

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

|                            |   |                                    |
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| _____                      | X |                                    |
| In re ALSTOM SA SECURITIES | : | Master File No. 03-CV-6595-VM(GWG) |
| LITIGATION                 | : |                                    |
|                            | : | <u>CLASS ACTION</u>                |
| _____                      | : |                                    |
| This Document Relates To:  | : | SETTLEMENT AGREEMENT               |
|                            | : |                                    |
| ALL ACTIONS.               | : |                                    |
|                            | : |                                    |
| _____                      | X |                                    |

Lead Plaintiff International Brotherhood of Electrical Workers, Local 269, on behalf of the Class and Defendants Alstom SA, Alstom USA, Inc. Alstom Transportation Inc., Pierre Bilger, Francois Newey, Stephan Rambaud-Measson and Joseph Janovec (collectively, the “Parties,” and each one individually a “Party,”) by and through their respective undersigned attorneys, submit this stipulation and agreement of settlement (the “Stipulation”), dated April 8, 2011. The Stipulation is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims, upon and subject to the terms and conditions hereof and subject to the approval of the Court.

## **I. THE LITIGATION**

On or after August 29, 2003, putative securities class action lawsuits were filed by plaintiffs on behalf of themselves and all Persons who purchased Alstom securities in the United States District Court for the Southern District of New York (the “Court”), entitled *Abramsky v. Alstom SA, et al.*, 03-CV-6595 (VM), *Rosenbaum Partners v. Alstom SA, et al.*, 03-CV-6701 (VM), *Soyugenc v. Alstom SA, et al.*, 03-CV-7777 (GMC), *Shelby v. Alstom SA, et al.*, 03-CV-8059 (VM), *San Diego City Employees’ Retirement System, et al. v. Alstom SA, et al.*, 03-CV-8515 (VM), and *Allen v. Alstom SA, et al.*, 03-CV-8549 (VM); and in the United States District Court for the District of Connecticut, entitled *International Brotherhood of Electrical Workers, Local 269 v. Alstom SA, et al.*, 03-CV-1480 (MRK), and *State Universities Retirement System of Illinois, et al. v. Alstom SA, et al.*, 03-CV-1650 (CFD) (collectively, the “Securities Actions”).

By Order dated January 7, 2004, the Court consolidated the Securities Actions in the Southern District of New York under the caption *In re Alstom SA Securities Litigation*, Master File No. 03-CV-6595 (VM) (the “Consolidated Action”), and appointed as Co-Lead Plaintiffs San Diego City Employees’ Retirement System, State Universities Retirement System of Illinois, Louisiana State Employees’ Retirement System, West Virginia Investment Management Board and

International Brotherhood of Electrical Workers, Local 269 (the “Original Lead Plaintiffs”), and as Co-Lead Counsel the firms of Robbins Geller Rudman & Dowd LLP, Grant & Eisenhofer P.A. and Bernstein Litowitz Berger & Grossmann LLP.

The Original Lead Plaintiffs filed a Consolidated Amended Complaint on June 18, 2004. The complaint alleged violations of §10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), Rule 10b-5 promulgated thereunder, and §20(a) of the Exchange Act on behalf of the Class. Defendants moved to dismiss the Complaint, which motion was opposed by the Original Lead Plaintiffs. On December 22, 2005, the Court issued an Order granting in part and denying in part the motions to dismiss. On March 14, 2006, the Original Lead Plaintiffs filed their Second Consolidated Amended Complaint for Violations of the Federal Securities Laws . By order dated September 29, 2006, the Court reinstated certain claims. On November 28, 2006, the Original Lead Plaintiffs filed their Revised Second Consolidated Amended Complaint. On December 10, 2007, the Court dismissed the claims of Lead Plaintiff San Diego City Employees’ Retirement System. By order dated August 26, 2008, the Court granted in part and denied in part the Original Lead Plaintiffs’ Motion for Class Certification.

Following the closure of fact discovery, the Parties agreed to mediate before David Geronemus of JAMS, and attended a full-day mediation with Mr. Geronemus on June 15, 2010, but were unable to reach an agreement. Following the Supreme Court’s issuance of its opinion in *Morrison v. National Australia Bank Ltd.*, 130 S. Ct. 2869 (2010), and upon motion by Defendants, the Court dismissed the claims of all purchasers of Alstom securities made on exchanges outside of the United States by Decision and Order dated September 13, 2010. On November 30, 2010, the Court dismissed the Original Lead Plaintiffs State Universities Retirement System of Illinois, Louisiana State Employees’ Retirement System and West Virginia Investment Management Board,

leaving only International Brotherhood of Electrical Workers, Local 269 as the only Lead Plaintiff with surviving claims. Following further negotiations, the Parties reached an agreement-in-principle to resolve the litigation on the grounds set forth herein.

## **II. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT**

Surviving Lead Plaintiff IBEW and Co-Lead Counsel believe that the surviving claims asserted in the Consolidated Action have merit and that the evidence developed to date supports the claims. However, Lead Plaintiff IBEW and Co-Lead Counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Consolidated Action against the Defendants through trial and through appeals. Lead Plaintiff IBEW and Co-Lead Counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Consolidated Action, as well as the risks posed by the difficulties and delays inherent in such litigation. Lead Plaintiff IBEW and Co-Lead Counsel also are mindful of the defenses to the securities law violations asserted in the Consolidated Action, as well as the current procedural posture of the case. Lead Plaintiff IBEW and Co-Lead Counsel believe that the Settlement set forth in the Stipulation confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiff IBEW and Co-Lead Counsel have determined that the Settlement set forth in the Stipulation is in the best interests of the Class.

