

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

ROBERT A. NITSCH, et al.,

Plaintiffs,

v.

DREAMWORKS ANIMATION SKG INC.,
et al.,

Defendants.

Case No. 14-CV-04062-LHK

**ORDER GRANTING PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT WITH SONY
PICTURES IMAGEWORKS INC. AND
SONY PICTURES ANIMATION INC.,
GRANTING PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT WITH
BLUE SKY STUDIOS, INC., AND
APPROVING NOTICE OF
SETTLEMENTS AND
CERTIFICATION OF LITIGATION
CLASS**

Re: Dkt. No. 249, 273, 282

On March 31, 2016, Plaintiffs filed a motion for preliminary approval of class action settlement with Defendant Blue Sky Studios, Inc. ("Blue Sky"). ECF No. 249. On May 3, 2016, Plaintiffs filed a motion for preliminary approval of class action settlement with Defendants Sony Pictures Imageworks Inc. and Sony Pictures Animation Inc. (collectively, "Sony Pictures"). ECF No. 273 ("Sony Pictures Motion"). On May 11, 2016, Plaintiffs filed an amended motion for

1 preliminary approval of class action settlement with Defendant Blue Sky. ECF No. 282 (“Blue
2 Sky Amended Motion”). On June 23, 2016, the Court held a hearing on the pending motions for
3 preliminary approval of class action settlements. ECF No. 298. On June 29, 2016, Plaintiffs filed
4 an amended notice of settlements and certification of litigation class. ECF No. 301.

5 WHEREAS plaintiffs, on behalf of themselves and of the proposed stipulated settlement
6 class (“Settlement Class”), and Defendants Sony Pictures Imageworks Inc., Sony Pictures
7 Animation Inc., and Blue Sky Studios, Inc. have independently agreed, subject to Court approval
8 following notice to the Settlement Class and a hearing, to settle the above-captioned matter
9 (“Lawsuit”) upon the terms set forth in the respective Settlement Agreements;¹

10 WHEREAS, this Court has reviewed and considered the Settlement Agreements entered
11 into among the parties, together with all exhibits and addenda thereto, the record in this case, and
12 the briefs and arguments of counsel;

13 WHEREAS, Plaintiffs have applied for an order granting preliminary approval of the
14 Settlement Agreements;

15 WHEREAS, this Court preliminarily finds, for purposes of settlement only, that the action
16 meets all the prerequisites of Rule 23 of the Federal Rules of Civil Procedure;

17 WHEREAS, this Court certified a class in the ongoing litigation against the remaining
18 defendants (“Litigation Class”) on May 25, 2016;

19 NOW, THEREFORE, IT IS HEREBY ORDERED:

20 1. Unless otherwise defined herein, all terms that are capitalized herein shall have the
21 same meaning ascribed to those terms in the Settlement Agreements.

22 2. The Court has jurisdiction over this Action (and all actions and proceedings
23 consolidated in the Action), Plaintiffs, Class Members, Sony Pictures, the remaining defendants,
24 and any party to any agreement that is part of or related to the Settlement Agreement.

25
26 ¹ Plaintiffs and Blue Sky entered an addendum to the Blue Sky Settlement on May 11, 2016. ECF
27 No. 282-2. All references to the Blue Sky Settlement in this order refer to the Blue Sky Settlement
as amended on May 11, 2016.

