

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

GREGORY AHRENS, STEVE BARBER,
VALERIE COTE, MARY ANN GEIGER,
ROBERT HYLANDER, KENNETH
JOHNSON, CHARLES W. MORRIS,
MARK SINGLETON, AND TIMOTHY
WALKER, individually and on behalf of a
class of all others similarly situated,

Plaintiffs,

v.

UCB HOLDINGS, INC., UCB, INC., UCB,
INC. DEFINED BENEFIT PENSION PLAN,
ADMINISTRATIVE COMMITTEE OF
THE UCB, INC. DEFINED BENEFIT
PENSION PLAN, AND DOES 1-50,

Defendants.

Case No. 1:15-cv-00348-TWT

CLASS ACTION SETTLEMENT AGREEMENT

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INTRODUCTION

Subject to approval by the United States District Court for the Northern District of Georgia, this Class Action Settlement Agreement is made and entered into by and among named Plaintiffs Gregory Ahrens, Steve Barber, Valerie Cote, Mary Ann Geiger, Robert Hylander, Kenneth Johnson, Charles W. Morris, Mark Singleton, and Timothy Walker, individually and on behalf of the Settlement Class, and Defendants, UCB Holdings, Inc., UCB, Inc., UCB, Inc. Defined Benefit Pension Plan, and the Administrative Committee of the UCB, Inc. Defined Benefit Pension Plan, on behalf of the Settling Defendants, to settle claims subject to the terms and conditions below.

RECITALS

WHEREAS, on February 3, 2015, Plaintiffs initiated a class action lawsuit, docketed as Case No. 1:15-cv-348, in the United States District Court for the Northern District of Georgia, Atlanta Division asserting ten claims under ERISA on behalf of themselves and a purported class of participants in the UCB, Inc. Defined Benefit Pension Plan;

WHEREAS the Complaint alleged the following ten claims: (I) a claim for benefits pursuant to ERISA § 502(a)(1)(B) alleging that the terms of the UCB, Inc. Defined Benefit Pension Plan required service to be based on employment at companies acquired by UCB before UCB acquired those companies in 1994 (aka pre-acquisition service); (II) a claim under ERISA § 204(g) alleging a change to the terms of the Plan regarding what years would be included in credited service was an impermissible cutback; (III) a claim alleging a violation of ERISA § 102 with respect to the disclosure of provisions concerning whether pre-acquisition service was excluded from credited service under the Plan; (IV) a claim alleging breach of fiduciary duty under ERISA § 404(a)(1)(A), (B) & (D) related to disclosures concerning whether pre-

acquisition service was included as credited service under the Plan; (V) a claim alleging breach of fiduciary duty under ERISA § 404(a)(1)(A) & (B) related to disclosures in 1994 concerning whether pre-acquisition service was included as credited service under the Plan; (VI) a claim alleging breach of fiduciary duty under ERISA § 404(a)(1)(A), (B) & (D) related to disclosures in 2005 benefit statements concerning whether pre-acquisition service was included as credited service under the Plan; (VII) a claim alleging violations of ERISA § 503 and a breach of fiduciary duty under ERISA § 404(a)(1)(D) related to letters that Defendants sent Plaintiffs in 2011 and 2012; (VIII) a claim alleging breach of fiduciary duty under ERISA § 404(a)(1)(A) & (B) and ERISA § 405 alleging breaches for failure to take corrective action to correct or remedy breaches by other fiduciaries as a result of causing the Plan to pay out benefits based on pre-acquisition service; (IX) a claim alleging breach of fiduciary duty under ERISA § 404(a)(1)(A) & (B) as to alleged misrepresentations and omissions made in the letters issued in 2011 and 2012; and (X) a claim for declaratory and injunctive relief pursuant to ERISA § 502(a)(3) to prevent recoupment;

WHEREAS, prior to filing their class action lawsuit, Plaintiffs filed administrative claims with the Plan Administrator, who denied the claims and subsequent administrative appeals and Plaintiffs exhausted their administrative claims;

WHEREAS, on January 6, 2016, the Court granted Defendants' Motion to Dismiss Counts IV through VIII of the Complaint;

WHEREAS, on February 2, 2016, the Court granted a joint motion to stay proceedings pending mediation;

WHEREAS, Plaintiffs and Defendants conducted arms-length negotiations during mediation on July 26, 2016, before retired Magistrate Judge Morton Denlow, an experienced

mediator with JAMS, which culminated in the execution of an Agreement in Principle on July 26, 2016;

WHEREAS, Defendants represent that the only members of the Class as defined in the Complaint, excluding beneficiaries, are current or former UCB employees who formerly worked for Whitby, Inc. or Whitby Pharmaceuticals, Inc. (“Whitby”) or Northampton Medical, Inc. (“Northampton”);

WHEREAS, in the course of the litigation on May 2, 2016, Defendants identified and provided data to Class Counsel on 209 participants in the UCB, Inc. Defined Benefit Pension Plan who previously worked for Whitby or Northampton, of whom four were identified as not having pre-acquisition service with Whitby or Northampton, 205 of whom were identified as having pre-acquisition service with Whitby or Northampton, 65 of the 205 were identified as having received information calculating their pensions based on service with Whitby or Northampton before UCB acquired those companies in 1994, one of the 205 was identified as an officer of UCB, and one of the 205 was identified as having passed away before retirement eligibility without a surviving spouse, alternate payee or designated beneficiary leaving a total of 203 participant Class Members (not including beneficiaries of such participants);

WHEREAS Defendants represent that the number of 203 participant Class Members in the data provided by Defendants during the course of the litigation is precisely accurate as to the number of participant Class Members after excluding (a) beneficiaries of the 203 participant Class Members, (b) the UCB officer referenced above, (c) the individual identified as having passed away before retirement eligibility without a surviving spouse, alternate payee or designated beneficiary, and (d) the four individuals identified as not having pre-acquisition service with Whitby or Northampton;

WHEREAS, as a result of factual investigation and legal research conducted by Class Counsel concerning the claims asserted in the Action, Plaintiffs and Class Counsel believe that the Action has merit but have examined and considered the benefits to be obtained under this Agreement, the risks associated with the continued prosecution of this litigation and concluded that the terms of this Settlement are fair, reasonable, adequate, and in the best interests of the Class and have agreed to settle the Action on the terms set forth herein;

WHEREAS, Defendants deny many of the allegations asserted in the Action; deny that Plaintiffs' claims asserted in the Action have merit; deny any wrongdoing or liability whatsoever; deny and state that they are entering into the Settlement solely to avoid the cost, disruption, and uncertainty of litigation;

WHEREAS, the Parties enter into this Agreement to avoid the further expense, risk, inconvenience and distraction of protracted litigation and desire to promptly and fully resolve and settle with finality all of the claims on the terms set forth herein and subject to the approval of the Court;

WHEREAS, each of the undersigned counsel represents that their respective clients have been informed of and consent to the provisions set forth below;

NOW, THEREFORE, the Parties, in consideration of the promises, covenants, and agreements herein described, and for other good and valuable consideration, acknowledged by each of them to be satisfactory and adequate, and without any admission or concession as to any matter of fact or law, and intending to be legally bound, do hereby agree as follows:

I. DEFINITIONS

The following capitalized terms used in this Settlement Agreement are defined as follows in this Section I unless another section of this Settlement Agreement specifically provides

otherwise. Capitalized terms used in this Settlement Agreement but not defined in this Section I shall have the meaning ascribed to them elsewhere in this Settlement Agreement.

A. “Action” means the putative class action pending in this Court styled Gregory Ahrens, Steve Barber, Valerie Cote, Mary Ann Geiger, Robert Hylander, Kenneth Johnson, Charles W. Morris, Mark Singleton, and Timothy Walker, individually and on behalf of a class of all others similarly situated, Plaintiffs v. UCB Holdings, Inc.; UCB, Inc.; UCB, Inc. Defined Benefit Pension Plan; Administrative Committee of the UCB, Inc. Defined Benefit Pension Plan; and DOES 1-50, Defendants, Case No. 1:15-cv-00348-TWT, filed on February 3, 2015, in the Northern District of Georgia, Atlanta Division.

B. “Agreement In Principle” means the agreement dated July 26, 2016, and titled “Term Sheet,” signed by Class Counsel on behalf of Plaintiffs and the Settlement Class and signed by Defense Counsel on behalf of Defendants.

C. “Allocated Claim” means the amount to be allocated to each Authorized Claimant as defined under the Plan of Allocation.

D. “Class Counsel” means Plaintiffs’ attorneys of record from Block & Leviton LLP; Creitz & Serebin LLP; and Anderson Dailey, LLP.

