

SEP 29 2016

CLERK OF THE COURT

BY: [Signature]
Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

THE PEOPLE OF THE STATE OF CALIFORNIA, et al.,

Plaintiffs,

v.

SAMSUNG SDI, CO., LTD., et al.,

Defendants.

Case No. CGC -11-515784

ORDER GRANTING FINAL APPROVAL OF SETTLEMENTS WITH LG, PANASONIC, HITACHI, TOSHIBA AND SAMSUNG, CERTIFICATION OF THE CLASS OF GOVERNMENT ENTITIES AND DISMISSAL OF PARENS PATRIAE CLAIMS

On September 27, 2016 the Court conducted a final approval hearing and considered Plaintiffs' motion for an order certifying the class of government entities for settlement purposes (Plaintiff Government Class) and granting final approval of the following: the Settlement Agreements with Defendant LG Electronics, Inc. ("LG"), Defendants Panasonic Corporation f/k/a Matsushita Electric Industrial Co., Ltd., Panasonic Corporation of North America, Panasonic Consumer Electronic Co., Matsushita Electronics Corporation (Malaysia) SDN. BHD., MT Picture Display Co., Ltd. f/k/a Matsushita-Toshiba Picture Display Co., Ltd. and Beijing Matsushita Color CRT Co., Ltd. ("Panasonic"), Defendants Hitachi, Ltd., Hitachi Displays, Ltd., Hitachi Electronic Devices (USA), Inc., Hitachi America, Ltd. and Hitachi Asia, Ltd. ("Hitachi"), Defendants Toshiba Corporation, Toshiba America Electronic Components, Inc., P.T. Tosummit Electronics Devices Indonesia and Toshiba Display Devices (Thailand) Company, Ltd. ("Toshiba"), and Defendants Samsung SDI, Co., Ltd. F/K/A Samsung Display Device Co. Ltd., Samsung SDI America, Inc., Samsung SDI Mexico, S.A. DE C.V., Samsung SDI Brasil Ltda., Shenzhen Samsung SDI Co., Ltd., Tianjin Samsung SDI Co., Ltd. and Samsung SDI (Malaysia)

1 SDN. BHD (“Samsung SDI”); the dismissal of the *parens patriae* claims pursuant to pursuant to
2 Business and Professions Code § 16760(c); the proposed allocation and distribution of the
3 settlement fund to the Plaintiff Government Class; and the *cy pres* plan for distribution of the
4 class settlement fund.

5 Defendants LG, Panasonic, Hitachi, Toshiba, and Samsung together are the Settling
6 Defendants. Adequate notice was provided to the Plaintiff Government Class and to the *parens*
7 *patriae* group and no objector appeared at the Final Approval Hearing. Good cause appearing, the
8 Court finds:

9
10 (1) The settlements as to the claims on behalf of the Plaintiff Government Class (Class
11 Settlements) are fair, reasonable, and adequate;

12 (2) The factors favoring the certification of the Plaintiff Government Class for settlement
13 purposes have not changed between the preliminary approval and final approval hearings;

14 (3) The applicable requirements of C.C.P. § 382 are satisfied with respect to the Class and
15 the Settlements;

16 (4) The dismissal of the Attorney General’s *parens patriae* claims pursuant to Business and
17 Professions Code § 16760(c) is fair and reasonable;

18 (5) The proposed allocation and distribution of the settlement fund to the Plaintiff
19 Government Class is reasonable; and

20 (6) The proposed *cy pres* plan for distribution of the Government Class *Cy Pres* Fund is
21 reasonable, including the plan for distributing the residue.

22 The Court finds and orders:

23 1. The proposed Settlement Agreements and Amendments with Settling Defendants LG,
24 Panasonic, Hitachi, Toshiba, and Samsung are granted final approval.

25 2. The provisional Plaintiff Government Class certification is finalized and defined as:

26 All political subdivisions and public agencies in California (i.e., counties, cities, K-12
27 school districts, and utilities), plus the University of California and the State Bar of
28 California, that purchased Cathode Ray Tubes (“CRTs”) and/or CRT products during the
Relevant Period (March 1, 1995 through November 25, 2007). Excluded from this

1 definition are all state agencies that either constitute an arm of the State of California under
2 the Eleventh amendment of the U.S. Constitution or are not otherwise treated under
3 California law as being autonomous from the State of California itself.

4 3. The Court grants final approval of the Class Settlements, the dismissal of the *parens*
5 *patriae* claims pursuant to Business and Professions Code § 16760(c), the proposed allocation
6 and distribution plan for the settlement fund, and the *cy pres* distribution plan, including the plan
7 to distribute the residue.