3. Federal Rule of Civil Procedure 23(e) provides that a proposed settlement in a class action case must be initially approved by the Court. The Court is to determine whether the proposed settlement is “fair, reasonable, and adequate.” Rule 23(e)(2). As a first step, plaintiffs must seek preliminary approval of the proposed settlement, which is an “initial evaluation” of the fairness of a proposed settlement. Manual for Complex Litigation (Fourth) § 21.632 (2015). In determining whether the proposed settlement is “fundamentally fair, adequate, and reasonable” the Court makes a preliminary determination of whether to give notice of the proposed settlement to the class members and an opportunity to voice approval or disapproval of the settlement. *Staton v. Boeing Co.*, 327 F.3d 938, 952 (9th Cir. 2003) (quoting *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998)); see Manual for Complex Litigation (Fourth) § 21.631 (2015). Preliminary approval is not a dispositive assessment of the fairness of the proposed settlement, but rather determines whether it falls within the “range of reasonableness.” *In re High-Tech Employee Litig.*, No. 11-cv-2509, 2013 WL 6328811, at *1 (N.D. Cal. Oct. 30, 2013) (“*High-Tech P*”) (citation omitted); see also *Collins v. Cargill Meat Solutions Corp.*, 274 F.R.D. 294, 301-302 (E.D. Cal. 2011). Preliminary approval establishes an “initial presumption” of fairness, such that notice may be given to the class and the class may have a “full and fair opportunity to consider the proposed [settlement] and develop a response.” *In re Tableware Antitrust Litig.*, 484 F. Supp. 2d 1078, 1079 (N.D. Cal. 2007); *Williams v. Vukovich*, 720 F.2d 909, 921 (6th Cir. 1983).

4. While the Court is not to consider at this stage whether final approval is warranted, all the relevant factors weigh in favor of preliminarily approving the proposed Settlement Agreements. First, the settlement is the result of arm’s length negotiations among experienced counsel, following extensive discovery on both sides. Second, the Court finds that the agreed-upon consideration of \$5.95 million for Blue Sky and \$13 million for Sony Pictures is fair and reasonable based on the circumstances, risks involved, and significant recovery from two of the companies whose share of employee-years comprise 20.3% of the class. Third, as a matter of law, the remaining defendants remain jointly and severally liable for all damages caused by the

conspiracy, including damages caused by Blue Sky and Sony Pictures. *See Ward v. Apple*, 791 F.3d 1041, 1048 (9th Cir. 2015) (citations omitted). Fourth, Sony Pictures and Blue Sky (collectively, the “Settling Defendants”) have independently agreed to cooperate with plaintiffs in authenticating documents and to not assist the remaining defendants with the litigation. *See In re Mid-Atlantic Toyota Antitrust Litig.*, 564 F. Supp. 1379, 1386 (D. Md.1983). As a result, the Court finds notice to the Proposed Class appropriate here.

5. The Court further finds that the proposed Plan of Allocation, which is attached to the Sony Pictures Motion and incorporated by reference in the Blue Sky Amended Motion, is fair, reasonable, and adequate, and is hereby preliminarily approved, subject to further consideration at the Fairness Hearing.

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for purposes of effectuating these settlements, a Settlement Class as follows:

All animation and visual effects employees employed by defendants in the United States who held any of the jobs listed in Ashenfelter Reply Report Appendix C during the following time periods: Pixar (2001-2010), Lucasfilm Ltd., LLC (2001-2010), DreamWorks Animation SKG, Inc. (2003-2010), The Walt Disney Company (2004-2010), Sony Pictures Animation, Inc. and Sony Pictures Imageworks, Inc. (2004-2010), Blue Sky Studios, Inc. (2005-2010) and Two Pic MC LLC f/k/a ImageMovers Digital LLC (2007-2010). Excluded from the Class are senior executives, members of the board of directors, and persons employed to perform office operation or administrative tasks.

The specific job titles from Ashenfelter Reply Report Appendix C are provided again in the declaration accompanying the Sony Pictures Motion. *See Friedman Decl.*, Ex. B.

7. The Settling Defendants take no position regarding certification of the Proposed Settlement Class.

8. The Court hereby conditionally certifies the Settlement Class, subject to final approval of the Settlements.² Rule 23 provides four requirements to certify a class: “(1) the class is

² The Court is required to conditionally certify a proposed settlement class before it can

so numerous that joinder of all members is impracticable; (2) there are questions of law or fact common to the class; (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and (4) the representative parties will fairly and adequately protect the interests of the class.” Fed. R. Civ. P. 23(a). Each of these requirements is addressed below.

9. The class is comprised of approximately ten thousand animation and visual effects employees who worked for the defendants during the defined class periods. This number of class members easily satisfies the numerosity requirement.