E. “Class Member” means an individual who is a member of the Settlement Class.

F. “Class Notice” means the form of notice provided to Class Members that complies with the requirements of Section III of this Settlement Agreement and Fed. R. Civ. P. 23, as approved by the Court.

G. “Class Representatives” means the Plaintiffs whom the Court appoints as class representatives of the Settlement Class.

H. “Complaint” means the complaint filed in this Action.

I. “Court” means the United States District Court for the Northern District of Georgia that has jurisdiction over this Action and the Settlement.

J. “Defendants” or “Settling Defendants,” means UCB Holdings, Inc.; UCB, Inc.; UCB, Inc. Defined Benefit Pension Plan; Administrative Committee of the UCB, Inc. Defined Benefit Pension Plan; and those who served individually, or as members of any committee that served, as the Plan Administrator of the UCB, Inc. Defined Benefit Pension Plan.

K. “Defense Counsel” means Defendants’ attorneys of record from Sidley Austin LLP and Wargo & French LLP.

L. “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

M. “Excluded Persons” means the following persons who are excluded from the Settlement Class: (a) the Administrative Committee Defendants (as that term is defined in the Complaint); (b) any fiduciaries of the UCB Plan; (c) any officers or directors of UCB; (d) any other persons who had decision-making or administrative authority relating to the establishment, administration, modification, funding, or interpretation of the UCB Plan; (e) any member of the immediate family of any heirs, successors, or assigns of any such Excluded Person and (f) any Plan participant who died prior to commencement of benefits from the UCB Plan without a qualifying surviving spouse, alternate payee or designated beneficiary but would otherwise be a member of the Settlement Class.

N. “Expense Award” has the meaning set forth in Section VIII of this Settlement Agreement.

O. “Fee Award” has the meaning set forth in Section VIII of this Settlement Agreement.

P. “Final Approval Motion” means the motion to be filed by Class Counsel requesting that that Court grant final approval of the Settlement pursuant to Fed. R. Civ. P. 23(e).

Q. “Final Order” means the Order and Final Judgment, substantially in the form of an Order described in Section X.B of this Settlement Agreement.

R. “Lead Class Counsel” means R. Joseph Barton of Block & Leviton LLP and Joseph Creitz of Creitz & Serebin LLP.

S. “Net Settlement Amount” means the Settlement Amount minus the Fee Award and the Expense Award as described in Section IV.B.

T. “Non-Appealable” means an order entered by the Court that is no longer subject to appeal, which shall occur: (i) when no appeal has been taken once the date on which the time to appeal has expired; or (ii) if any appeal has been taken, when the appeal has been finally disposed of or when the date on which the time to make further appeals has expired, thereby resulting in an affirmance of the Final Order.

U. “Plaintiffs” means Gregory Ahrens, Steve Barber, Valerie Cote, Mary Ann Geiger, Robert Hylander, Kenneth Johnson, Charles W. Morris, Mark Singleton, and Timothy Walker.

V. “Plan” or “UCB Plan” means the UCB, Inc. Defined Benefit Pension Plan, including any predecessor and/or successor plans.

W. “Plan Administrator” means UCB Holdings, Inc. as the plan administrator of the Plan or any subsequently appointed administrator of the Plan.

X. “Plan of Allocation” means the plan proposed for allocating the Net Settlement Amount attached as Exhibit A to this Settlement Agreement, subject to approval by the Court.

Y. “Preliminary Approval Order” means an order substantially in the form of an order discussed in Section X.A of this Settlement Agreement.

Z. “Settled Claims” means all claims released as set forth in Section XIII.

AA. “Settlement” means the settlement and compromise of this Action as provided for in this Settlement Agreement.

BB. “Settlement Amount” means the total amount of \$5,500,000, in present value terms measured as of July 26, 2016 applying an annual interest rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015, which will be paid by Defendants to settle this Action.

CC. “Settlement Agreement” means this Class Action Settlement Agreement and any accompanying exhibits, including any subsequent amendments thereto and any exhibits to such amendments.

DD. The “Settlement Class” or “Class” means the Class as defined in Section II.

EE. “Settling Parties” means Plaintiffs, Class Members, and Settling Defendants.

FF. “Tax” means any and all taxes, fees, levies, duties, tariffs, imposts, and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any governmental authority.

GG. “UCB” means collectively UCB Holdings, Inc. and UCB, Inc.

HH. “UCB Releasees” means all Defendants; UCB S.A.; past or present fiduciaries of the UCB, Inc. Defined Benefit Pension Plan; each of those entities’ affiliates, predecessors, successors, divisions, joint ventures and assigns; each of the aforementioned entities’ past or present directors, officers, employees, partners, members, principals, fiduciaries, administrators,

agents, underwriters, insurers, co-insurers, re-insurers, attorneys, accountants or auditors, banks or investment banks, associates, or personal or legal representatives.

II. CLASS CERTIFICATION

A. **Settlement Class.** The Parties agree, for purposes of this Settlement Agreement, that the following class should be certified pursuant to Rule 23 of the Federal Rules of Civil Procedure:

(1) All participants in the UCB, Inc. Defined Benefit Pension Plan (the “UCB Plan”) who were employees of a subsidiary or affiliate of UCB, Inc. or a successor thereto (including UCB Holdings, Inc.) who had service with Northampton Medical, Inc. or Whitby, Inc. or Whitby Pharmaceuticals, Inc. before UCB acquired those companies and, after such acquisition, was a participant in the UCB Plan.

(2) Beneficiaries of each such participant.

The following persons are excluded from the Settlement Class: (a) the Administrative Committee Defendants (as that term is defined in the Complaint); (b) any fiduciaries of the UCB Plan; (c) any officers or directors of UCB; (d) any other persons who had decision-making or administrative authority relating to the establishment, administration, modification, funding, or interpretation of the UCB Plan; (e) any member of the immediate family of any heirs, successors, or assigns of any such Excluded Person and (f) any Plan participant who died prior to commencement of benefits from the UCB Plan without a qualifying surviving spouse, alternate payee or designated beneficiary.

B. **Class Certification Motion.** In accordance with Section X, Class Counsel will draft and file a motion requesting that the Court certify the claims asserted in the Complaint on behalf of the Settlement Class for settlement purposes only. Class Counsel will request that the

Settlement Class be certified as a non-opt-out class pursuant to Fed. R. Civ. P. 23(b)(1) or Fed. R. Civ. P. 23(b)(2) of the Federal Rules of Civil Procedure; however, the motion for Class Certification may alternatively request that in the event that the Court concludes that certification of one or more of the claims is not appropriate pursuant to Fed. R. Civ. P. 23(b)(1) or Fed. R. Civ. P. 23(b)(2), that those claims be certified pursuant to Fed. R. Civ. P. 23(b)(3).

C. **Parties' Cooperation.** The Parties will cooperate and will use their best reasonable efforts to obtain certification of a mandatory Settlement Class under Fed. R. Civ. P. 23(b)(1) and/or Fed. R. Civ. P. 23(b)(2).

D. **Identification of Class Members.** Within 10 business days from the Court's entry of the Preliminary Approval Order, Defendants will provide to Lead Class Counsel a list identifying the full name and last known address of each participant Class Member (and, if applicable, as to any known beneficiaries, the name of the beneficiary and the associated participant), and the prior ID number previously provided in the class data provided by Defendants.

III. CLASS NOTICE

A. **Provision and Cost of Class Notice.** Within 30 calendar days from the Court entry of the Preliminary Approval Order or on the date specified by the Court, Defendants will send the Class Notice to the Class as directed by the Court. Along with the Class Notice, Defendants will send each Class Member a statement as to the amount of actual years of service that such person had at Whitby or Northampton set forth in Defendants' records. Defendants will be responsible for paying the cost of providing these materials.

B. **Contents.** The Class Notice, in the form approved by the Court, will contain a brief description of the litigation, the claims advanced by the Class, a summary of the financial

and other significant terms of the Settlement Agreement, including the benefits of the settlement, the release, the procedure for objecting, information regarding the attorneys' fees and costs that may be sought by Class Counsel, a description of the proposed Plan of Allocation for distributing the Net Settlement Amount to Class Members, and information about the Final Approval Hearing.