## **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

The Defendants have denied and continue to deny each and all of the claims and contentions alleged in the Consolidated Action. The Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Consolidated Action. The Defendants also have denied and continue to deny, *inter alia*, the allegations that any of Defendants' public

statements were deficient in any respect; that any plaintiff or Class Member has suffered damage; or that the price of Alstom securities was artificially inflated by reason of alleged misrepresentations, non-disclosures or omissions. Defendants assert that they are entering into the Settlement in order to eliminate the burden, distractions, expense, time and uncertainty of further litigation.

#### **IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Parties through their undersigned attorneys of record in this Consolidated Action, being fully authorized to enter into this Settlement Agreement and subject to Court approval under Fed. R. Civ. P. 23(e), in consideration of the benefits flowing to the Parties from the Settlement, each of the Released Claims shall be finally and fully compromised, settled and released, and the Consolidated Action shall be dismissed with prejudice, as to all Parties, upon and subject to the terms and conditions of this Stipulation, as follows:

##### **1. Definitions**

As used in the Stipulation the following terms have the meanings specified below:

1.1 “Alstom” means Alstom SA and its past and current parents, subsidiaries, divisions, affiliates, successors, and assigns.

1.2 “Authorized Claimant” means any Class Member who submits a timely and valid Proof of Claim and Release form and whose claim for recovery has been allowed pursuant to the terms of the Stipulation.

1.3 “Claims Administrator” means the firm of Gilardi & Co. LLC. The Defendants shall have no involvement in the retention of the Claims Administrator or any other claims administrator.

1.4 “Class” means: all purchasers of Alstom American Depository Shares (“ADSs”) on the New York Stock Exchange during the Class Period, and U.S. residents who purchased Alstom

ordinary shares on non-United States exchanges during the Class Period. Excluded from the Class are Defendants, their officers and directors during the Class Period, the members of their immediate families, and their respective representatives, heirs, successors or assigns, as well as any entity in which Defendants have or had a controlling interest.

1.5 “Class Distribution Order” means an order entered by the Court authorizing and directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized Claimants.

1.6 “Class Member” means a Person who falls within the definition of the Class as set forth in ¶1.4 of this Stipulation.

1.7 “Class Period” means the period between August 3, 1999 through August 6, 2003, inclusive.

1.8 “Co-Lead Counsel” means Robbins Geller Rudman & Dowd LLP, Mark Solomon, Thomas E. Egler, Ellen Gusikoff Stewart, 655 West Broadway, Suite 1900, San Diego, CA 92101; Bernstein Litowitz Berger & Grossmann LLP, William C. Fredericks, 1285 Avenue of the Americas, 38th Floor, New York, NY 10019; and Grant & Eisenhofer, P.A., Jay W. Eisenhofer, Geoffrey C. Jarvis, 1201 North Market Street, Suite 2100, Wilmington, DE 19801.

1.9 “Defendants” means Alstom SA, Alstom USA, Inc., Alstom Transportation Inc., Pierre Bilger, Francois Newey, Stephan Rambaud-Measson and Joseph Janovec.

1.10 “Defendants’ Counsel” means the following: Hughes Hubbard & Reed LLP, Katten Muchin Rosenman, LLP, and Steptoe & Johnson, LLP.

1.11 “Effective Date” means the first date by which all of the events and conditions specified in ¶7.1 of the Stipulation have been met and have occurred, and on which the Settlement described in this Stipulation shall become effective.

1.12 “Escrow Agent” means Robbins Geller Rudman & Dowd LLP, Bernstein Litowitz Berger & Grossmann LLP, Grant & Eisenhofer, P.A. and any of their respective successor(s).

1.13 “Final” means when the last of any of the following with respect to the Judgment shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken; and (iii) if a motion to alter or amend is filed or if an appeal is taken, the determination of that motion or appeal in such a manner as to permit the consummation of the Settlement, in accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an “appeal” shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal which concerns only the issue of attorneys’ fees and expenses or any plan of allocation of the Settlement Fund.

1.14 “Insurers” means the insurance companies that issued directors’ and officers’ insurance policies covering the claims asserted in the Consolidated Action, namely Chubb France Compagnie d’Assurances, AIG Europe, XL Europe Ltd., AXA Corporate Solutions Assurance SA, Zurich Insurance PLC, ACE European Group Limited, Houston Casualty Company Seguros and Reseguros SA, Liberty Mutual Insurance Company (UK) Limited, Great Lakes Reinsurance (UK) PLC, Division: Munich – American Risk Partners.

1.15 “Judgment” means the proposed final judgment and order of dismissal with prejudice to be rendered by the Court upon approval of the Settlement, substantially in the form attached hereto as Exhibit B.

1.16 “Lead Plaintiff” means the International Brotherhood of Electrical Workers, Local 269.

1.17 “Person” means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and his, her or its spouses, heirs, predecessors, successors, representatives, or assignees.

1.18 “Plaintiffs’ Counsel” means any counsel who appeared on behalf of any plaintiff in the Consolidated Action.

1.19 “Plan of Allocation,” as further defined in the Notice of Pendency and Proposed Settlement of Class Action, means a plan or formula of allocation of the Net Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of expenses of notice and administration of the Settlement, Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses, and interest and other expenses as may be awarded by the Court. Any Plan of Allocation is not part of the Stipulation and the Released Persons shall have no responsibility or liability with respect thereto.