10. The class is also ascertainable. As this Court previously recognized, “a class is ascertainable if the class is defined with objective criteria and if it is administratively feasible to determine whether a particular individual is a member of the class.” *In re Yahoo Mail Litig.*, 308 F.R.D. 577, 596 (N.D. Cal. 2015) (Koh, J.) (quotation omitted). In this case, class members are defined by specific job titles, from defendants’ own employment databases, which also identify each individual class member corresponding to those job titles. This Court found ascertainability satisfied through the use of similar methodologies in *High-Tech*. See 985 F. Supp. 2d 1167, 1182 (N.D. Cal. Oct. 24, 2013). This Court has also found a class defined by the specific job titles from Ashenfelter Reply Report Appendix C to be ascertainable in the instant case. See *In re Animation Workers Antitrust Litig.*, No. 14-CV-04062-LHK, --- F. Supp. 3d ---, 2016 WL 3011797, at *13 (N.D. Cal. 2016).

11. The proposed class also satisfies Rule 23(a)(2)’s commonality requirement. Each class member alleges the same injury – suppressed compensation – from the same unlawful conduct: defendants’ alleged conspiracy to restrain competitive labor market forces to suppress compensation through non-solicitation agreements and collusive coordination on compensation. “Where an antitrust conspiracy has been alleged, courts have consistently held that ‘the very

preliminarily approve the class settlement. *Amchem Prods. Inc. v. Windsor*, 521 U.S. 591, 619 (1997). The requirements are identical with respect to certification for litigation and for settlement, except that for settlement the Court need not find the class would be manageable under Rule 23(b)(3)(D) because there is no trial.

1 nature of a conspiracy antitrust action compels a finding that common questions of law and fact
 2 exist.” *High-Tech*, 985 F. Supp. 2d at 1180 (quoting *In re TFT-LCD (Flat Panel) Antitrust Litig.*,
 3 267 F.R.D. 583, 593 (N.D. Cal. 2010)). To satisfy the commonality requirement, “[e]ven a single
 4 [common] question will do,” *Wal-Mart Stores, Inc. v. Dukes*, 131 S. Ct. 2541, 2556 (2011)
 5 (quotation omitted), and “[a]ntitrust liability alone constitutes a common question that ‘will
 6 resolve an issue that is central to the validity’ of each class member’s claim ‘in one stroke.’” *High-*
 7 *Tech*, 985 F. Supp. 2d at 1180 (quoting *Dukes*, 131 S. Ct. at 2551). The existence of defendants’
 8 compensation-suppression conspiracy is a common question for every class member, thus
 9 satisfying the commonality requirement. *See In re Animation Workers Antitrust Litig.*, 2016 WL
 10 3011797, at *10.

11 12. Plaintiffs also meet the typicality requirement. “In antitrust cases, typicality usually
 12 will be established by plaintiffs and all class members alleging the same antitrust violations by
 13 defendants.” *High-Tech*, 985 F. Supp. 2d at 1181 (quotation omitted). In this case, plaintiffs have
 14 alleged the same antitrust violation as to every class member, making their claims typical of the
 15 class as a whole. *See In re Animation Workers Antitrust Litig.*, 2016 WL 3011797, at *12.

16 13. The Court further finds that Plaintiffs will fairly and adequately represent the
 17 interests of the Class. The test for adequacy turns on two questions: “(1) whether named plaintiffs
 18 and their counsel have ‘any conflicts of interest with other class members,’ and (2) whether named
 19 plaintiffs and their counsel will ‘prosecute the action vigorously on behalf of the class.’” *High-*
 20 *Tech*, 985 F. Supp. 2d at 1181 (quoting *Hanlon*, 150 F.3d at 1020). The named plaintiffs do not
 21 have conflicts of interest with other class members. Plaintiffs and their counsel have also
 22 demonstrated they will prosecute this action vigorously, and the Court trusts that they will
 23 continue to do so. *See In re Animation Workers Antitrust Litig.*, 2016 WL 3011797, at *12.

24 14. The Court must further find that “questions of law or fact common to class
 25 members predominate over any questions affecting individual members, and that a class action is
 26 superior to other available methods for fairly and efficiently adjudicating the controversy.” Fed. R.