C. **Method of Providing Class Notice.** Subject to modification and approval by the Court, Defendants will provide Class Notice and related information by first-class mail to the 203 persons previously identified as former employees of Whitby or Northampton in the data provided by Defendants to Class Counsel on May 2, 2016 (referenced in the Recitals and Section XI.D of this Agreement), or, if such individual is known by UCB or the Plan to be deceased, to that individual's beneficiaries to the extent that information regarding such individual's beneficiaries is on file with the UCB Plan. Defendants will send the Class Notice and related information to an individual's last-known address based on the UCB Plan's records; however, prior to providing Class Notice, Defendants will update the address via the National Change of Address database or similar commercial source, and if a new or additional address is identified, will mail the Class Notice to the updated address or, if to an additional address, to both the original address and the additional address.

D. **Notice Via Website.** At the discretion of Lead Class Counsel, Plaintiffs may also provide Notice about the settlement on a dedicated website. To the extent that Lead Class Counsel elects to establish and maintain a website for purposes of this settlement, the expense will be a cost to be deducted from the Settlement Amount and information on the website dedicated to the settlement will be subject to review and approval by Defense Counsel with any disputes about the content to be resolved by the Court

E. **Declaration Regarding Class Notice.** Within 30 days after the date on which Class Notice is required to be sent, Defendants will file a declaration with the Court confirming that they sent the Class Notice and related information in accordance with the Preliminary Approval Order.

IV. SETTLEMENT PAYMENT & NON-MONETARY TERMS

A. **Settlement Amount.** As settlement of the Settlement Class's claims (including all attorneys' fees and costs and all incentive or service awards to class representatives), Defendants agree to pay a Settlement Amount of \$5,500,000 in present value terms measured as of July 26, 2016 (with present value determined by applying an annual interest rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015).

B. **The Net Settlement Amount.** The Net Settlement Amount will be determined after the Court issues an Order awarding the Fee Award and the Expense Award consistent with Section VIII. The Net Settlement Amount will be calculated by subtracting the Fee Award and Expense from the Settlement Amount as follows:

1. To the extent that the amount of the Fee Award and/or the Expense Award is expressed by the Court in dollars valued as of the date of the Order (i.e., rather than a percentage or a dollar amount of the July 26, 2016 value of the Settlement Amount), the Net Settlement Amount will be determined by (i) subtracting any such Award valued as of the date of the Order by discounting the Fee Award or Expense Award from the date of the Court's Order to July 26, 2016 using an annual interest (*i.e.*, discount) rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015 and (ii) the resulting July 26, 2016 present value amount shall be subtracted from the \$5.5

million Settlement Amount to arrive at the Net Settlement Amount in present value terms as of July 26, 2016.

2. To the extent that the amount of the Fee Award and/or Expense Award is expressed by the Court as a value as of July 26, 2016, such Award will not be adjusted in order to calculate the Net Settlement Amount.

3. The adjustments of the Fee Award and Expense Award is solely to calculate the Net Settlement Amount and will not reduce the amount that UCB pays pursuant to Section VIII.

C. Payment of the Net Settlement Amount. After the Net Settlement Amount is calculated, the Net Settlement Amount will be paid from the UCB Plan to the Class and effectuated through an amendment to the UCB Plan in accordance with the Plan of Allocation. Defendants will have no obligation under this Settlement to pay or fund any amount in excess of the Settlement Amount, and will have no obligation to amend the UCB Plan to provide benefits or distribute an aggregate amount to Class Members in excess of the Net Settlement Amount. No amount of this Settlement will revert to Defendants, except to the extent that payment to a Class Member cannot be effectuated after the payment efforts outlined in section VI.A and VI.B of this Agreement have been exhausted, the inability of the Plan to make such payments within the time required by Section VI.A. and Section VI.B -- i.e. due to an inability to locate the class member or as a result of the failure of the class member to complete necessary paperwork -- shall not constitute or be treated as a reversion under this Settlement Agreement. The inability of the Plan to make such payments within the time required by Section VI.A. and Section VI.B will not make the Class Member ineligible to receive the benefits of the settlement at a later date.

D. Amendment of Plan to Effectuate and Distribute the Settlement Amount. In order to effectuate and distribute the Net Settlement Amount, Defendants will adopt and implement an amendment to the UCB Plan that will adjust benefits for Class Members in accordance with and consistent with the Plan of Allocation. Defendants will have no obligation to amend the UCB Plan to provide increased benefits or distribute an aggregate amount to Class Members in excess of the Net Settlement Amount, except that the UCB Plan will be amended to adjust benefits to recognize benefits for those Class Members who previously received and retained benefit payments based on pre-acquisition service credit in the amounts they previously received and retained.

E. Non-Recovery of Overpayments. As settlement of the Settlement Class's claims, Defendants will not initiate any attempts to collect and will cease pursuing any previously attempted efforts to recover or recoup past payments to Class Members under the Plan based on service at Whitby or Northampton prior to the acquisition of those companies by UCB.

F. Taxes. As Defendants represent that the UCB Plan is a qualified plan under Internal Revenue Code Section 401(a) and its related trust is exempt from taxation under Internal Revenue Code Section 501(a), and Defendants represent that they intend that the Net Settlement Amount will be paid from the corpus of the UCB Plan and its related trust, the Parties contemplate that there will be no taxes owed on the Net Settlement Amount prior to distribution to the Settlement Class. To the extent that the Net Settlement Amount prior to distribution to the Class requires tax reporting, Defendants will be responsible for ensuring any reporting is made to appropriate authorities.

G. Costs and Expenses Related to Implementation of the Settlement and Plan of Allocation. Defendants will bear any costs and expenses of administration necessary to implement the Settlement and the Plan of Allocation, and such costs and expenses will not be deducted from the Settlement Amount. Such costs and expenses of administration for which Defendants shall be responsible shall not include fees, costs, or expenses incurred by Plaintiffs, Class Counsel, or their agents, or actuaries engaged by Plaintiffs or Class Counsel (as the costs incurred by Class Counsel will be reimbursed out of the Settlement Amount to the extent approved by the Court).

V. PLAN OF ALLOCATION

A. Proposed Plan of Allocation. Lead Class Counsel will propose and submit to the Court the proposed Plan of Allocation attached as Exhibit A to this Settlement Agreement as the recommended method of determining and allocating the proceeds of the Net Settlement Amount, to which Defendants have no objection. Defendants will not have input into the Plan of Allocation except to ensure that the Plan of Allocation (1) does require Defendants to pay additional benefits in excess of the Net Settlement Amount and (2) the Plan of Allocation is workable under the terms of the Plan (as amended consistent with this Settlement Agreement). The Plan of Allocation is subject to the modification and approval by the Court.

B. Modification of Plan of Allocation. In the event that the proposed Plan of Allocation is rejected or modified by the Court or on appeal, such rejection or modification will not constitute a material modification of this Settlement Agreement, will not void this Settlement Agreement, and will not provide a basis for any party to withdraw from this Settlement Agreement, provided that any revised Plan of Allocation must (1) exclude the Excluded Persons from receiving any distribution or allocation from the Settlement Fund, (2) not distribute any

portion of the Settlement Amount to Class Members who received the full amount of their pension based on the full amount of their pre-acquisition service, (3) not require Defendants to pay an amount that exceeds the Net Settlement Amount and (4) be consistent with terms of the UCB Plan (including the UCB Plan to be amended consistent with this Agreement) and must not violate ERISA or threaten the UCB Plan's tax qualification.

C. **Excluded Persons Prohibited From Receiving Settlement.** None of the Excluded Persons will receive any of the proceeds from the Settlement Amount.

D. **Amendment of the Plan.** Within 30 days of the date on which the Final Order becomes Non-Appealable, Defendants (and/or the current Plan sponsor) will adopt an amendment to the UCB Plan that reflects that the Class Members are entitled to benefits under the UCB Plan consistent with the amounts as set forth under the Plan of Allocation as approved by the Court, and the amendment will adjust benefits to recognize benefits for those Class Members who previously received and retained benefit payments based on pre-acquisition service credit in the amounts they previously received. The amendment to the UCB Plan adjusting benefits consistent with the Plan of Allocation will be adopted no later than 30 days after the Final Order is Non-Appealable. Defendants will provide Lead Class Counsel with a proposed draft of the amendment to be adopted by the Plan prior to adoption and at least 30 calendar days prior to the time that the Final Approval Motion is due, although the draft amendment may need to be modified based on the Net Settlement Amount and as a result of the Court's Final Order or the Court's modification of the Plan of Allocation. Defendants will provide Lead Class Counsel with a proposed draft of the amendment to be adopted at least 10 business days before its adoption, and will provide Lead Class Counsel with a copy of the actual amendment as adopted with 14 calendar days after its adoption.