1.20 “Released Claims” means all rights, demands, claims, whether known or unknown (including, but not limited to, “Unknown Claims”), and causes of action of every nature and description, in law or equity, whether arising under federal, state, local, statutory or common law, foreign law, or other law, rule or regulation, whether fixed or contingent, liquidated or un-liquidated, matured or un-matured, accrued or unaccrued, that were asserted or could have been asserted in the Securities Actions, the Consolidated Action or any other action or forum by Plaintiffs or Class Members against the Released Persons including without limitation, all claims arising out of, or relating to, directly or indirectly, in whole or in part, any of the claims, facts, circumstances, matters, allegations, transactions, events, disclosures, statements, acts or omissions which were alleged or that could have been alleged in the Securities Actions or the Consolidated Action, and that relate to

the purchase or acquisition of Alstom ADSs or Alstom ordinary shares during the Class Period by any Class Members. Released Claims, however, do not include claims to enforce the Settlement. With respect to Class Members who purchased Alstom ordinary shares on non-United States exchanges, Released Claims include only claims or causes of actions arising under United States (whether federal, state, local, statutory, common or other) law. For Class Members who purchased Alstom ordinary shares on non-United States exchanges, Released Claims do not include claims or causes of actions arising under non-United States law.

1.21 “Released Persons” means the Defendants, the Insurers, Alcatel SA, Marconi PLC, Credit Suisse First Boston (Europe) Ltd., Société Générale, Merrill Lynch International, ABN AMRO Rothschild, BNP Paribas SA, Credit Agricole Indosuez Lazard Capital Markets, Morgan Stanley & Co. International Ltd., UBS A.G., Philippe Jaffre, Patrick Kron, James Milner, William Purves, Klaus Esser, John Mayo, Lord George Simpson, Serge Tchuruk and Jean-Pierre Halbron, and each and all of their respective present and former parents, subsidiaries, affiliates (as defined in 17 C.F.R. §210.1-02(b)), predecessors, successors, and assigns, and each and all of their present or former general or limited partners and partnerships, joint venturers, directors, officers, principals, employers, employees, shareholders, members, attorneys, insurers, reinsurers, accountants, consultants, financial advisors, investment bankers, commercial bank lenders, agents, representatives, associates, successors, spouses, personal representatives, executors, administrators, successors, heirs and assignees of each of the foregoing.

1.22 “Settlement Amount” means Six Million Nine Hundred and Fifty Thousand Dollars (US \$6,950,000) in cash, to be paid by means of wire transfer to the Escrow Agent pursuant to ¶2.1 of this Stipulation.

1.23 “Settlement Class” means the Class, excluding those Persons who submit timely and valid requests for exclusion from the Class.

1.24 “Settlement Fund” means the Settlement Amount, together with all interest and income earned thereon.

1.25 “Supplemental Settlement Agreement” means the confidential Supplemental Settlement Agreement, dated April 8, 2011, by and among the Parties, providing certain additional terms upon which Alstom may terminate the Stipulation.

1.26 “Unknown Claims” means any and all Released Claims which any Settlement Class member (including Lead Plaintiff) does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, might have affected his, her or its decision to enter into this settlement with and release of the Released Persons, or might have affected his, her or its decision not to object to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiff shall expressly waive, and each Settlement Class member shall be deemed to have expressly waived, by operation of the Judgment, to the fullest extent permitted by law any and all provisions, rights, and benefits of California Civil Code §1542, which provides:

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

Lead Plaintiff shall expressly waive and each Class Member shall be deemed by operation of the Judgment to have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or international or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542. It is understood that the Lead Plaintiff and the Settlement Class members may hereafter discover facts in addition to

or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiff shall expressly fully, finally and forever settle and release, and each Settlement Class member, shall be deemed by operation of the Judgment to have, fully, finally, and forever settled and released, upon the occurrence of the Effective Date, any and all Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, and whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or may come into existence in the future, including, but not limited to, conduct that is negligent, grossly negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties acknowledge, and the Settlement Class members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

**2. The Settlement**

**a. The Settlement Fund**

2.1 In consideration of the settlement of the Released Claims against the Defendants, Alstom and/or its insurer shall cause the payment of the Settlement Amount to be transferred to the Escrow Agent within ten (10) business days following entry of an Order preliminarily approving the Settlement. These funds, together with any interest and income earned thereon, shall constitute the Settlement Fund. Upon deposit of the Settlement Amount, a sum not to exceed Five Hundred Thousand Dollars (\$500,000) shall be allocated for the express purposes of providing notice to the Class and to administer the Settlement (the "Notice and Administration Fund") pursuant to the terms of the Notice Order, and unspent funds shall be returned to the Settlement Fund. Funds may be

disbursed from the Notice and Administration Fund for these purposes without further approval of Defendants or the Court. The Notice and Administration Fund shall be administered by the Escrow Agent as part of the Settlement Fund. Upon the Effective Date, Co-Lead Counsel, without further approval of Defendants or the Court, may pay from the Settlement Fund any notice and administration costs associated with the administration of the Settlement, the processing of submitted claims, and distribution of the Net Settlement Fund to Authorized Claimants in excess of the Notice and Administration Fund.

2.2 In order to facilitate the timely payment of the principal amount by Alstom (or on behalf of Alstom), Co-Lead Counsel shall provide to Alstom complete payment instructions for making said payment by wire, including any necessary tax forms and/or other information, as soon as practicable after the execution of the Stipulation.

**b. The Escrow Agent**

2.3 The Escrow Agent shall invest the Settlement Fund deposited pursuant to ¶2.1 hereof in United States Treasury Bills (or a mutual fund invested solely in such instrument) and shall collect and reinvest all interest accrued thereon. Any funds held in the Settlement Fund in an amount of less than \$100,000 may be invested in money market mutual funds comprised exclusively of investments secured by the full faith and credit of the United States Government or fully insured by the United States. All risks related to the investment of the Settlement Fund shall be borne by the Settlement Fund and not by any of the Defendants.