Civ. P. 23(b)(3). To meet the predominance requirement of Rule 23(b)(3), a plaintiff must establish that the “issues in the class action that are subject to generalized proof, and thus applicable to the class as a whole . . . predominate over those issues that are subject only to individualized proof.” *In re Visa Check/MasterMoney Antitrust Litig.*, 280 F.3d 124, 136 (2nd Cir. 2001) (citations omitted).

There is no requirement that common evidence predominate for each element of the claim. *Amgen Inc. v. Conn. Ret. Plans & Trust Funds*, 133 S. Ct. 1184, 1194 (2013) (“Rule 23(b)(3), however, does *not* require a plaintiff seeking class certification to prove that each elemen[t] of [her] claim [is] susceptible to classwide proof.” (emphasis and brackets in original) (quotation omitted)). In antitrust conspiracy cases, “courts repeatedly have held that the existence of the conspiracy is the predominant issue and warrants certification even where significant individual issues are present.” *In re Cathode Ray Tube (“CRT”) Antitrust Litig.*, 308 F.R.D. 606, 620 (N.D. Cal. 2015) (quotation omitted); *see also In re Rubber Chem. Antitrust Litig.*, 232 F.R.D. 346, 352 (N.D. Cal. 2005) (“[T]he Court notes that the ‘great weight of authority suggests that the dominant issues in cases like this are whether the charged conspiracy existed and whether price-fixing occurred.’”) (citation omitted).

15. The Court finds that there are common questions regarding defendants’ alleged conspiracy to suppress compensation. Plaintiffs allege that defendants conspired to suppress compensation by agreeing not to solicit each other’s employees, to take special procedures when contacted by each other’s employees, and to coordinate compensation policies through direct, collusive communications. In addition, plaintiffs have also presented evidence regarding the class-wide impact of defendants’ scheme through the expert reports of Princeton economist Dr. Orley Ashenfelter. Dr. Ashenfelter’s reports, drawing on economic theory, the documentary evidence, and standard statistical modeling and econometric analysis, finds that defendants’ compensation was generally suppressed, and that this suppression impacted all or nearly all of the class, not just

those who would have been directly recruited. The Court finds that these common questions predominate. *See In re Animation Workers Antitrust Litig.*, 2016 WL 3011797, at *41.

16. The Court further finds that litigating this matter as a class action is superior to other available methods. *See LCD*, 267 F.R.D. at 314 (“[I]f common questions are found to predominate in an antitrust action, . . . courts generally have ruled that the superiority prerequisite of Rule 23(b)(3) is satisfied.” (ellipses in original)). In light of the substantial common proof at issue, requiring class members to proceed individually “would merely multiply the number of trials with the same issues and evidence.” *High-Tech*, 985 F. Supp. 2d at 1228; *see In re Animation Workers Antitrust Litig.*, 2016 WL 3011797, at *41.

17. Based on the findings herein, and the documents and pleadings submitted in this case, the Court conditionally certifies the Settlement Class.

18. The Court designates the following as Settlement Class Counsel: Cohen Milstein Sellers & Toll, PLLC; Hagens Berman Sobol Shapiro LLP; and Susman Godfrey LLP.

NOTICE OF SETTLEMENTS AND CERTIFICATION OF LITIGATION CLASS TO CLASS MEMBERS

19. The Court appoints the firm of Kurtzman Carson Consultants (“KCC”) as Notice and Claims Administrator.

20. Subject to the parties’ adoption of the changes marked in the Court’s redline of the postcard or short-form Litigation/Settlement Notices, the Court approves the Litigation/Settlement Notices pertaining to the certification of the Litigation Class and the settlements with both Sony Pictures and Blue Sky Studios as revised and submitted on June 29, 2016, and finds that the dissemination plan complies fully with the requirements of Rule 23 and due process of law, and is the best notice practicable under the circumstances. Hence, when notice is completed, it shall constitute due and sufficient notice of the certification of the Litigation Class and the proposed Settlement Agreements and the Fairness Hearing to all persons affected by and/or entitled to participate in the Settlement Agreement, in full compliance with the applicable requirements of Rule 23 and due process.