E. No Claim Based on Distribution in Accordance with the Plan of Allocation.

The Settlement Class shall not have any claim against Plaintiffs, the UCB Plan, Settling Defendants, or counsel to any of the foregoing, including any of the individuals involved in the distribution under the Plan of Allocation, based on any distributions of the Settlement Amount or the Net Settlement Amount made substantially in accordance with this Settlement Agreement or as authorized by the Court.

VI. DISTRIBUTIONS OF THE SETTLEMENT AMOUNT

A. Distribution of the Net Settlement Amount. After the Final Order becomes Non-Appealable, the Net Settlement Amount will be distributed to members of the Settlement Class pursuant to the Court-approved Plan of Allocation after payment of any Court-approved award of attorneys' fees and reimbursement of any Court-approved expenses and costs to Class Counsel. After deduction of the foregoing from the Settlement Amount, the remaining amount (the Net Settlement Amount) shall be allocated to the Class Members in accordance with the Plan of Allocation and distributed through the Plan by the Plan Administrator. The Net Settlement Amount will be distributed to the Class Members entitled to a distribution under the Plan of Allocation as follows:

1. **Participants Who Previously Received a Lump Sum Payment of their Benefit.** For Class Members entitled to an allocation of the Net Settlement Amount under the Plan of Allocation who previously received or elected to receive their pension as a lump sum payment as of the date the Final Order is entered, the UCB Plan will make payments to which such Class Members are entitled under the Plan of Allocation within 60 days of the date on which the Final Order becomes Non-Appealable. The benefit payment made to the Class Member shall be equal to the participant's Allocated Claim

(calculated as of July 26, 2016), adjusted with interest from July 26, 2016 to the date of payment at an annual interest rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015, subject to any applicable tax withholdings. Prior to payment and by no later than 30 days after the Final Order becomes Non-Appealable, Defendants will provide rollover distribution forms to Class Members entitled to payment under this Section V(A)(1). Settlement payments under this Section VI(A)(1) constituting eligible rollover distributions may be provided in the form of a direct rollover; provided, however that if the Class Member does not complete the required rollover distribution forms with respect to his or her allocation of the Net Settlement Amount provided by the UCB Plan within 30 calendar days after the Final Order becomes Non-Appealable, such Settlement payments shall be paid directly to the Class Member subject to any applicable tax withholdings. Settlement payments under this Section VI(A)(1) shall be issued to a Class Member within the later of (a) 30 days after which the Class Member submits all appropriate documentation under the Plan required to elect an eligible rollover (but not earlier than the date on which the Settlement becomes Non-Appealable) or (b) 60 days from the date on which the Settlement becomes Non-Appealable. All legal consent requirements for distributions made pursuant to this Section VI(A)(1) shall be deemed previously satisfied.

2. **Participants Who Previously Began Receiving their Benefit as an Annuity.** For Class Members entitled to an allocation of the Net Settlement Amount under the Plan of Allocation where the participant or the Class Member, as of the date the Final Order is entered, began receiving or elected to receive their pension as an annuity, the participant's benefit will be increased by the amount of their Allocated Claim

(calculated as of July 26, 2016) converted into a monthly single life annuity based on the participant's age and payable as of July 26, 2016, using the mortality table applicable to payments made in 2016 under Internal Revenue Code Section 417(e) and interest rates under Internal Revenue Code Section 417(e) for November 2015. With respect to annuity payments previously made to such Class Members as of the date on which the Final Order becomes Non-Appealable, the UCB Plan will make a restorative payment representing the difference between such prior monthly payments received and the adjusted annuity payment, adjusted with interest from the date of each previous payment to the date of the restorative payment at an annual interest rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015, subject to any applicable tax withholdings. Such restorative payment will be made within 60 days of the date on which the Final Order becomes Non-Appealable. All legal consent requirements for distributions made pursuant to this Section VI(A)(2) shall be deemed previously satisfied.

3. **Participants Who Have Not Yet Commenced Benefits.** For Class Members entitled to an allocation of the Net Settlement Amount under the Plan of Allocation who, as of the date that the Final Order is entered, have not commenced receiving nor elected to begin receiving benefits under the UCB Plan, the participant's benefit will be increased by the amount of the Allocated Claim (calculated as of July 26, 2016) and reflected as a monthly single life annuity payable at the participant's normal retirement age under the UCB Plan using the mortality table applicable to payments made in 2016 under Internal Revenue Code Section 417(e) and interest rates under Internal Revenue Code Section 417(e) for November 2015. Such Class Members shall be entitled

to elect the timing and form of payment in accordance with the terms of the UCB Plan. Defendants will provide such Class Members an updated statement as to the amount of their benefit within 30 days after the Final Order becomes Non-Appealable. To the extent that such Class Members are entitled to elect to begin receiving payments under the UCB Plan as of the date on which the Final Order is entered, within 30 calendar days after entry of the Final Order Defendants will provide such Class Members with the necessary forms required by the UCB Plan to elect and receive a distribution of benefits under the Plan, and Defendants may inform such Class Members that payment of benefits attributable to their Allocated Claim is contingent upon the Final Order becoming Non-Appealable. For Class Members who both (a) are entitled to begin receiving payments under the UCB Plan as of the date on which the Final Order is entered and (b) submit the necessary forms required by the UCB Plan to elect and receive a distribution of benefits under the Plan within 30 calendar days after the Final Order becomes Non-Appealable, Settlement payments to such Class Members under this Section VI(A)(3) will begin within 60 calendar days of the date on which the Final Order becomes Non-Appealable.

B. Manner of Payment. For any Class Member who is entitled to receive a distribution from the UCB Plan under this Settlement within 60 days after the Final Order becomes Non-Appealable, the UCB Plan will make payment pursuant to the instructions by the participant consistent with the terms of this Settlement and the terms of the UCB Plan and consistent with any valid “qualified domestic relations order” within the meaning of Internal Revenue Code Section 414(p) and any applicable tax withholding required by law. In the event that such payment is mailed to the Class Member and Defendants receive any notice that the address to which the payment is mailed was undeliverable, Defendants will inform Lead Class

Counsel and will attempt to locate a new or updated address by using the National Change of Address database or similar commercial source within 30 calendar days of Defendants' initial receipt of notice that the address to which the payment was initially mailed was undeliverable. If a new address is identified for the Class Member as a result of such use of the National Change of Address database or similar commercial source, the UCB Plan will re-mail the settlement check to the new address.

C. **Reports Regarding Payment.** Within 20 days after the Final Order becomes Non-Appealable, Defendants will provide Lead Class Counsel a list of the amount to be paid to each Class Member pursuant to this Agreement (and sufficient information to identify the Class Member). Within 75 days after the Final Order becomes Non-Appealable, Defendants will file a declaration with the Court confirming that those payments have been issued (irrespective of whether such payments have been received by the Class Member).

VII. SETTLEMENT ADMINISTRATION

A. **Settlement Administration Responsibility.** The Plan Administrator of the UCB Plan will make distributions of the Net Settlement Amount to Class Members in accordance with this Settlement Agreement and the Plan of Allocation consistent with the terms of the UCB Plan (except as modified by this Agreement or the Plan of Allocation), subject to applicable legal requirements (including requirements of ERISA and the Internal Revenue Code). In the event that Defendants identify an issue in this Settlement Agreement or the Plan of Allocation that would conflict with ERISA or the IRC such that it would prevent the UCB Plan (or its fiduciaries) from complying with the Settlement or the Plan of Allocation on the one hand and ERISA or the IRC on the other hand, they will inform Lead Class Counsel in writing reasonably

promptly after Defendants identify any such issues. Any issues concerning resolution of such issues will be resolved by the Court.

B. Administration Costs. Defendants will bear any costs and expenses of administration incurred by Defendants or any of the UCB Releasees to implement or administer the Settlement and the Plan of Allocation. No part of the Settlement Amount shall be used to pay for or reimburse any costs incurred by Defendants, the UCB Releasees or the UCB Plan related to administration of this Settlement. In the event that the Settlement is not approved or approval is reversed on appeal, no portion of such costs will be reimbursable to Defendants or to the UCB Plan by Plaintiffs, the Settlement Class, or Class Counsel.

C. Prohibition on Assessment of Expenses to the Class. The Class Members will not be charged or assessed any amount by Defendants for (1) the Settlement Amount or (2) expenses related to administration or implementation of this Settlement,.

D. Tax Treatment of the UCB Plan & Settlement Amount. Defendants will use reasonable efforts to prevent the Settlement from adversely affecting the tax-qualified status of the UCB Plan. Defendants will be responsible for all costs associated with any steps that they undertake to maintain the continued tax qualification of the UCB Plan with respect to the Settlement.