2.4 The Escrow Agent shall not disburse the Settlement Fund except (a) in order to pay up to \$500,000 for notice and administration costs pursuant to ¶2.1, (b) as provided in the Stipulation, (c) as provided in the Plan of Allocation, (d) by an order of the Court, or (e) with the written agreement of counsel for the Parties.

2.5 Subject to further order(s) and/or directions as may be made by the Court, or as provided in the Stipulation, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Stipulation. The Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the actions of the Escrow Agent, or any transaction executed by the Escrow Agent.

2.6 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the Court's jurisdiction, until such time as such funds shall be distributed pursuant to the Stipulation and/or further Court order(s).

2.7 Prior to the Effective Date, Defendants' Counsel shall have access to all records of the escrow account, and upon request made to the Escrow Agent, shall receive copies of all records of disbursements, deposits and statements of accounts.

**c. Taxes**

**2.8 Qualified Settlement Fund**

(a) The Parties agree to treat the Settlement Fund as being at all times a "Qualified Settlement Fund" within the meaning of Treasury Regulation §1.468B-1. In addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry out the provisions of this ¶2.8, including the "relation-back election" (as defined in Treasury Regulation §1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

(b) For the purpose of §468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the "administrator" shall be the Escrow Agent. Co-

Lead Counsel shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treasury Regulation §1.468B-2(k)). Such returns (as well as the election described in ¶2.8(a) hereof) shall be consistent with this ¶2.8 and in all events shall reflect that all Taxes (including any estimated Taxes, interest, or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶2.8(c) hereof.

(c) All (i) Taxes (including any estimated Taxes, interest, or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon the Parties or their counsel with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “Qualified Settlement Fund” for federal or state income tax purposes (“Taxes”), and (ii) expenses and costs incurred in connection with the operation and implementation of this ¶2.8 (including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in this ¶2.8) (“Tax Expenses”), shall be paid out of the Settlement Fund; in all events the Parties and their counsel shall have no liability or responsibility for the Taxes or the Tax Expenses. The Settlement Fund shall indemnify and hold each of the Released Persons and their counsel harmless for Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order from the Court and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well

as any amounts that may be required to be withheld under Treasury Regulation §1.468B-2(1)(2)); neither the Defendants nor their counsel are responsible nor shall they have any liability therefor. The Parties hereto agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this ¶2.8.

(d) For the purpose of this ¶2.8, references to the Settlement Fund shall include both the Settlement Fund and any earnings thereon.

**d. Termination of Settlement**

2.9 In the event that the Stipulation is not approved or the Stipulation is terminated, canceled, or fails to become effective for any reason, the Settlement Fund (including accrued interest) less expenses actually incurred or due and owing for notice and administrative costs pursuant to ¶2.1 or ¶2.8, shall be refunded to Defendants pursuant to written instructions from Alstom's counsel.

**3. Notice Order and Settlement Hearing**

3.1 Promptly after execution of the Stipulation, the Parties shall submit the Stipulation together with its exhibits (the "Exhibits") to the Court and shall apply for entry of an order (the "Notice Order"), substantially in the form of Exhibit A attached hereto, requesting, *inter alia*, the preliminary approval of the Settlement set forth in the Stipulation, and approval of the mailing of a settlement notice (the "Notice") and publication of a summary notice (the "Summary Notice"), in the forms of Exhibits A-1 and A-3 attached hereto. The Notice shall include the general terms of the Settlement set forth in the Stipulation, the proposed Plan of Allocation, the general terms of the Expense Application, and the date of the Settlement Hearing.

3.2 Co-Lead Counsel shall request that after notice is given to the Class, the Court hold a hearing (the "Settlement Hearing") and approve the Settlement of the Consolidated Action as set

forth herein. At or after the Settlement Hearing, Co-Lead Counsel also shall request that the Court approve the proposed Plan of Allocation and the Expense Application.

**4. Releases and Covenant Not to Sue**

4.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition of the Consolidated Action and any and all Released Claims against any and all Released Persons.

4.2 Upon the Effective Date, Lead Plaintiff and each of the Settlement Class members, on behalf of themselves and each of their past or present officers, directors, shareholders, employees, agents, representatives, general or limited partners, managers, members, affiliates, parents, subsidiaries, heirs, executors, administrators, predecessors, agents, representatives, successors and assigns, and any Persons they represent, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged against the Released Persons (whether or not such Settlement Class members execute and deliver the Proof of Claim and Release forms) all Released Claims (including Unknown Claims), as well as any other claims arising out of, relating to, or in connection with the defense, settlement, or resolution of the Consolidated Action or the Released Claims.

4.3 Upon the Effective Date, Lead Plaintiff and each Settlement Class member, together with their respective predecessors, successors, agents, representatives, attorneys and affiliates, and the heirs, executors, administrators, successors and assigns of each of them, directly or indirectly, individually, derivatively, representatively, or in any other capacity, shall be permanently barred and enjoined from the assertion, institution, maintenance, prosecution, or enforcement against Defendants, or any other Released Persons, in any state, federal or foreign court or arbitral forum, of any and all Released Claims (including Unknown Claims), as well as any other claims arising out of,

relating to, or in connection with, the defense, settlement, or resolution of the Consolidated Action or the Released Claims.

4.4 The Proof of Claim and Release form to be executed by Class Members shall release all Released Claims against the Released Persons, and shall be in the form contained in Exhibit A-2 attached hereto.