8 **THE LG SETTLEMENT AGREEMENT**

9 4. Pursuant to the terms of Defendant LG's Settlement Agreement, filed as Exhibits A and
10 B to the Declaration of Emilio E. Varanini in Support of Motion for Preliminary Approval, and
11 which are incorporated into this Order, LG is hereby enjoined and restrained for a period of three
12 years from the date of final approval of the Settlement Agreement, from engaging in price fixing,
13 market allocation, and/or bid rigging relating to CRTs for incorporation into monitors or to other
14 display screens incorporated into monitors, which constitute horizontal conduct that are per se
15 violations of the Cartwright Act §§ 16700 *et seq.*

16 5. Pursuant to the terms of Defendant LG's Settlement Agreement, LG is hereby required
17 to certify that it has an antitrust compliance program and that it does not manufacture or sell
18 CRTs. In the event that it manufactures or sells CRTs within three (3) years of the date of
19 execution of the Settlement Agreement, it shall: (1) establish, if not already established, and
20 maintain a program to provide relevant antitrust compliance education to their officers and
21 employees with responsibility for pricing and sales of CRT's in and to the United States regarding
22 the legal standards imposed by federal and state antitrust laws, and LG shall have ninety (90) days
23 from final approval of the Settlement Agreement to establish this program if one has not already
24 been established; and (2) for three (3) years from that date, on an annual basis, LG shall certify in
25 writing to the Attorney General that it is fully compliant with the provisions of this paragraph by
26 describing the nature of the program it has implemented or is maintaining pursuant to this sub-
27 paragraph. The Attorney General is required to provide notice to LG that the certification is due
28 thirty (30) days prior to the deadline for its submission. Nothing in this provision shall cause,

1 require or effect a waiver of any privileges otherwise applicable to the content or conduct of any
2 antitrust compliance training.

3 6. Pursuant to the terms of its Settlement Agreement, Defendant LG has paid to the
4 Attorney General, for the benefit of the State, a Settlement Fund amount of \$750,000 (U.S.).

5 7. Pursuant to the terms of its Settlement Agreement, Defendant LG has been providing
6 and shall continue to provide cooperation to the Attorney General as described in paragraph 17 of
7 the Settlement Agreement.

8 **THE PANASONIC SETTLEMENT AGREEMENT**

9 8. Pursuant to the terms of the Panasonic Defendants' Settlement Agreement, filed as
10 Exhibits C and D to the Declaration of Emilio E. Varanini in Support of Motion for Preliminary
11 Approval, and which are incorporated into this Order, MT Picture Display Co., Ltd. f/k/a
12 Matsushita-Toshiba Picture Display Co., Ltd. ("MTPD") is hereby enjoined and restrained for a
13 period of three (3) years from the date of final approval of the Settlement Agreement, from
14 engaging in price fixing, market allocation, and/or bid rigging relating to CRTs for incorporation
15 into monitors or to other display screens incorporated into monitors, which constitute horizontal
16 conduct that are per se violations of the Cartwright Act §§ 16700 *et seq.*

17 9. Pursuant to the terms of the Panasonic Defendants' Settlement Agreement, Panasonic
18 Corporation and Panasonic NA are hereby required to certify that they have an antitrust
19 compliance program and that they do not manufacture or sell CRTs. In the event that they
20 manufacture or sell CRTs within three (3) years of the date of execution of the Settlement
21 Agreement, they shall: (1) establish, if not already established, and maintain a program to provide
22 relevant antitrust compliance education to their officers and employees with responsibility for
23 pricing and sales of CRTs in and to the United States regarding the legal standards imposed by
24 federal and state antitrust laws, and Panasonic Corporation and Panasonic NA shall have ninety
25 (90) days from re-entering the CRT business to establish this program if one has not already been
26 established; and (2) for three (3) years from that date, on an annual basis, Panasonic Corporation
27 and Panasonic NA shall certify in writing to the Attorney General that they are fully compliant
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1 with the provisions of this paragraph by describing the nature of the program they have
2 implemented or are maintaining pursuant to this sub-paragraph. The Attorney General is required
3 to provide notice to counsel for Panasonic Corporation and Panasonic NA that the certification is
4 due thirty (30) days prior to the deadline for its submission. Nothing in this provision shall cause,
5 require, or effect a waiver of any privileges otherwise applicable to the content or conduct of any
6 antitrust compliance training.

7 10. Pursuant to the terms of their Settlement Agreement, the Panasonic Defendants have
8 paid to the Attorney General, for the benefit of the State, a Settlement Fund amount of \$1,100,000
9 (U.S.).

10 11. Pursuant to the terms of their Settlement Agreement, the Panasonic Defendants have
11 been providing and shall continue to provide cooperation to the Attorney General as described in
12 paragraph 19 of the Settlement Agreement.