21. The Notice and Claims Administrator will be responsible for providing notice to potential class members consistent with Rule 23(c)(2)(B). The Notice and Claims Administrator will mail and/or email notice to the potential class members, and post notice on the internet 20 days after the Notice and Claims Administrator receives Sony Pictures, Blue Sky and defendant data on potential class members.

PRODUCTION OF CONTACT AND COMPENSATION INFORMATION FOR CLASS MEMBERS

22. Within twenty (20) days after this Order is entered, the defendants shall provide to the Notice and Claims Administrator in an electronic format for the following time periods:

- Pixar (Jan. 1, 2001 – Dec. 31, 2010)
- Lucasfilm Ltd., LLC (Jan. 1, 2001 – Dec. 31, 2010)
- DreamWorks Animation SKG, Inc. (Jan. 1, 2003 – Dec. 31, 2010)
- The Walt Disney Company (Jan. 1, 2004 – Dec. 31, 2010)
- Sony Pictures Animation, Inc. and Sony Pictures Imageworks, Inc. (Jan. 1, 2004 – Dec. 31, 2010)
- Blue Sky Studios, Inc. (Jan. 1, 2005 – Dec. 31, 2010)
- Two Pic MC LLC f/k/a ImageMovers Digital LLC (Jan. 1, 2007 – Dec. 31, 2010)

contact information, Social Security Numbers, the last location (by state) where the employee worked for the defendant for state tax reporting purposes, and compensation information for Class Members, identified by job titles [*see* Friedman Decl., Ex. B], to the extent such information exists in each defendant's human resources databases. The Notice and Claims Administrator shall utilize Class Members' information provided by the defendants solely for purposes of effectuating Notice and administering the Settlement Fund, including withholding taxes, and shall keep the information confidential.

ADMINISTRATION OF THE SETTLEMENT FUND

23. The proposed notices satisfy the requirements of due process and the Federal Rules of Civil Procedure and, accordingly, are approved for dissemination to the Settlement Class and Litigation Class. The Notice and Claims Administrator shall cause the Litigation/Settlement Notice to be emailed and/or mailed to Class Members and potential Class Members pursuant to procedures described in the Settlement Agreements, and to any potential Class Member who

1 requests one; and, in conjunction with Class Counsel, shall create a case-specific website with case
2 information, court documents relating to the Settlement and the Notice. By no later than 14 days
3 after the opt-out deadline, the Notice and Claims Administrator shall file with the Court an
4 Affidavit of Compliance with Notice Requirements.

5 24. All costs incurred in disseminating Notice and administering the Settlement shall
6 be paid from the Settlement Funds pursuant to the Settlement Agreements.

7 **CLASS MEMBER RESPONSE AND SCHEDULING OF FAIRNESS HEARING**

8 25. Class Members will have until 45 days after the Notice is mailed to opt-out (the
9 "Opt-Out Deadline") of the proposed Settlements or the Litigation Class. Class Members have the
10 option of opting out of either Settlement, both Settlements and/or the Litigation Class.

11 26. Any Class Member who wishes to be excluded (opt out) from the Settlement Class
12 and/or the Litigation Class must send a written request for exclusion to the Notice and Claims
13 Administrator on or before the close of the Opt-Out Deadline identifying the Litigation Class
14 and/or which Settlement or Settlements from which they wish to be excluded. Class Members may
15 not exclude themselves by filing requests for exclusion as a group or class, but must in each
16 instance individually and personally execute a request for exclusion. Settlement Class Members
17 who exclude themselves from the Settlement(s) will not be eligible to receive any benefits under
18 the Settlement(s), will not be bound by any further orders or judgments entered for or against the
19 Settlement Class, and will preserve their ability independently to pursue any claims they may have
20 against Sony Pictures and/or Blue Sky. Litigation Class Members who exclude themselves from
21 the Litigation Class will not be eligible to receive any benefits from any future recovery for the
22 Litigation Class and will not be bound by any further orders or judgments entered for or against
23 the Litigation Class in the ongoing litigation.

24 27. Class Counsel shall file their motion for payment of attorneys' fees, costs, and for
25 Plaintiff Service Awards, no later than 31 days after notice is mailed.