4.5 Upon the Effective Date, each of the Released Persons, on behalf of themselves and their predecessors, successors, agents, legal representatives, heirs, executors, administrators, and assigns shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged each and all of the current or former Lead Plaintiffs, Class members, and Plaintiffs' Counsel (including specifically Co-Lead Counsel) from all claims (including Unknown Claims) arising out of, relating to, or in connection with, the institution, prosecution, assertion, settlement, or resolution of the Consolidated Action or the Released Claims; *provided, however*, any claim arising out of the violation or breach of this Stipulation is excepted.

4.6 Upon the Effective Date, each Defendant shall release and forever discharge, and shall forever be enjoined from prosecuting against each of the other Defendants, any claim (including Unknown Claims) accrued or unaccrued, arising from, related to, or in connection with any acts, transactions or occurrences alleged or that could have been alleged in the Consolidated Action, including without limitation claims for indemnification, contribution or reimbursement of amounts paid in settlement or defense costs (however denominated) arising under the federal securities laws, state law or common law. However, notwithstanding the foregoing sentence or any other provision in this Stipulation to the contrary, the effectiveness and validity of the remaining Stipulation and Settlement as between (a) Lead Plaintiff, on behalf of itself and the Class and (b)

Defendants shall be unaffected by any action of the district court that sustains an objection to this section 4.6, or by any action of any appellate court sustaining such objection on appeal.

4.7 The Parties agree and covenant not to file or pursue any Released Claim against any other Party or Parties between the date of this Stipulation and the Effective Date. The Parties agree that, if the Settlement does not become Final, the period of time between the date of this Stipulation and the termination or cancellation shall not be counted for purposes of any claim or defense based on passage of time.

**5. Administration and Calculation of Claims, Final Awards, and Supervision and Distribution of the Settlement Fund**

5.1 The Claims Administrator shall provide notice of the Settlement to the Class and administer the Settlement under the supervision of Co-Lead Counsel and subject to the jurisdiction of the Court. Defendants and Defendants' counsel shall cooperate in the notice and administration of the Settlement to the extent reasonably necessary to effectuate the terms of this Stipulation.

5.2 Within five (5) business days of the Court's entry of the order granting preliminary approval of this Settlement, substantially in the form of Exhibit A, Alstom shall cause its transfer agent or depository trustee to provide to the Claims Administrator or to Co-Lead Counsel, in a computer-readable format, the last known names and addresses of all Class Members. Alstom shall bear its own expense of providing such names and addresses. With respect to incremental third party costs (i.e., costs beyond those that would otherwise would have had to have been incurred in connection with providing notice solely to purchasers of Alstom ADRs on U.S. exchanges) reasonably incurred by the Claims Administrator in connection with acquiring the addresses of, and providing individual notice in accordance with the Court's orders to, Class members who are U.S. residents but who did not purchase Alstom ADRs on a U.S. exchange, Alstom shall bear all such costs to the extent that they exceed \$50,000 and do not exceed \$100,000 and shall bear 50% of such

costs that exceed \$100,000. Lead Plaintiff and Co-Lead Counsel agree that Alstom's shareholder lists will not be used for any purposes other than providing notice to the Class as provided in this paragraph and will otherwise not be disclosed to any other Persons. Alstom shall have no liability to the Class with respect to the provision of such shareholder lists.

5.3 Subject to the entry by the Court of the Preliminary Approval Order, within fifteen (15) business days of entry of the Preliminary Approval Order, the Claims Administrator will cause to be mailed to all shareholders of record identified by Alstom's transfer agent or depository trustee, the Notice and Proof of Claim and Release form, and shall post the Notice and Proof of Claim on the Claims Administrator's website. The Summary Notice, substantially in the form of Exhibit A-3 attached hereto, will also be published once in the national edition of *Investor's Business Daily* and once over the *BusinessWire*. The cost of providing such notice shall be paid out of the Settlement Fund.

5.4 The Settlement Fund shall be applied as follows:

- (a) to pay Co-Lead Counsel's expenses (the "Expense Award"), if and to the extent awarded by the Court;
- (b) to pay all the costs and fees reasonably and actually incurred in connection with the notice and administration of the Settlement, including, without limitation, the costs and fees associated with locating Class Members, providing notice to Class Members, assisting with the filing of Proof of Claim forms, processing Proof of Claim forms, administering and distributing the Net Settlement Fund to Authorized Claimants, and paying escrow fees and costs, if any;
- (c) to pay the Taxes and Tax Expenses described in ¶2.8 hereof; and

(d) to distribute the remaining balance of the Settlement Fund (the “Net Settlement Fund”) to Authorized Claimants pursuant to the terms of this Stipulation, and the Plan of Allocation, and subject to the approval of the Court.

5.5 Co-Lead Counsel will apply to the Court, on notice to Defendants’ Counsel, for entry of a Class Distribution Order approving the Claims Administrator’s administrative determinations concerning the acceptance and rejection of the Proofs of Claim submitted herein and approving any fees and expenses not previously applied for, including the fees and expenses of the Claims Administrator, and, if the Effective Date has occurred, directing payment of the Net Settlement Fund, in whole or in part, to Authorized Claimants.

5.6 Within ninety (90) calendar days after the mailing of the Notice or such other time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim and Release, substantially in the form of Exhibit A-2 attached hereto, signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and Release and as are reasonably available to such Person.

5.7 The Plan of Allocation proposed in the Notice is not a necessary term of this Stipulation and it is not a condition of this Stipulation that any particular plan of allocation be approved by the Court. Lead Plaintiff and Co-Lead Counsel may not cancel or terminate the Stipulation or the Settlement based on this Court’s or any court’s ruling with respect to the Plan of Allocation or any plan of allocation in this Consolidated Action. No Defendant, nor any other Released Person, shall have any involvement in or responsibility or liability whatsoever for the plan of allocation or the allocation of the Net Settlement Fund.