13 **THE HITACHI SETTLEMENT AGREEMENT**

14 12. Pursuant to the terms of the Hitachi Defendants' Settlement Agreement, filed as
15 Exhibits E and F to the Declaration of Emilio E. Varanini in Support of Motion for Preliminary
16 Approval, and which are incorporated into this Order, Japan Display Inc. ("JDI") is hereby
17 enjoined and restrained for a period of three years from the date of final approval of the
18 Settlement Agreement, from engaging in price-fixing, market allocation, and/or bid rigging,
19 relating to flat panel displays, which constitute horizontal conduct that are per se violations of the
20 Cartwright Act §§ 16700 *et seq.*

21 13. Pursuant to the terms of the Hitachi Defendants' Settlement Agreement, JDI required to
22 certify that it has an antitrust compliance program that provides relevant antitrust compliance
23 education to its officers and employees with responsibility for pricing and sales of flat panel
24 displays in and to the United States regarding the legal standards imposed by U.S. federal and
25 state antitrust laws. JDI shall have ninety (90) days from final approval of the Settlement
26 Agreement to establish this program if one has not already been established. For three (3) years,
27 on an annual basis, JDI shall certify in writing to the Attorney General that it is fully compliant
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1 with the provisions of this paragraph by describing the nature of the program it maintains
2 pursuant to this sub-paragraph. The Attorney General is required to provide JDI notice that the
3 certification is due thirty (30) days prior to the deadline for its submission. Nothing in this
4 provision shall cause, require or effect a waiver of any privileges otherwise applicable to the
5 content or conduct of any antitrust compliance training.

6 14. Pursuant to the terms of the Hitachi Defendants' Settlement Agreement, JDI has paid to
7 the Attorney General, for the benefit of the State, a Settlement Fund amount of \$625,000 (U.S.).

8 15. Pursuant to the terms of their Settlement Agreement, the Hitachi Defendants have been
9 providing and shall continue to provide cooperation to the Attorney General as described in
10 paragraph 17 of the Settlement Agreement.

11 **THE TOSHIBA SETTLEMENT AGREEMENT**

12 16. Pursuant to the terms of the Toshiba Defendants' Settlement Agreement, filed as
13 Exhibits G and H to the Declaration of Emilio E. Varanini in Support of Motion for Preliminary
14 Approval, and which are incorporated into this Order, the parties acknowledge that they all have
15 exited the display screen business for televisions and computer monitors, but if any of the
16 Toshiba defendants reenters such component business at any point for a period of four (4) years
17 from the date of final approval of the Settlement Agreement, Toshiba shall be enjoined and
18 restrained from engaging in price-fixing, market allocation, and/or bid rigging, relating to CRTs
19 manufactured for incorporation into monitors or to other display screens manufactured for
20 incorporation into monitors, which constitute horizontal conduct that are per se violations of the
21 Cartwright Act §§ 16700 *et seq.*

22 17. Pursuant to the terms of the Toshiba Defendants' Settlement Agreement, for a period of
23 three years from the date of final approval of the Settlement Agreement, Toshiba America
24 Electronics Corporation ("TAEC") is required to conduct a program or programs for the purpose
25 of assuring compliance with applicable antitrust and competition laws by its officers and
26 employees, including officers and employees of Toshiba Corporation seconded to TAEC in the
27 United States.

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18. Pursuant to the terms of the Toshiba Defendants' Settlement Agreement, for a period of three years from the date of final approval of the Settlement Agreement, Toshiba Corporation is required to conduct a similar program or programs for the purpose of assuring compliance with applicable antitrust and competition laws by former sales officers and employees of Matsushita Toshiba Picture Display who have since returned to employment at Toshiba Corporation's headquarters in Tokyo. In each case, said program or programs shall provide relevant compliance education to the employees and officers regarding the legal standards imposed by state and federal antitrust law, the remedies that might be applied in the event of violations of said laws, and their obligations in the event that they observe violations of said laws.

19. Pursuant to the terms of the Toshiba Defendants' Settlement Agreement, each year during the three-year period TAEC is required to certify to the Attorney General that TAEC and Toshiba Corporation are fully compliant with the provisions of this paragraph and submit a written report describing the nature of how TAEC and Toshiba Corporation have complied and are complying with the provisions of this paragraph (i.e., a reasonably detailed summary of the format and contents of the program or programs). The Attorney General is required to provide notice to counsel for Toshiba Corporation and TAEC 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.

20. Pursuant to the terms of their Settlement Agreement, the Toshiba Defendants have paid to the Attorney General, for the benefit of the State, a Settlement Fund amount of \$875,000 (U.S.).