VIII. PAYMENT OF ATTORNEYS' FEES AND REIMBURSEMENT OF COSTS AND EXPENSES

A. Attorneys' Fees and Expenses from the Settlement Amount. Lead Class Counsel will be entitled to file a motion seeking an award of attorneys' fees (the "Fee Award") and reimbursement of expenses and costs (the "Expense Award") out of the Settlement Amount on behalf of all Class Counsel. Class Counsel will not seek any service or incentive award for

Class Representatives. Any Fee Award or Expense Award will be deducted solely from the total Settlement Amount and is subject to the Court's approval at the Final Approval Hearing.

B. Defendants' Non-Opposition. The Settling Defendants and their counsel will take no position regarding the application for, or an award of, the Fee Award or Expense Award provided that the application for the Fee Award does not seek in excess of 30% of the Settlement Amount and is otherwise consistent with this Settlement Agreement.

C. Payment of Attorneys' Fees and Expenses to Class Counsel. UCB will pay the Fee Award and Expense Award by cash or wire transfer into an account designated by Lead Class Counsel. Neither the Settling Defendants nor the UCB Plan will have any input as to the division of such fees and expenses among Class Counsel.

D. Timing of Payment of Attorneys' Fees and Reimbursement of Expenses. In the event that the Court grants any request for a Fee Award or an Expense Award as part of or at the same time as Final Judgment, UCB will pay the Fee Award and the Expense Award so that it is received by Lead Class Counsel within 30 calendar days from the date that the Final Order becomes Non-Appealable. In the event that there is no appeal of the Final Judgment of the Settlement but an appeal solely of the Fee Award or Expense Award, Lead Class Counsel will be entitled to a disbursement from the Settlement Amount of such amount of attorneys' fees and such amount of expenses or costs as to which there is no dispute on appeal.

E. Non-Materiality to Settlement of Award of Attorneys' Fees or Reimbursement of Expenses. In the event that the Court refuses, in whole or in part, to grant a Fee Award or an Expense Award, or in the event any such award is rejected or modified on appeal, such refusal by the Court or rejection or modification on appeal will not constitute a

material modification of this Settlement Agreement, will not void this Settlement Agreement, and will not provide a basis for any party to withdraw from this Settlement Agreement.

F. **Defendants' Attorneys' Fees and Expenses.** Settling Defendants will bear their own attorneys' fees, expenses, and costs. No amount of the attorneys' fees, expenses, or costs of this Action incurred by Settling Defendants, including the UCB Plan, will be paid by, or recouped from the Class or Class Counsel in this Settlement.

IX. NO ADMISSION OF WRONGDOING

A. This Settlement Agreement embodies a compromise of disputed claims, and nothing in the Settlement Agreement shall be interpreted or deemed to constitute any finding of wrongdoing by Settling Defendants or give rise to any inference of liability in this or any other proceeding. This Settlement Agreement shall not be offered or received against Settling Defendants as any admission by any such party of the truth of any fact alleged by Plaintiffs; the validity of any claim that had been or could have been asserted in the Action or in any administrative proceeding or litigation; or the liability, negligence, fault, or wrongdoing of any such party.

B. Neither this Settlement Agreement nor the Settlement is or may be deemed to be or may be used as an admission or evidence of any infirmity in the Claims asserted by Plaintiffs and Class Members.

C. This Settlement Agreement and Settlement may be used in such proceedings as may be necessary to consummate or to enforce this Settlement Agreement, the Settlement, or the Final Order. Any Party may file this Settlement Agreement and/or the Final Order in any action that may be brought against it or any of the Settling Parties or UCB Releasees to support a claim, a defense, or a counterclaim based on principles of res judicata, collateral estoppel, release,

good-faith settlement, judgment bar, reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim, or in any action that may be brought to enforce any claim assigned pursuant to this Settlement Agreement. Defendants may use this Settlement Agreement in connection with any matter involving any of their insurers or any governmental agency with respect to the UCB Plan.

X. APPROVAL OF SETTLEMENT

A. **Preliminary Approval Order.** No later than January 17, 2017, Lead Class Counsel, on behalf of the Settlement Class, shall move the Court to enter the Preliminary Approval Order (“Preliminary Approval Motion(s)”). Settling Defendants will not oppose the relief sought by the Preliminary Approval Motion as outlined in this Section; however, Settling Defendants will retain the right to file a brief responding to any arguments in support. The Preliminary Approval Motion(s) will seek an Order in a form agreed upon by the Settling Parties that will, among other things, provide as follows:

1. Certify the Settlement Class for settlement purposes only, pursuant to Fed. R. Civ. P. 23(b)(1) or 23(b)(2);
2. Appoint one or more of the Plaintiffs as Class Representatives;
3. Appoint R. Joseph Barton of Block & Leviton LLP and Joseph Creitz of Creitz & Serebin LLP as Lead Counsel for the Class pursuant to Rule 23(g) and Stephen Anderson of Anderson Dailey as Local Counsel for the Class.
4. Preliminarily approve of the Settlement as set forth in this Settlement Agreement as fair, reasonable and adequate and in the best interests of the named Plaintiffs and the Class, subject to further hearing and determination under Fed. R. Civ. P. 23(e);

5. Approve the form of Class Notice, substantially in the form agreed upon by the Parties, and the manner and timing of distribution which is consistent with this Settlement Agreement, Fed. R. Civ. P. 23, and the requirements of due process;

6. Stay all proceedings in the Action other than those proceedings necessary to have the Settlement finally approved (unless one or both parties exercise their rights to withdraw from the Settlement);

7. Provide that, to be considered, any objections to the Settlement must include: (a) the objector's full name and address and an appearance on behalf of any counsel representing the objector; (b) a written statement of the grounds for the objection including any evidence supporting the objection; (c) any supporting memorandum or brief; (d) a list of any persons who will be called to testify in support of the objections, and the subject matter(s) on which such person(s) will testify; and (e) a statement whether the objector intends to appear at the Final Approval Hearing, and, if such appearance will be through counsel, the identity of such counsel;

8. Provide that if any objection is not electronically filed through the Court's electronic filing system, the objection must be served upon counsel of record by U.S. Mail, postage prepaid and postmarked by the filing deadline;

9. Schedule a hearing date, which is at least one-hundred ten (110) calendar days after the Preliminary Approval Motion is filed with the Court, for the Court to determine whether the Settlement Agreement should be finally approved as fair, reasonable, and adequate and whether an Order finally approving the Settlement Agreement should be entered ("Final Approval Hearing");

10. Provide that no objection to the Settlement Agreement shall be heard and that no papers submitted in support of an objection shall be received or considered by the Court at the Final Approval Hearing unless the objection and reasons therefore, along with copies of any supporting papers, are filed with the Clerk of the Court and served on the Parties within forty-five (45) days of the distribution of the Class Notice;

11. Provide a deadline for the filing of a Final Approval Motion (that allows the Parties to respond to any objections to the Settlement) and Lead Class Counsel's application for a Fee Award and Expense Award;

12. Provide that the Final Approval Hearing may be continued from time to time by Order of the Court if necessary and without further notice to the Settlement Class; and

13. Approve under the Class Action Fairness Act of 2005 ("CAFA") the form of notice ("CAFA Notice") that upon mailing will discharge Defendants' obligations pursuant to CAFA.

B. Final Approval of the Settlement. If the Court preliminarily approves this Settlement, and if no Party has exercised any right to withdraw as set forth in this Settlement Agreement, Lead Class Counsel will file a Final Approval Motion consistent with the terms of this Settlement Agreement. Settling Defendants will not oppose the relief sought by the Final Approval Motion as outlined in this Section; however, Settling Defendants will retain the right to file a brief responding to any arguments in support. The Final Approval Motion will seek entry of a proposed Final Order in a form agreed-upon by the Settling Parties that will, among other things, do the following:

1. Certify the Settlement Class and find that all relevant elements of Rule 23 have been satisfied, including the existence of a class pursuant to Rule 23(b)(1) and/or Rule 23(b)(2);
2. Order final approval of the Settlement set forth in this Settlement Agreement and find that the Settlement is fair, reasonable, and adequate to the Settlement Class pursuant to Fed. R. Civ. P. 23(e);
3. Find that the Class Notice is adequate for purposes of Rule 23 and due process;
4. Find that notice to the appropriate state and federal officials has been provided as required by CAFA and that Defendants have satisfied their obligations pursuant to 28 U.S.C. § 1715;
5. Dismiss the Action against Defendants with prejudice;
6. Enter final judgment approving the Settlement Agreement, releasing the Settling Parties and UCB Releasees from the Settled Claims and barring and enjoining the Settling Parties from prosecuting any action against any of the other Settling Parties, UCB Releasees, and their insurers for the Settled Claims;
7. Determine Class Counsel's request(s) for a Fee Award and Expense Award;
8. Retain exclusive jurisdiction, without affecting the finality of the Order entered, regarding: (a) implementation of this Settlement Agreement; (b) disposition of the Settlement Amount; and (c) enforcement and administration of this Settlement Agreement, including the release provisions thereof; and

9. Find as follows: With regard to the release described, the Settling Parties expressly acknowledge certain principles of law applicable in some states, such as Section 1542 of the Civil Code of the State of California, which provides:

A general release does not extend to claims which [a] 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.