5.8 Any Class Member who does not submit a valid Proof of Claim will not be entitled to receive any distribution from the Net Settlement Fund but will otherwise be bound by all of the terms of this Stipulation and Settlement, including the terms of the Judgment to be entered in the Consolidated Action and the releases provided for herein, and will be permanently barred and enjoined from bringing any action, claim, or other proceeding of any kind against any Released Person concerning any Released Claim.

5.9 Co-Lead Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Settlement Fund. No Defendant, nor any other Released Person, shall have any liability, obligation or responsibility whatsoever for the administration of the Settlement or disbursement of the Net Settlement Fund, except for the Defendants' obligation to pay, or cause to be paid, the Settlement Amount pursuant to ¶2.1 hereof, and Alstom's obligation to provide its shareholder records pursuant to ¶5.2 hereof. No Defendant, nor any other Released Person, shall be permitted to review, contest or object to any Proof of Claim or any decision of the Claims Administrator or Co-Lead Counsel with respect to accepting or rejecting any Proof of Claim or any other claim for payment submitted by a Class Member. Co-Lead Counsel shall have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Proof of Claim submitted in the interests of achieving substantial justice.

5.10 For purposes of determining the extent, if any, to which a Class Member shall be entitled to be treated as an Authorized Claimant, the following conditions will apply:

(a) Each Class Member shall be required to submit a Proof of Claim, substantially in the form attached hereto as Exhibit A-2, supported by such documents as are designated therein, or such other documents or proof as the Claims Administrator or Co-Lead Counsel, in their discretion, may deem acceptable;

(b) All Proofs of Claim must be submitted by the date set by the Court in the Preliminary Approval Order and specified in the Notice, unless such deadline is extended by Order of the Court. Any Class Member who fails to submit a Proof of Claim by such date shall be forever barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation (unless, by Order of the Court, late-filed Proofs of Claim are accepted), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment and the releases provided for herein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Person concerning any Released Claim; provided that it is received before the motion for the Class Distribution Order is filed, a Proof of Claim shall be deemed to be submitted when mailed, if received with a postmark indicated on the envelope and if mailed by first-class or overnight U.S. Mail and addressed in accordance with the instructions thereon. In all other cases, the Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

(c) Each Proof of Claim shall be submitted to and reviewed by the Claims Administrator, under the supervision of Co-Lead Counsel, who shall determine in accordance with this Stipulation the extent, if any, to which each Claim shall be allowed, subject to review by the Court pursuant to subparagraph (e) below;

(d) Proofs of Claim that do not meet the submission requirements may be rejected. Prior to rejecting a claim in whole or in part, the Claims Administrator shall communicate with the Claimant in writing to give the Claimant the chance to remedy any curable deficiencies in the Proof of Claim submitted. The Claims Administrator, under supervision of Co-Lead Counsel, shall notify, in a timely fashion and in writing, all Claimants whose claim the Claims Administrator proposes to reject in whole or in part, setting forth the reasons therefore, and shall indicate in such

notice that the Claimant whose claim is to be rejected has the right to a review by the Court if the Claimant so desires and complies with the requirements of subparagraph (e) below;

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

(f) The administrative determinations of the Claims Administrator accepting and rejecting claims shall be presented to the Court, on notice to Defendants' Counsel, for approval by the Court in the Class Distribution Order.

5.11 Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a Class Member and the validity and amount of the Claimant's claim. No discovery shall be allowed on the merits of this Consolidated Action or this Settlement in connection with the processing of Proof of Claim.

5.12 Payment pursuant to the plan of allocation approved by the Court and the Class Distribution Order shall be final and conclusive against all Settlement Class members. All Settlement Class members whose claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment to be entered in

this Consolidated Action and the releases provided for therein, and will be permanently barred and enjoined from bringing any action against any and all Released Persons concerning any and all of the Released Claims.

5.13 No person or entity shall have any claim against Lead Plaintiff, Escrow Agent, Co-Lead Counsel, Defendants, Defendants' Counsel, the Claims Administrator or any other agent designated by Co-Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation or any other order of the Court.

5.14 Lead Plaintiff, Co-Lead Counsel, Defendants, Defendants' Counsel, Lead Plaintiffs' damages expert, and all other Released Persons shall have no liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any claim or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

5.15 All proceedings with respect to the administration, processing and determination of Proofs of Claim and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Proofs of Claim, shall be subject to the jurisdiction of the Court.

5.16 Defendants shall not have a reversionary interest in the Net Settlement Fund. If there is any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), any such balance shall be distributed to an Internal Revenue Code Section 501(c)(3) charity designated by Co-Lead Counsel and unaffiliated with Defendants, Defendants' affiliates, Lead Plaintiff, or Plaintiffs' Counsel.

**6. Co-Lead Counsel's Expenses**

6.1 Co-Lead Counsel may submit an application or applications (the "Expense Application") for distributions from the Settlement Fund for expenses incurred in connection with prosecuting the Consolidated Action. The Defendants will take no position with regard to the Expense Application. Neither Co-Lead Counsel nor any Class Member shall be entitled to terminate the Stipulation if the Court disapproves of or modifies the terms of this Stipulation with respect to expenses or the distribution of the Net Settlement Fund.

6.2 The expenses and costs, including the reimbursement of fees of Plaintiffs' experts and consultants, as awarded by the Court, shall be paid to Co-Lead Counsel from the Settlement Fund, as ordered, immediately after the Court enters an order approving the Settlement and awarding such expenses. This provision shall apply notwithstanding timely objections to, potential for appeal from or collateral attack on the Settlement. Defendants shall have no obligation to make any payment other than as provided in funding the Settlement Fund. In the event that the judgment or the order awarding such expenses paid to Co-Lead Counsel pursuant to ¶6.1 is reversed or modified, or if the Settlement is cancelled or terminated for any reason, then Co-Lead Counsel shall, in an amount consistent with such reversal or modification, refund such expense, and/or costs to the Settlement Fund, plus interest thereon at the same rate as earned on the Settlement Fund, within twenty (20) business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction.

