to for any other reason as against any of the
24 Defendants’ Releasees, in any civil, criminal or administrative action or proceeding,
25 other than such proceedings as may be necessary to effectuate the provisions of this
26 Stipulation;

1 (b) shall be offered against any of the Plaintiffs' Releasees, as
2 evidence of, or construed as, or deemed to be evidence of any presumption,
3 concession or admission by any of the Plaintiffs' Releasees that any of their claims
4 are without merit, that any of the Defendants' Releasees had meritorious defenses,
5 or that damages recoverable under the Complaint would not have exceeded the
6 Settlement Amount or with respect to any liability, negligence, fault or wrongdoing
7 of any kind, or in any way referred to for any other reason as against any of the
8 Plaintiffs' Releasees, in any civil, criminal or administrative action or proceeding,
9 other than such proceedings as may be necessary to effectuate the provisions of this
10 Stipulation; or

11 (c) shall be construed against any of the Releasees as an admission,
12 concession, or presumption that the consideration to be given hereunder represents
13 the amount which could be or would have been recovered after trial;
14 *provided, however,* that if this Stipulation is approved by the Court, the Parties and
15 the Releasees and their respective counsel may refer to it to effectuate the protections
16 from liability granted hereunder or otherwise to enforce the terms of the Settlement.

17 **MISCELLANEOUS PROVISIONS**

18 37. All of the exhibits attached hereto are hereby incorporated by reference
19 as though fully set forth herein. Notwithstanding the foregoing, in the event that
20 there exists a conflict or inconsistency between the terms of this Stipulation and the
21 terms of any exhibit attached hereto, the terms of the Stipulation shall prevail.

22 38. Defendants warrant that, as to the payments made or to be made by or
23 on behalf of them, at the time of entering into this Stipulation and at the time of such
24 payment they, or to their knowledge any persons or entities contributing to the
25 payment of the Settlement Amount, were not insolvent, nor will the payment
26 required to be made by or on behalf of them render them insolvent, within the

1 meaning of and/or for the purposes of the United States Bankruptcy Code, including
2 §§ 101 and 547 thereof. This representation is made by each of the Defendants and
3 not by their counsel.

4 39. In the event of the entry of a final order of a court of competent
5 jurisdiction determining the transfer of money to the Settlement Fund or any portion
6 thereof by or on behalf of Defendants to be a preference, voidable transfer,
7 fraudulent transfer or similar transaction and any portion thereof is required to be
8 returned, and such amount is not promptly deposited into the Settlement Fund by
9 others, then, at the election of Lead Plaintiff, Lead Plaintiff and Defendants shall
10 jointly move the Court to vacate and set aside the Releases given and the Judgment
11 or Alternate Judgment, if applicable, entered in favor of Defendants and the other
12 Releasees pursuant to this Stipulation, in which event the releases and Judgment, or
13 Alternate Judgment, if applicable, shall be null and void, and the Parties shall be
14 restored to their respective positions in the litigation as provided in ¶33 above and
15 any cash amounts in the Settlement Fund (less any Taxes paid, due or owing with
16 respect to the Settlement Fund and less any Notice and Administration Costs actually
17 incurred, paid or payable) shall be returned as provided in ¶33.

18 40. The Parties intend this Stipulation and the Settlement to be a final and
19 complete resolution of all disputes asserted or which could be asserted by Lead
20 Plaintiff and any other Settlement Class Members against the Defendants' Releasees
21 with respect to the Released Plaintiffs' Claims. Accordingly, Lead Plaintiff and their
22 counsel and Defendants and their counsel agree not to assert in any forum that this
23 Action was brought by Lead Plaintiff or defended by Defendants in bad faith or
24 without a reasonable basis. No Party shall assert any claims of any violation of Rule
25 11 of the Federal Rules of Civil Procedure relating to the institution, prosecution,
26 defense, or settlement of this Action. The Parties agree that the amounts paid and

1 the other terms of the Settlement were negotiated at arm's-length and in good faith
2 by the Parties, including through a mediation process supervised and conducted by
3 the Honorable Layn R. Phillips (Fmr.), and reflect the Settlement that was reached
4 voluntarily after extensive negotiations and consultation with experienced legal
5 counsel, who were fully competent to assess the strengths and weaknesses of their
6 respective clients' claims or defenses.

7 41. While retaining their right to deny that the claims asserted in the Action
8 were meritorious, Defendants and their counsel, in any statement made to any media
9 representative (whether or not for attribution) will not assert that the Action was
10 commenced or prosecuted in bad faith, nor will they deny that the Action was
11 commenced and prosecuted in good faith and is being settled voluntarily after
12 consultation with competent legal counsel. In all events, Lead Plaintiff and its
13 counsel and Defendants and their counsel shall not make any accusations of
14 wrongful or actionable conduct by either Party concerning the prosecution, defense,
15 and resolution of the Action, and shall not otherwise suggest that the Settlement
16 constitutes an admission of any claim or defense alleged.

17 42. The terms of the Settlement, as reflected in this Stipulation, may not be
18 modified or amended, nor may any of its provisions be waived except by a writing
19 signed on behalf of both Lead Plaintiff and Defendants (or their successors-in-
20 interest).