The Settling Parties expressly waive all rights related to the Settled Claims under Section 1542 of the Civil Code of the State of California. The Settling Parties acknowledge that they may have claims that are covered by the terms of this Settlement Agreement that they have not yet discovered. The Settling Parties acknowledge that they intend to release any and all such known, unknown, or unsuspected Settled Claims. Notwithstanding the choice of law provision in the Settlement, to the extent that California or other law may be applicable and enforceable, the Settling Parties hereby agree that the provisions of Section 1542 of the Civil Code of the State of California and all similar federal, state, or other jurisdiction's laws, rights, rules, or legal principles that may be applicable here are hereby knowingly and voluntarily waived and relinquished by the Settling Parties.

XI. CONDITIONS OF SETTLEMENT

A. **Court Approval.** Each of the following is an express condition of Settlement: (1) the Court certifies this Action on behalf of the Class defined in this Settlement Agreement pursuant to Fed. R. Civ. P. 23(b)(1) or Fed. R. Civ. P. 23(b)(2); (2) the Court enters a Preliminary Approval Order substantially in the form required by this Settlement Agreement; and (3) the Court enters the Final Order substantially in the form required by this Settlement Agreement.

B. Effect of Court Modification of the Class Definition. In the event that the Court does not certify a Settlement Class that is substantially similar to the definition set forth in this Settlement Agreement, Lead Class Counsel and Defendants shall each have the right to void this Settlement so long as notice of the exercise of such right is provided to the Court and the opposing Party within 14 calendar days after the date on which the Court enters the order establishing the non-conforming Class definition.

C. Effect of Certification under Fed. R. Civ. P. 23 with Opt-Out Rights. In the event the Court certifies the Settlement Class under Fed. R. Civ. P. 23 in such a way that permits persons who otherwise would be included in the Class to exclude themselves, Defendants shall have the unilateral right (as their sole remedy) to withdraw from the Settlement and resume the litigation if more than 5% of the Class submit valid and timely requests for exclusion. To exercise the right of withdrawal under this paragraph, Defense Counsel must notify Lead Class Counsel in writing no later than 14 calendar days after the end of the exclusion period. The written notice contemplated in this paragraph must be sent via e-mail to Lead Class Counsel.

D. Accuracy of Defendants' Class Information. Each of the following is an express condition of Settlement: (1) Defendants' representation that no more than 209 participants in the Plan (excluding beneficiaries, spouses, or alternate payees of such participants) met the Class Definition in the Complaint is precisely accurate; and (2) the material accuracy of the participant data with respect to the 203 participant Class Members described in the Recitals of this Agreement provided by Defendants to Lead Class Counsel on May 2, 2016. The participant data in (2) will be deemed materially incorrect if the correct participant data would result in no more than a 7.5% aggregate increase in the Class Members' aggregate accrued benefits (using the methodology of the proposed Plan of Allocation) as compared to the

participant data previously provided by Defendant to Class Counsel on May 2, 2016. To exercise the right of withdrawal under this paragraph, Lead Class Counsel must notify Defense Counsel in writing via email at the addresses listed under their names and signatures on this Settlement Agreement.

E. Effectiveness of Notice of Termination. If notice of termination pursuant to this Section XI is provided (“Notice of Termination”), such Notice of Termination will become effective to void the Settlement unless the Settling Parties reach a written agreement within forty-five (45) calendar days of the Notice of Termination to modify this Settlement Agreement to resolve the issue.

F. Effect of Termination. If a Notice of Termination becomes effective to void the Settlement: (1) the Settling Parties will not be released from the claims asserted in this Action; (2) both this Settlement Agreement and the Agreement in Principle shall be void *ab initio*; and (3) the Parties’ positions, rights, and responsibilities shall be deemed to have reverted to their respective status in this Action as of July 25, 2016, and, except as may otherwise be expressly provided herein, the Settling Parties shall proceed in all respects as if this Settlement Agreement and the Agreement in Principle never existed.

G. Non-Conditional Matters. Court approval of the Fee Award or the Expense Award is not a condition of the Settlement. No action by the Court or any courts of appeal related to the Fee Award or the Expense Award shall prevent the Final Order approving the Settlement from becoming Non-Appealable.

XII. NOTICE UNDER THE CLASS ACTION FAIRNESS ACT

A. CAFA Notice. Pursuant to CAFA, Defendants, at their own expense, shall prepare and provide the CAFA Notice as specified by 28 U.S.C. § 1715.

B. **CAFA Notice Provided To Class Counsel.** Defendants Counsel will provide Lead Class Counsel with a copy of the CAFA Notices and materials within five business days after such notices have been sent.

XIII. RELEASES

Upon the effective date of the Final Order becoming Non-Appealable, and provided that each Party has performed all of the respective obligations under this Settlement Agreement to be performed on, or prior to, such date by such Party:

A. **Release of Defendants and UCB Releasees by Plaintiffs and the Class.**

Plaintiffs and all Class Members shall release the Settling Defendants and the UCB Releasees of all claims (whether asserted or unasserted) arising out of the events alleged in the Complaint or the events alleged in the administrative claims brought by Plaintiffs, including any claims for attorneys' fees, costs, expenses, or sanctions.

B. **Release of Plaintiffs and the Class by Defendants.**

Defendants shall release Plaintiffs and the Class of all claims that were or could have been asserted arising out of the facts or claims asserted in the Complaint, including any recoupment claims and any claims for attorneys' fees, costs, expenses, incentive awards, or sanctions.

C. **Non-Released Claims.**

Notwithstanding the foregoing or any other language in this Settlement Agreement, the Settling Parties are not releasing claims to enforce this Settlement Agreement or any claims concerning the validity of this Settlement Agreement.

XIV. MISCELLANEOUS PROVISIONS

A. **Return of Confidential Information.**

Within 90 calendar days of the Final Order becoming Non-Appealable, Lead Class Counsel will ensure that any Plaintiff or consultant who has received any Class Member Data (as defined in the Parties' April 5, 2016

Confidentiality Agreement Regarding Mediation) has destroyed such materials and upon request by Defendants' counsel will provide written confirmation to the producing Party that the Class Member Data has been destroyed. Notwithstanding any provision in the Parties' April 5, 2016 Confidentiality Agreement, Lead Class Counsel will be entitled to retain (1) Class Member Data necessary to monitor ongoing compliance with the Settlement and (2) any documents protected by the attorney-client privilege or work product doctrine.

B. Tax Advice Not Provided. No opinion or advice concerning the Tax consequences of the Settlement Agreement has been given or will be given by counsel involved in the Action to the Settlement Class, nor is any representation or warranty in this regard made by virtue of this Settlement Agreement. The Tax obligations of the individual Class Members and the determination thereof are the sole responsibility of each Member of the Settlement Class, and it is understood that the Tax consequences may vary depending on the particular circumstances of each Member of the Settlement Class.

C. Binding Effect. This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors, assigns, executors, administrators, affiliates, heirs, and legal representatives of the Settling Parties and UCB Releasees, provided, however, that no assignment by any Settling Party or UCB Releasee shall operate to relieve such Party of its obligations hereunder.

D. Good Faith. The Settling Parties: (1) acknowledge that it is their intent to consummate this Settlement; (2) agree to exercise their reasonable best efforts and to act in good faith to cooperate to the extent necessary to effectuate and implement all terms and conditions of this Settlement Agreement; and (3) agree to exercise their reasonable best efforts and to act in good faith to cooperate to the extent necessary to obtain the fullest possible participation of all

Class Members in any Settlement. The Settling Parties and their counsel agree to cooperate with one another in seeking entry of the Preliminary Approval and the Final Order approving the Settlement. The Settling Parties also agree to promptly execute and/or provide such documentation as may be reasonably required to obtain Preliminary Approval and Final Approval of this Settlement.

E. **Exhibits.** All of the exhibits attached hereto and identified herein are hereby incorporated by reference as though fully set forth herein.