6.3 The procedure for and the allowance or disallowance by the Court of the Expense Application, to be paid out of the Settlement Fund, are not part of the Settlement set forth in the Stipulation, and any order or proceeding relating to the Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the

Stipulation, or affect or delay the Effective Date or the finality of the Judgment approving the Stipulation and the Settlement of the Consolidated Action.

6.4 Defendants shall have no responsibility for any payment of expenses to Co-Lead Counsel or any Settlement Class member's counsel over and above payment of the Settlement Fund.

6.5 Neither Defendants nor any of the Released Persons shall have any responsibility for the allocation among Co-Lead Counsel of any Expense Award that the Court may make in the Action.

**7. Conditions of Settlement, Effect of Disapproval, Cancellation, or Termination**

7.1 The Effective Date of the Stipulation shall be conditioned on the occurrence of all of the following events:

(a) Alstom or its insurers, on behalf of Defendants, have deposited the Settlement Fund with the Escrow Agent;

(b) the Defendants have not exercised their option to terminate the Stipulation pursuant to ¶7.3 hereof;

(c) the Court has entered the Notice Order, as required by ¶3.1 hereof;

(d) the Court has entered the Judgment that, *inter alia*, dismisses with prejudice the Consolidated Action as set forth above; and

(e) the Judgment has become Final, as defined in ¶1.13 hereof.

7.2 This is not a claims-made settlement. Upon the occurrence of all of the events referenced in ¶7.1 hereof, any and all remaining interest or right of Defendants in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶7.1 hereof are not met, then the Stipulation shall be canceled and terminated subject to

¶7.4 hereof unless Co-Lead Counsel and Defendants' Counsel mutually agree in writing to proceed with the Settlement.

7.3 If prior to the Settlement Hearing, the aggregate number of shares of Alstom ADSs purchased by Persons who would otherwise be members of the Settlement Class, but who request exclusion from that Class, exceeds the sum specified in the Supplemental Settlement Agreement, Defendants shall have the option (which option shall be exercised by Alstom SA on behalf of all Defendants in its sole discretion) to terminate this Stipulation in accordance with the procedures set forth in the Supplemental Settlement Agreement. If the Court requires that the Supplement Agreement be filed, it shall be filed under seal with the Court.

7.4 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, within five (5) business days after written notification of such event is sent by Defendants' Counsel or Co-Lead Counsel to the Escrow Agent, the Settlement Fund (including accrued interest), less expenses which have either been incurred or disbursed for notice and administration costs pursuant to ¶2.1, or pursuant to ¶2.8 hereof, shall be refunded to Alstom and its insurers pursuant to written instructions from Alstom's counsel. At the request of Defendants' Counsel, the Escrow Agent or its designees shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any expenses incurred in connection with such application(s) for refund, at the written direction of counsel to the Defendants.

7.5 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Parties shall be restored to their respective positions in the Consolidated Action as of January 26, 2011 and shall be required to present an amended schedule to the Court. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶1.1-1.26, 2.5, 2.8-2.9, 6.2, 7.4-7.5, 8.1

and 9.2 hereof, shall have no further force and effect with respect to the Parties and shall not be used in this Consolidated Action or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation or the amount of any attorneys' costs and expenses awarded by the Court to Co-Lead Counsel shall constitute grounds for cancellation or termination of the Stipulation.

**8. No Admission of Wrongdoing**

8.1 This Stipulation, whether or not consummated, and any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement or any negotiation, discussion or proceedings in connection with this Stipulation or the Settlement:

(a) does not constitute and shall not be offered against any or all Released Parties for any reason including, without limitation, as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any or all Released Parties with respect to the truth of any fact alleged by Lead Plaintiff and the Class or the validity of any claim that had been or could have been asserted in the Consolidated Action or in any litigation concerning the Released Claims, or the deficiency of any defense that has been or could have been asserted in the Consolidated Action or in any litigation, or of any liability, negligence, fault, or wrongdoing of any or all Released Parties with respect to the Released Claims;

(b) does not constitute and shall not be offered against any or all Released Parties as evidence of or construed as or deemed evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any or all Released Parties, or against Lead Plaintiff and the Class as evidence of any infirmity in their claims;

(c) does not constitute and shall not be offered against any or all Released Persons as evidence of or construed as or deemed evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Parties to this Stipulation, in any other civil, criminal or administrative action or proceeding (including, but not limited to, any formal or informal investigation or inquiry by the SEC or any other state or federal governmental or regulatory agency), other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; **provided, however**, that if this Stipulation is approved by the Court, any or all Released Persons may refer to it to effectuate the liability protection granted them hereunder;

(d) does not constitute and shall not be offered or construed against any or all Released Persons as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; and

(e) does not constitute and shall not be offered or construed as an admission, concession or presumption against Lead Plaintiff or the Class or any of them that any of their claims are without merit or that damages recoverable under the Complaint would not have exceeded the Settlement Fund. Any or all Released Persons may file the Stipulation and/or the Judgment in any other action or proceeding that may be brought against any or all of them in support of a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment, bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim. Lead Plaintiff understands, acknowledges and agrees that the Released Persons have denied and continue to deny each and all claims of alleged wrongdoing.