21 43. The headings herein are used for the purpose of convenience only and
22 are not meant to have legal effect.

23 44. The administration and consummation of the Settlement as embodied
24 in this Stipulation shall be under the authority of the Court, and the Court shall retain
25 jurisdiction for the purpose of entering orders providing for awards of attorneys' fees
26 and Litigation Expenses to Plaintiffs' Counsel and enforcing the terms of this

1 Stipulation, including the Plan of Allocation (or such other plan of allocation as may
2 be approved by the Court) and the distribution of the Net Settlement Fund to
3 Settlement Class Members.

4 45. The waiver by one Party of any breach of this Stipulation by any other
5 Party shall not be deemed a waiver of any other prior or subsequent breach of this
6 Stipulation.

7 46. This Stipulation and its exhibits and documents referenced herein
8 constitute the entire agreement among Lead Plaintiff and Defendants concerning the
9 Settlement and this Stipulation and its exhibits. All Parties acknowledge that no
10 other agreements, representations, warranties, or inducements have been made by
11 any Party hereto concerning this Stipulation or its exhibits other than those contained
12 and memorialized in such documents.

13 47. This Stipulation may be executed in one or more counterparts,
14 including by signature transmitted via facsimile, or by a .pdf/.tif image of the
15 signature transmitted via email. All executed counterparts and each of them shall be
16 deemed to be one and the same instrument.

17 48. This Stipulation shall be binding upon and inure to the benefit of the
18 successors and assigns of the Parties, including any and all Releasees and any
19 corporation, partnership, or other entity into or with which any Party hereto may
20 merge, consolidate or reorganize.

21 49. The construction, interpretation, operation, effect and validity of this
22 Stipulation, and all documents necessary to effectuate it shall be governed by the
23 internal laws of the State of California without regard to conflicts of laws, except to
24 the extent that federal law requires that federal law govern.

25 50. Any action arising under or to enforce this Stipulation or any portion
26 thereof, shall be commenced and maintained only in the Court.

1 51. This Stipulation shall not be construed more strictly against one Party
2 than another merely by virtue of the fact that it, or any part of it, may have been
3 prepared by counsel for one of the Parties, it being recognized that it is the result of
4 arm's-length negotiations between the Parties and all Parties have contributed
5 substantially and materially to the preparation of this Stipulation.

6 52. All counsel and any other person executing this Stipulation and any of
7 the exhibits hereto, or any related Settlement documents, warrant and represent that
8 they have the full authority to do so and that they have the authority to take
9 appropriate action required or permitted to be taken pursuant to the Stipulation to
10 effectuate its terms.

11 53. Lead Counsel and Defendants' Counsel agree to cooperate fully with
12 one another in seeking Court approval of the Preliminary Approval Order and the
13 Settlement, as embodied in this Stipulation, and to use best efforts to promptly agree
14 upon and execute all such other documentation as may be reasonably required to
15 obtain final approval by the Court of the Settlement.

16 54. If any Party is required to give notice to another Party under this
17 Stipulation, such notice shall be in writing and shall be deemed to have been duly
18 given upon receipt of hand delivery or facsimile or email transmission, with
19 confirmation of receipt. Notice shall be provided to the following representatives of
20 the Parties:

21 If Lead Plaintiff or Lead	Bernstein Litowitz Berger &
22 Counsel:	Grossmann LLP
	Attn: Timothy DeLange, Esq.
	Niki L. Mendoza, Esq.
	12481 High Bluff Drive, Suite 300
	San Diego, CA 92130
	Telephone: (858) 793-0070
	Email: TimothyD@blbglaw.com

NikiM@blbglaw.com

If to Defendants:

Wachtell Lipton Rosen & Katz
Attn: David M. Murphy, Esq.
51 West 52nd Street
New York, NY 10019
Telephone: (212) 403-1272
Email: DMMurphy@wlrk.com
-and-
Vick Law Group, APC
Attn: Scott Vick, Esq.
800 West 6th Street, Suite 1220
Los Angeles, CA 90017
Telephone: (213) 784-6225
Email: scott@vicklawgroup.com

55. Except as otherwise provided herein, each Party shall bear its own costs.

56. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, documents signed and proceedings in connection with the Stipulation confidential.

57. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.

58. No opinion or advice concerning the tax consequences of the proposed Settlement to individual Settlement Class Members is being given or will be given by the Parties or their counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation. Each Settlement Class Member's tax obligations, and the determination thereof, are the sole responsibility of the Settlement Class Member, and it is understood that the tax consequences may vary depending on the particular circumstances of each individual Settlement Class Member.

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IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed, by their duly authorized attorneys, as of October 26, 2016.

DATED: October 26, 2016

Respectfully submitted,

By: 

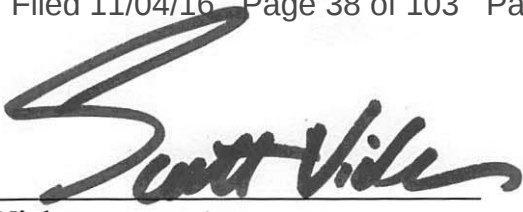
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Police & Fire Pension Fund and Lead
Counsel for the Settlement Class*



By: _____
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