F. **Modification.** This Settlement Agreement may be amended or modified only by written instrument signed by Lead Class Counsel on behalf of Plaintiffs and the Settlement Class and by Defense Counsel on behalf of Defendants or their respective successors in interest.

G. **Representations.** This Settlement Agreement constitutes the entire agreement among the Settling Parties, and no representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or the Agreement in Principle, other than the representations, warranties, and covenants contained and memorialized in such documents. In the event of any conflicts between this Settlement Agreement, the Agreement in Principle, or any other document, the Settling Parties agree that this Settlement Agreement shall control.

H. **Authorization.** Each signatory to this Settlement Agreement represents that he or she is authorized to enter into this Settlement Agreement on behalf of the respective Parties he or she represents.

I. **Counterparts.** This Settlement Agreement may be executed in one or more original, photocopied, or facsimile counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

J. **Governing Law.** All terms of this Settlement Agreement shall be governed by and interpreted according to the laws of the State of Georgia without regard to its rules of conflicts of law and in accordance with the laws of the United States.

K. **Headings.** The headings in this Settlement Agreement are used for purposes of convenience and ease of reference only and are not meant to have any legal effect, nor are they intended to influence the construction of this Settlement Agreement in any way.

L. **Waiver.** The waiver by one Party of any provision of this Settlement Agreement by any other Party shall not be deemed a waiver of any other provision of this Settlement Agreement. The provisions of this Settlement Agreement may not be waived except by a writing signed by the affected Party, or counsel for that Party.

M. **Continuing Jurisdiction.** The Settling Parties agree to submit to the jurisdiction of the Court and shall be bound by the terms of this Settlement Agreement, including without limitation, disputes related to implementing and enforcing the Settlement embodied in this Settlement Agreement. Any and all such disputes related to the Settlement that are not satisfactorily resolved by the Settling Parties shall be submitted to the Court for final resolution. The Final Order will provide that the Court will have continuing jurisdiction over this Settlement.

N. **No Party Is the Drafter.** The Settlement Agreement is deemed to have been drafted by all Settling Parties hereto, as a result of arm's-length negotiations among the Settling Parties. Whereas all Settling Parties have contributed substantially and materially to this Settlement Agreement, it shall not be construed more strictly against one party than another.

O. **Extensions.** The Settling Parties reserve the right, subject to the Court's approval, to request any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

P. **Final and Complete Resolution.** The Settling Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to this Action. The Settlement comprises claims that are contested and shall not be deemed an admission by any Settling Party as to the merits of any claim or defense. The Settling Parties agree that the Settlement Amount and the other terms of the Settlement were negotiated in good faith at arm's length by the Settling Parties and reflect a settlement that was reached voluntarily after consultation with competent legal counsel.

Q. **Duplicative Provisions.** In interpreting this Settlement Agreement, duplicative and/or overlapping release provisions shall not be presumed nor construed to be intended to release separate claims or to have different meanings. Prior versions of this Settlement Agreement, the Agreement in Principle and the negotiating history of the terms in this Settlement Agreement shall not be used to aid in any interpretation or construction of this Settlement Agreement's terms.

IN WITNESS WHEREOF, the parties hereto intending to be legally bound hereby have caused this Settlement Agreement to be executed by them or their duly authorized counsel on the dates set forth below.

[Signature page follows]

**FOR PLAINTIFFS AHRENS, BARBER, GEIGER, HYLANDER, JOHNSON, MORRIS,
SINGLETON, AND WALKER AND ON BEHALF OF THE SETTLEMENT CLASS**



Joseph Creitz for Joseph Barton

Date: January 16, 2017

R. Joseph Barton Pursuant to telephonic Authority
jbarton@blockesq.com
Block & Leviton LLP
1735 20th Street N.W.
Washington, DC 20009

**FOR PLAINTIFFS AHRENS, BARBER, COTE, GEIGER, HYLANDER, JOHNSON,
MORRIS, SINGLETON, AND WALKER AND ON BEHALF OF THE SETTLEMENT
CLASS**



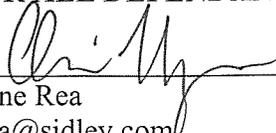
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Date: 1/17/2017

Date: 1/17/2017

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

GREGORY AHRENS, et al.,

Plaintiffs,

v.

UCB HOLDINGS, INC., et al.,

Defendants.

Case No. 1:15-cv-00348-TWT

**UCB HOLDINGS, INC. DEFINED BENEFIT PENSION PLAN
LITIGATION SETTLEMENT PLAN OF ALLOCATION**

1. **The Settlement Amount and Net Settlement Amount.**¹ The Settlement Amount is \$5.5 million in present value terms measured as of July 26, 2016 (with present value determined by applying an interest rate equal to the first segment rate under Internal Revenue Code Section 417(e) for November 2015). The Net Settlement Amount will be the Settlement Amount minus both the Fee Award and the Expense Award as calculated set forth in Section IV.B. of the Settlement Agreement.

2. **Authorized Claimants.** An Authorized Claimant will be any participant in the UCB Plan who both (a) was identified as a class member in the data produced by UCB to Lead Class Counsel on May 2, 2016, and (b) falls within the definition of the Settlement Class (and is not excluded from the Settlement Class definition). There are three groups of Authorized Claimants:

¹ Unless otherwise defined in this Plan of Allocation, capitalized terms have the meanings ascribed to them in the Class Action Settlement Agreement. In all instances of discrepancy or ambiguity in definitions or otherwise, the terms of the Class Action Settlement Agreement shall control.

a. Group 1: Class Members who received a letter in 2011 or 2012 notifying them that their pension benefits under the UCB Plan would not include Pre-Acquisition Service Credit² for years worked at Northampton or Whitby, and who either (i) were in payment status (whether by annuity or prior lump sum) and for whom the monthly annuity was reduced or some amount of a prior payment was returned to UCB or the UCB Plan, or (ii) are individuals with deferred vested pensions for whom the amount of their expected payment was reduced on or after 2011 from an amount that had previously been communicated to them.

b. Group 2: Class Members who received a letter in 2011 or 2012 notifying them that their pension benefits under the UCB Plan would not include Pre-Acquisition Service Credit for years worked at Northampton or Whitby, and who had previously received payment from the UCB Plan reflecting credit for such service but no prior payment was returned to the UCB Plan and no expected payment was reduced under the UCB Plan.

c. Group 3: Class Members who did not receive in 2011 or 2012 a letter described in subparagraphs 2.b and 2.c above, and whose pension benefit under the UCB Plan did not include Pre-Acquisition Service Credit for years worked at Northampton or Whitby (*i.e.*, Class Members not included in Groups 1 or 2).

² Service and Service Credit refers to the amount of service that would have been credited under the UCB Plan regardless of whether UCB owned Northampton or Whitby and assuming that the Plan credited all Periods of Service at Northampton or Whitby. Pre-Acquisition refers to the time before UCB acquired Northampton or Whitby.

3. **Recognized Claim For Purposes of Allocating the Net Settlement Amount.**

Each Authorized Claimant's pro rata percentage of the Net Settlement Amount will be determined based upon each Authorized Claimant's Recognized Claim.³

a. Group 1: For purposes of allocating and distributing the Net Settlement Amount, the Recognized Claim for Authorized Claimants in Group 1 will be based on 100% of the participants' period of Pre-Acquisition Service at Northampton or Whitby.

b. Group 2: For purposes of allocating and distributing the Net Settlement Amount, the Recognized Claim for Authorized Claimants in Group 2 will be zero. The Authorized Claimants in Group 2 will not receive any payment or allocation from the Net Settlement Amount, but the UCB Plan will be amended to recognize that the prior amount of benefit payments that these individuals already received was paid consistent with the terms of the UCB Plan.

c. Group 3: For purposes of allocating and distributing the Net Settlement Amount, the Recognized Claim for Authorized Claimants in Group 3 will be calculated as follows: The Recognized Claim will be based on a minimum of 50% of the participant's actual years of Pre-Acquisition Service, plus an additional 3% for each full year of post-acquisition service completed with UCB after the first year and prior to January 1, 2006, with a maximum of 75% of their Pre-Acquisition Service credited. For example, for Authorized Claimants in Group 3 with less than two full years of post-acquisition Service prior to January 1, 2006, their Recognized Claim will be based on

³ The Recognized Claim formula is neither an estimate of the amount that an Authorized Claimant might have been able to recover after a trial nor an estimate of the amount that actually will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Amount will be proportionately allocated among the Authorized Claimants.