8.2 The Parties to this Stipulation intend the Settlement to be a final and complete resolution of all disputes asserted or that could be or could have been asserted by Lead Plaintiff, the

Class or Lead Counsel against any or all Defendants, Defendants' Counsel and/or Released Persons with respect to the Released Claims. Accordingly, the Parties and the Settlement Class agree not to assert in any forum that the Consolidated Action was brought by Lead Plaintiff or defended by Defendants in bad faith or without a reasonable basis. The Parties shall assert no claims of any violation of Fed. R. Civ. P. 11 relating to the prosecution, defense, or settlement of the Consolidated Action. The Parties agree that the Judgment shall contain a finding that, during the course of the Consolidated Action, the Parties and their respective counsel at all times complied with the requirements of Fed. R. Civ. P. 11. The Parties agree that the amount paid and the other Settlement terms were negotiated at arm's length in good faith by the Parties, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel.

**9. Miscellaneous Provisions**

9.1 The Parties (a) acknowledge that it is their intent to consummate this Stipulation; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of the Stipulation.

9.2 All agreements made and orders entered during the course of the Consolidated Action relating to the confidentiality of information, including without limitation the Stipulation and Agreed Confidentiality Order filed with the Court on December 9, 2008 shall survive this Stipulation and the Settlement.

9.3 All of the Exhibits to the Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

9.4 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

9.5 The Stipulation and the Exhibits attached (together with the Supplemental Settlement Agreement referred to in ¶7.3) hereto constitute the entire agreement among the Parties concerning the Settlement of the Consolidated Action, and supersede any prior agreements or understandings between the Parties with respect to the Settlement. No representations, warranties, or inducements have been made to any Party concerning the Stipulation or its Exhibits other than the representations, warranties, and covenants contained and memorialized in such documents.

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

9.7 Neither the Settlement Class members nor the Defendants shall be bound by the Stipulation if the Court modifies material terms thereof, provided, however, that it shall not be a basis for any Party to terminate the Settlement if the Court modifies any proposed Plan of Allocation or criteria for allocation of the Settlement Fund amongst Settlement Class members, or the Plan of Allocation is modified on appeal. Nor shall it be a basis to terminate the Stipulation if the Court disapproves of or modifies the terms of this Stipulation with respect to attorneys' expenses or the distribution of the Net Settlement Fund. Notwithstanding any such modification of the terms or Plan of Allocation or the Stipulation with respect to attorneys' expenses, Defendants shall be entitled to all benefits of the Settlement and shall not, under any circumstances, be called upon to contribute additional funds to the Settlement Fund.

9.8 Co-Lead Counsel, on behalf of the Class, are expressly authorized by the Lead Plaintiffs to take all appropriate action required or permitted to be taken by the Class pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter into any modifications or amendments to the Stipulation on behalf of the Class which they deem appropriate.

9.9 Each counsel and any other Person executing the Stipulation or any of its Exhibits, or any related settlement documents on behalf of any Party hereby warrants that such Person has the

full authority to do so and that such Person has the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

9.10 The Stipulation may be executed in one or more counterparts, including by signature transmitted by facsimile or by email in PDF format. All executed counterparts and each of them shall be deemed to be one and the same instrument. No Party shall raise the use of facsimile or email to deliver or transmit a signature as a defense to the formation or enforceability of this Stipulation, and each such Party forever waives any such defense. A complete set of executed counterparts shall be filed with the Court.

9.11 The Stipulation shall be binding upon, and inure to the benefit of, the heirs, successors, and assigns of the Parties and the Released Persons. There are no third-party beneficiaries to this Stipulation, except to the extent referenced herein.

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

9.13 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

9.14 Pending approval of the Court of the Stipulation and its Exhibits, all proceedings in this Consolidated Action shall be stayed and all members of the Class shall be barred and enjoined from prosecuting any of the Released Claims against any of the Released Persons.

9.15 This Stipulation and the Exhibits hereto (together with the Supplemental Settlement Agreement) shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to the Stipulation

shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of New York without giving effect to that State's choice-of-law principles.

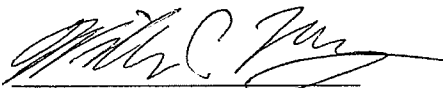
9.16 The Parties acknowledge, represent and warrant to each other that the mutual releases and payments hereunder are adequate consideration for the consideration given.

9.17 This Stipulation shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of

the Parties, it being recognized that it is the result of arm's length negotiations between the Parties, and all Parties have contributed substantially and materially to the preparation of this Stipulation.

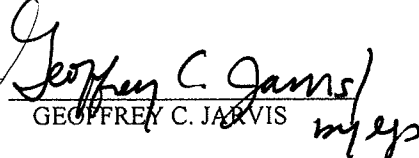
IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys, dated April 8, 2011.

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JAI K. CHANDRASEKHAR (JC-3789)

  
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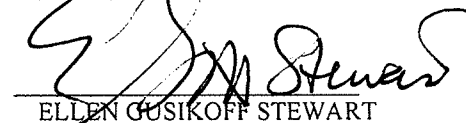
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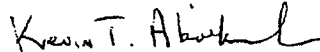
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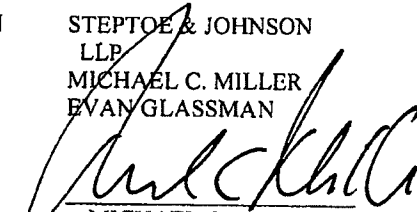
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**COUNSEL FOR DEFENDANTS**

CERTIFICATE OF SERVICE

I hereby certify that on May 9, 2011, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I caused to be mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on May 9, 2011.

s/ Ellen Gusikoff Stewart

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ELLEN GUSIKOFF STEWART

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