

USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC #:  
DATE FILED: 5/9/2017

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

IN RE VIVENDI UNIVERSAL, S.A.  
SECURITIES LITIGATION

C.A. No. 02 Civ. 5571 (PAE)

**STIPULATION AND ~~PROPOSED~~ ORDER  
TERMINATING ACTION**

WHEREAS, on December 22, 2014, the Court entered a Judgment pursuant to Federal Rules of Civil Procedure 54(b) (the "Rule 54(b) Judgment") (Dkt. 1231), *inter alia*, granting judgment against defendant Vivendi, S.A. ("Vivendi," formerly Vivendi Universal S.A.) in favor of 1,924 Class Member claimants for damages pursuant to the jury verdict in this Class Action, based on determinations of their eligible claims by the Claims Administrator, in the aggregate damages amount of \$49,771,641.14, including prejudgment interest; and

WHEREAS, following the Rule 54(b) Judgment, Vivendi deposited \$55,000,000.00 in a Court Registry Investment System account (the "CRIS Account") for the purpose of staying execution of judgment pending an appeal of that judgment; and

WHEREAS, the Court granted Vivendi's motions for summary judgment as to certain other Class Member claimants, in an Opinion and Order dated August 11, 2015 (Dkt. 1272) and an Opinion and Order dated April 25, 2016 (Dkt.1292), holding that Vivendi had rebutted the presumption of reliance with respect to those claimants (the "Reliance Claimants") and dismissing their claims; and

WHEREAS, by Memorandum Opinion and Order filed April 29, 2016 (Dkt. 1294) (the "April 2016 Order"), the Court granted Class Plaintiffs' motion for an award of attorneys' fees and reimbursement of litigation expenses and for payment of reasonable compensation to the individual lead and representative plaintiffs, after Court-ordered notice to all Class Members who had filed claims approved as to damages by the Claims Administrator, (the "Fees and Expenses Award"), as well as providing for (a) leave to file applications for the reimbursement of future expenses incurred by Class Plaintiffs in the litigation and administration expenses and (b) a procedure, once all judgments in this Action became final, for the distribution of damage recoveries to all eligible Class Member claimants and the payment of the approved attorneys' fees, expenses and compensation to lead class plaintiffs and representatives in accordance with such order; and

WHEREAS, on July 14, 2016, the Court entered a partial Final Judgment pursuant to Rule 58 of the Federal Rules of Civil Procedure (Dkt. 1301) (the "Partial Final Judgment"), *inter alia* (a) granting judgment against Vivendi in favor of eight additional eligible Class Member claimants based on determinations of their eligible claims by the Claims Administrator, in the aggregate damages amount of \$1,288,166.04, including prejudgment interest; and (b) granting judgment in favor of Vivendi and against each Class Member claimant whose claim had been rejected as a result of prior proceedings (including the Reliance Claimants) and Class Members who had failed to file a proof of claim or had otherwise filed ineligible claims in accordance with the Claims Process established by the Court; and

WHEREAS, on January 21, 2015, Vivendi filed a notice of appeal in the Second Circuit Court of Appeals from the Rule 54(b) Judgment (Dkt. 1234), seeking, on several

grounds, to vacate or reverse the jury verdict and the class certification; that appeal was denied on September 27, 2016, and a petition by Vivendi for panel rehearing or rehearing *en banc* was denied on November 10, 2016; and

WHEREAS, on July 18, 2016, Vivendi filed an appeal (redesignated “counter-appeal”) (Dkt. 1302), and on August 10, 2016, Class Plaintiffs filed a cross-appeal (redesignated “appeal”) (Dkt. 1304) in the Second Circuit from the Partial Final Judgment, with Vivendi seeking the same or similar relief it sought in its appeal from the Rule 54(b) Judgment, and Class Plaintiffs seeking reversal and/or remand of the Court’s dismissal of the claims of the Reliance Claimants; and

WHEREAS, the Parties have agreed on a proposed settlement of the claims of the Reliance Claimants (the “Reliance Claims Settlement”) to be calculated by subtracting the damages amounts awarded in the Rule 54(b) Judgment and Partial Final Judgment, including any pre-and post-judgement interest that has accrued on the funds in the CRIS Account, in the aggregate amount of approximately \$26,400,000.00, representing approximately one third (33 1/3 percent) of their full claim amounts (the “Reliance Claimants’ Entitlement Amounts”), and Class Plaintiffs and Vivendi have agreed to submit that Settlement for Court approval; and

WHEREAS, if and when the Court approves the Reliance Claims Settlement, it is intended that the Court will enter a final judgment approving the Reliance Claims Settlement on the terms set forth in the Reliance Claims Settlement (the “Reliance Claims Judgment”); and

WHEREAS, the Reliance Claims Settlement leaves intact the judgments and full damages amounts previously established for other Class Members as described above and

those judgments, along with the Settlement, dispose of all claims in this Action by Lead Class Plaintiffs and the Class Members; and

WHEREAS, if the Reliance Claims Settlement is approved as proposed, the total amount to be paid by Vivendi to conclude all claims in this litigation is \$78,000,000.00 which includes the funds in the CRIS Account; and

WHEREAS, the "Effective Date" is the date (if ever) when the Court enters the Reliance Claims Judgment and the time to appeal from that judgment (including any petitions for rehearing, en banc review or certiorari) has expired and that judgment is final and non-appealable; and

WHEREAS, the Fees and Expenses Award provided that Class Plaintiffs may request the Court to order reimbursement of additional expenses incurred by counsel (including the fees and expenses of service providers, such as the Claims Administrator, to be paid by counsel,) after the April 2016 Order for reimbursement of expenses was entered, and Class Plaintiffs' counsel wish to do so (including with respect to all future expenses required to close the case);