21. Pursuant to the terms of their Settlement Agreement, the Toshiba Defendants have been providing and shall continue to provide cooperation to the Attorney General as described in paragraph 17 of the Settlement Agreement.

THE SAMSUNG SETTLEMENT AGREEMENT

22. Pursuant to the terms of their Samsung SDI Defendants' Settlement Agreement, filed as Exhibits I and J to the Declaration of Emilio E. Varanini in Support of Motion for Preliminary Approval, and which are incorporated into this Order, the Samsung SDI Defendants are hereby

1 enjoined and restrained for a period of five (5) years from the date of final approval of the
2 Settlement Agreement, from engaging in any price-fixing, market allocation, and/or bid rigging,
3 relating to CRTs for incorporation into monitors or to other display screens for incorporation into
4 monitors, which constitutes horizontal conduct that is a per se violation of the Cartwright Act §§
5 16700 *et seq.*

6 23. Pursuant to the terms of the Samsung SDI Defendants' Settlement Agreement,
7 Samsung SDI Co., Ltd. is hereby required to (1) establish, if not already established, and maintain
8 a program to provide relevant antitrust compliance education to their officers and employees with
9 responsibility for pricing and sales of CRTs, flat panels, and/or lithium ion batteries in and to the
10 United States regarding the legal standards imposed by federal and state antitrust laws; (2) for
11 five (5) years from the date of final approval of the Settlement Agreement, on an annual basis,
12 certify in writing to the Attorney General that it is fully compliant with the provisions of this
13 paragraph by describing the nature of the program it has implemented or is maintaining pursuant
14 to this sub-paragraph; and (3) shall appoint, if not already appointed, an employee of Samsung
15 SDI Co., Ltd., as Compliance Officer, who shall allow himself or herself to be interviewed once a
16 year by staff for the Attorney General as to the ongoing compliance and training efforts set out in
17 this paragraph. The Attorney General is required to provide notice to counsel for Samsung SDI
18 Co., Ltd., that the certification is due thirty (30) days prior to the deadline for its submission.
19 Nothing in this provision shall cause, require or effect a waiver of any privilege that is otherwise
20 applicable to the content or conduct of any antitrust compliance training.

21 24. Pursuant to the terms of their Settlement Agreement, the Samsung SDI Defendants
22 have paid to the Attorney General, for the benefit of the State, a Settlement Fund amount of
23 \$1,600,000 (U.S.).

24 25. Pursuant to the terms of their Settlement Agreement, the Samsung SDI Defendants
25 have been providing and shall continue to provide cooperation to the Attorney General as
26 described in paragraph 21 of the Settlement Agreement.
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1 28. Any residual amount from the Government Class *Cy Pres* Fund shall be distributed
2 through a second round of the same *cy pres* grant making process that was followed by the
3 Attorney General in distributing the Government Class *Cy Pres* Fund.

4 **DISMISSAL OF CLAIMS OR CAUSES OF ACTION**

5 29. This Order applies to all claims or causes of action settled and released under the
6 Settlement Agreements or dismissed pursuant to Business and Professions Code § 16760(c).

7 30. The Attorney General shall dismiss her complaint against the LG, Panasonic, Hitachi,
8 Toshiba, and Samsung Defendants with prejudice, on the later of (i) the time for appeal or to seek
9 permission to appeal this Order has expired; or (ii) if appealed, approval of this Order by the court
10 of last resort to which such appeal has been taken and such affirmance has become no longer
11 subject to further appeal or review.

12 31. This Order, the Settlement Agreements, the Settlements which it reflects, and any and
13 all acts, statements, documents or proceedings relating to the Settlements are not, and shall not be
14 construed as, or used as an admission by or against Defendants or any other released parties of
15 any fault, wrongdoing, or liability on their part, or of the validity of any Released Claims or of the
16 existence or amount of damages.

17 **JURISDICTION TO ENFORCE ORDER AND JUDGMENT**

18 32. The Court retains jurisdiction over this action and the parties thereto, including under
19 C.C.P. § 664.6 and rule 3.769(h) of the Rules of Court, to enforce the terms of this Order and the
20 judgment.

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22 Date: September 29, 2016



23 _____
Curtis E.A. Karnow
24 Judge of the Superior Court

CERTIFICATE OF ELECTRONIC SERVICE
(CCP 1010.6(6) & CRC 2.260(g))

I, DANIAL LEMIRE, a Deputy Clerk of the Superior Court of the County of San Francisco, certify that I am not a party to the within action.

On SEP 29 2016, I electronically served THE ATTACHED DOCUMENT via File & ServeXpress on the recipients designated on the Transaction Receipt located on the File & ServeXpress website.

Dated: SEP 29 2016

T/ Michael Yuen, Clerk

By: 

DANIAL LEMIRE, Deputy Clerk