50% of their Pre-Acquisition Service; for Authorized Claimants in Group 3 with two years or more of post-acquisition Service but less than three years of post-acquisition Service prior to January 1, 2006, their Recognized Claim will be based on 53% of Pre-Acquisition Service; for Authorized Claimants in Group 3 with three years or more of post-acquisition service but less than four years of post-acquisition service prior to January 1, 2006, their Recognized Claim will be based on 56% of Pre-Acquisition Service.

4. **Allocation of Net Settlement Amount Among Authorized Claimants.** The Net Settlement Amount will be allocated among Authorized Claimants on a pro rata basis by first dividing the present value of each Authorized Claimant's Recognized Claim as of July 26, 2016 by the total dollar value of the present value of all Recognized Claims for all Authorized Claimants as of July 26, 2016.⁴ This calculation will result in a percentage of the Net Settlement Amount for each Authorized Claimant.⁵ The dollar amount to be allocated with respect to each Authorized Claimant will be referred to as the "Allocated Claim." The Allocated Claim for each Authorized Claimant will be equal to that Authorized Claimant's percentage of the Net Settlement Amount multiplied by the Net Settlement Amount as of July 26, 2016.⁶ For example, if an Authorized Claimant's percentage of the Net Settlement Amount is 2%, and the Net

⁴ As the Recognized Claims for purposes of allocating and distributing the Net Settlement Amount for the Group 2 Class Members is zero, as practical matter, this will result in an allocation and an Allocated Claim for Class Members in Group 1 and Group 3 only.

⁵ Appendix A to this Plan of Allocation sets forth the Settling Parties' agreement as to the percentage of the Net Settlement Amount for each Authorized Claimant applying the formula described in this Plan of Allocation. The participant ID numbers in Appendix A match the data produced by UCB to Lead Class Counsel on May 2, 2016.

⁶ Lead Class Counsel will provide the Allocated Claim for each Authorized Claimant to Defendants expressed as a lump sum.

Settlement Amount is \$3,850,000, then that Authorized Claimant's Allocated Claim will be \$77,000 expressed as a lump sum as of July 26, 2016.

5. **Distributions to Authorized Claimants.** The distribution of Allocated Claims to Authorized Claimants in Group 1 or Group 3 will be made by or through the UCB Plan as provided in the Class Action Settlement Agreement.

APPENDIX A
TO
UCB, INC. DEFINED BENEFIT PENSION PLAN LITIGATION SETTLEMENT
PLAN OF ALLOCATION

Participant ID	Authorized Claimant Group (Group 1, 2, or 3)	Percentage of Net Settlement Amount
1	Group 1	0.912%
3	Group 1	0.384%
4	Group 1	0.984%
5	Group 1	0.012%
6	Group 1	0.161%
7	Group 1	0.323%
8	Group 1	0.139%
9	Group 1	0.158%
10	Group 1	1.400%
11	Group 1	2.047%
12	Group 1	1.266%
13	Group 1	1.269%
14	Group 1	1.443%
15	Group 1	0.595%
16	Group 1	0.948%
17	Group 1	0.762%
18	Group 1	0.796%
19	Group 1	1.353%
20	Group 1	2.481%
21	Group 1	0.849%
22	Group 1	0.305%
23	Group 1	1.450%
24	Group 1	1.054%
25	Group 1	0.685%
26	Group 1	0.554%
27	Group 1	0.217%
28	Group 1	0.236%
29	Group 1	0.647%
30	Group 1	1.770%
31	Group 1	0.653%
32	Group 1	0.849%
33	Group 1	0.142%
34	Group 1	0.169%
35	Group 1	0.436%

36	Group 1	0.620%
37	Group 1	0.707%
38	Group 1	1.013%
39	Group 1	0.445%
40	Group 1	0.945%
41	Group 1	0.234%
42	Group 1	0.318%
43	Group 1	0.674%
45	Group 1	0.753%
46	Group 1	1.120%
47	Group 1	0.469%
48	Group 1	2.257%
49	Group 1	0.500%
50	Group 1	0.111%
51	Group 1	0.648%
52	Group 1	0.754%
53	Group 2	0.000%
54	Group 2	0.000%
55	Group 2	0.000%
56	Group 2	0.000%
57	Group 2	0.000%
58	Group 1	1.056%
59	Group 1	1.112%
60	Group 1	0.035%
61	Group 1	0.354%
62	Group 1	0.399%
63	Group 2	0.000%
64	Group 1	0.034%
65	Group 1	1.161%
66	Group 3	1.980%
67	Group 3	0.218%
68	Group 3	0.033%
69	Group 3	0.610%
70	Group 3	0.243%
71	Group 3	0.282%
72	Group 3	0.114%
73	Group 3	0.533%
74	Group 3	0.347%
75	Group 3	0.008%
76	Group 3	0.185%
77	Group 3	0.174%

78	Group 3	0.186%
79	Group 3	0.515%
80	Group 3	0.080%
81	Group 3	0.242%
82	Group 3	0.191%
83	Group 3	1.021%
84	Group 3	0.428%
85	Group 3	0.208%
86	Group 3	0.143%
87	Group 3	0.104%
88	Group 3	0.273%
89	Group 3	0.217%
90	Group 3	0.070%
91	Group 3	0.255%
92	Group 3	0.055%
93	Group 3	0.061%
94	Group 3	0.213%
95	Group 3	0.180%
96	Group 3	1.178%
97	Group 3	0.159%
98	Group 3	0.195%
99	Group 3	0.097%
100	Group 3	0.187%
101	Group 3	0.544%
102	Group 3	0.153%
103	Group 3	0.051%
104	Group 3	0.308%
105	Group 3	0.039%
106	Group 3	0.240%
107	Group 3	1.243%
108	Group 3	0.211%
109	Group 3	0.065%
110	Group 3	0.305%
111	Group 3	0.322%
112	Group 3	0.105%
114	Group 3	0.473%
115	Group 3	0.373%
116	Group 3	1.187%
117	Group 3	0.096%
118	Group 3	0.398%
119	Group 3	0.483%

120	Group 3	0.730%
123	Group 3	0.518%
124	Group 3	0.530%
125	Group 3	1.018%
126	Group 3	0.106%
127	Group 3	0.005%
128	Group 3	0.387%
129	Group 3	0.190%
130	Group 3	0.067%
131	Group 3	0.086%
132	Group 3	0.501%
133	Group 3	0.854%
134	Group 3	3.090%
135	Group 3	3.823%
136	Group 3	1.482%
137	Group 3	0.008%
138	Group 3	0.306%
139	Group 3	0.007%
140	Group 3	0.105%
141	Group 3	0.179%
142	Group 3	0.195%
143	Group 3	0.327%
144	Group 3	0.147%
145	Group 3	0.028%
146	Group 3	0.113%
147	Group 3	0.069%
148	Group 3	0.230%
149	Group 3	0.357%
150	Group 3	0.050%
151	Group 3	0.077%
152	Group 3	0.090%
153	Group 3	0.173%
154	Group 3	0.428%
155	Group 3	0.416%
156	Group 3	0.484%
157	Group 3	0.934%
158	Group 3	0.267%
159	Group 3	0.047%
160	Group 3	0.337%
161	Group 3	0.093%
162	Group 3	0.797%

164	Group 3	0.099%
165	Group 3	0.112%
166	Group 3	0.162%
167	Group 3	0.212%
168	Group 3	0.087%
169	Group 3	1.614%
170	Group 3	0.034%
171	Group 3	0.317%
172	Group 3	0.049%
173	Group 3	0.099%
174	Group 3	0.437%
175	Group 3	0.085%
176	Group 3	0.565%
177	Group 3	0.367%
178	Group 3	0.166%
179	Group 3	0.080%
180	Group 3	0.278%
181	Group 3	0.186%
182	Group 3	0.248%
183	Group 3	0.100%
184	Group 3	0.134%
185	Group 3	0.087%
186	Group 3	0.135%
187	Group 3	0.116%
188	Group 3	0.409%
189	Group 3	0.315%
190	Group 3	0.265%
191	Group 3	2.685%
192	Group 3	4.357%
193	Group 3	0.674%
194	Group 3	0.028%
195	Group 3	0.025%
196	Group 3	0.604%
197	Group 3	0.014%
198	Group 3	0.015%
199	Group 3	0.056%
200	Group 3	0.019%
201	Group 3	1.277%
202	Group 3	0.087%
203	Group 3	2.225%
204	Group 3	0.086%

205	Group 3	0.042%
206	Group 3	0.014%
207	Group 3	0.152%
208	Group 3	0.423%
209	Group 3	0.059%