NOW THEREFORE IT IS STIPULATED by the Parties as follows:

1. Vivendi shall pay or cause to be paid into the existing CRIS Account within two (2) business days of the Court entering the Reliance Claims Judgment (the "Deposit Date") an additional amount of approximately \$22,850,000.00, which amount shall be calculated by subtracting the balance of the CRIS Account from \$78,000,000.00.
2. As soon as possible after this Stipulation has been so-ordered and the Effective Date, as defined below, has occurred:

(a) Vivendi shall withdraw with prejudice its remaining appeal in the Second Circuit, and shall not file a petition or shall withdraw any petition previously filed for a writ of certiorari to the U.S. Supreme Court with respect to the Rule 54(b) Judgment affirmed by the Second Circuit and Vivendi shall surrender any appeal or rights of appeal, including the right to reinstate an appeal, that it has or may have respecting all orders and judgments in the Class Action, including its appeal (redesignated “counter-appeal”) of the Partial Final Judgment filed in the Second Circuit; and Class Plaintiffs shall withdraw with prejudice their counter-appeal (redesignated “appeal”) of the Partial Final Judgment and withdraw with prejudice and/or surrender any appeal or rights of appeal, including the right to reinstate an appeal, that it has or may have respecting all orders and judgments in the Class Action.

(b) The Parties will cooperate in the filing of any motion, petition, request, stipulation and application necessary (i) to preserve or prevent the expiration of any appeal rights that are the subject of this Stipulation and Agreement, so long as the motion for settlement approval is pending and until the Effective Date, and (ii) to terminate any such appeal pending immediately after the Effective Date.

3. A motion by Class Counsel pursuant to the April 2016 Order for reimbursement of additional and future expenses not to exceed \$105,000 shall be heard and decided as soon as possible. Vivendi agrees to take no position on any such motion.

4. The “Distribution Date” for this action shall be defined as the date when all the following have occurred: (a) this Stipulation has been so-ordered, (b) Class Counsel’s motion for additional expenses has been decided, and (c) the Effective Date has occurred.

5. As soon as possible after the Distribution Date, the following distributions shall be made from the amount in the CRIS Account, including any interest thereon:

(a) The amounts specifically awarded for reimbursement of litigation and administration expenses and compensation to lead and representative plaintiffs pursuant to the April 2016 Order, and any subsequent order pursuant to the April 2016 Order awarding additional litigation and administration expenses shall be paid to Lead Class Counsel (Abbey Spanier, LLP) forthwith.

(b) The attorneys' fees to plaintiffs' counsel awarded in the April 2016 Order, to wit, one-third of the total recovery by the Class Members (\$78,000,000.00 plus any interest accrued, minus the amount of litigation and administration expenses described in (a) immediately above) shall be paid to Lead Class Counsel for distribution pursuant to the April 2016 Order. The total amounts in (a) and (b) immediately above shall be the "Fee and Expense Deduction."

(c) The "Gross Distributable Amount" shall be the total of the Rule 54(b) Judgment, the Partial Final Judgment, the Reliance Claims Judgment and any interest received on the foregoing, less any taxes paid or accrued. The Net Distributable Amount shall be the Gross Distributable Amount minus the Fee and Expense Deduction. Each Class Member whose claim is included in each such judgment shall be paid his or her claim amount or Reliance Claimant's Entitlement Amounts multiplied by a fraction of which the numerator is the Net Distributable Amount and the denominator is the Gross Distributable Amount.

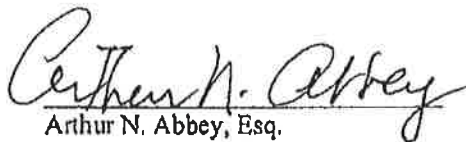
(d) After the Distribution Date but no later than seven (7) days prior to the date scheduled by the Claims Administrator for commencement of the distribution of the Net Distributable Amount to eligible Class Member claimants, the remaining amount in the CRIS Account shall be transferred to an account designated by the Claims Administrator from

which distribution checks will be drawn. Vivendi will assist Class counsel in obtaining the Court orders and any other documents required by 28 U.S.C. § 2041 and 2042, Fed. R. Civ. P. Rule 67, and any applicable local rules or procedures of this Court to complete the CRIS Account transfers described in this Paragraph 5. These distributions should exhaust the Gross Distributable Amount. If any distribution payments cannot be made or outstanding distribution checks are not cashed after reasonable effort, the Court will make a determination as to the disposition of any remaining funds.

6. Vivendi shall have no liability for any taxes owed on any of the judgments or the settlement amount referenced herein, as set forth in the Reliance Settlement Stipulation.

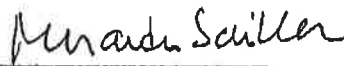
7. The Court shall administratively close this case after all payments provided for herein have been completed. The Court shall retain jurisdiction over any matters or disputes that may arise in connection with the matters covered herein.

Dated: April <sup>6<sup>th</sup></sup> 2017



Arthur N. Abbey, Esq.  
Stephen T. Rodd, Esq.  
Abbey Spanier, LLP  
212 East 39th Street  
New York, NY 10016  
Tel: 212-889-3700  
arthur@abbeyspanier.com

*Lead Counsel for Plaintiffs and the Class*



Miranda S. Schiller, Esq.  
Gregory Silbert, Esq.  
Weil Gotshal & Manges, LLP  
767 Fifth Avenue  
New York, NY 10153  
Tel: 212-380-1000  
miranda.schiller@weil.com

*Attorneys for Vivendi, S.A.*

SO ORDERED:



Paul A. Engelmayer  
United States District Judge

5/9/17