28. All Settlement Class Members who did not properly and timely request exclusion from the Settlement Class shall, upon entry of the Final Approval Order and Judgment, be bound by all the terms and provisions of the Settlement Agreements, including the release provisions, whether or not such Class Member objected to the Settlement(s) and whether or not such Class Member received consideration under the Settlement Agreement(s).

29. All Litigation Class Members who did not properly and timely request exclusion from the Litigation Class shall be bound by any further orders or judgments entered for or against the Litigation Class in the ongoing litigation.

30. A final hearing on the Settlement Agreements ("Fairness Hearing") shall be held before the Court at 1:30 p.m. on Thursday, November 10, 2016, in Courtroom 8, 4th Floor, of the Northern District of California, 280 South 1st Street, San Jose, CA 95113. Such hearing shall be at least 90 days from the completion of notice pursuant to the Class Action Fairness Act.

31. At the Fairness Hearing, the Court will consider (a) the fairness, reasonableness, and adequacy of the Settlement Agreements and whether either or both of the Settlement Agreements should be granted final approval by the Court; (b) approval of the proposed Plan of Allocation; and (c) entry of a Final Approval Order and Judgment including the Settlement Releases. Class Counsel's application for payment of costs, and request for the Court to approve service awards to the named plaintiffs, shall also be heard at the time of the hearing.

32. The date and time of the Fairness Hearing shall be subject to adjournment by the Court without further notice to the Class Members, other than by the Notice and Claims Administrator on the case-specific website and any notice that may be posted by the Court. Should the Court adjourn the date for the Fairness Hearing, such adjournment shall not alter the deadlines for mailing of the Notice, nor the deadlines for submissions of settlement objections, claims, requests for exclusion, or notices of intention to appear at the Fairness Hearing unless those dates are explicitly changed by subsequent Order.

1 33. Any Settlement Class Member who did not elect to be excluded from the
2 Settlement Class may, but need not, enter an appearance through his or her own attorney. For
3 settlement purposes, Class Counsel will continue to represent Settlement Class Members who do
4 not timely object and do not have an attorney enter an appearance on their behalf.

5 34. Any Settlement Class Member who did not elect to be excluded from the
6 Settlement Class may, but need not, submit comments or objections to (a) either or both of the
7 Settlement Agreement(s), (b) entry of a Final Approval Order and Judgment approving the
8 Settlement Agreement(s), (c) Class Counsel's application for payment of costs and anticipated
9 application for fees, and/or (d) service award requests, by mailing a written comment or objection
10 to the addresses provided by the Notice and Claims Administrator in the Notice.

11 35. Any Settlement Class Member making an objection (an "Objector") must sign the
12 objection personally even if represented by counsel, and provide the Settlement Class Member's
13 name and full residence or business address and a statement that the Class Member was an
14 employee and member of the Settlement Class. An objection must state which Settlement
15 Agreement he/she is objecting to, why the Objector objects to the Settlement Agreement(s) and
16 provide a basis in support, together with any documents such person wishes to be considered in
17 support of the objection. If an Objector intends to appear at the hearing, personally or through
18 counsel, the Objector should include with the objection a statement of the Objector's intent to
19 appear at the hearing. The Objector must also list any other objections by the Objector, or the
20 Objector's attorney, to any class action settlements submitted to any court in the United States in
21 the previous five years.

22 36. Objections, along with any statements of intent to appear, must be postmarked no
23 later than 45 days after notice is mailed, and mailed to the addresses provided by the Notice and
24 Claims Administrator in the Notice. If counsel is appearing on behalf of more than one Settlement
25 Class Member, counsel must identify each such Settlement Class Member and each such
26 Settlement Class Member must have complied with this Order.

37. Only Settlement Class Members who have mailed valid and timely objections accompanied by notices of intent to appear shall be entitled to be heard at the Fairness Hearing unless the Court rules otherwise. Any Settlement Class Member who does not timely mail an objection in writing in accordance with the procedure set forth in the Notice and mandated in this Order shall be deemed to have waived any objection to (a) the Settlement Agreements; (b) entry of a Final Approval Order and Judgment; (c) Class Counsel's application for payment of costs and anticipated request for fees; and (d) service award requests for the named plaintiffs, whether by appeal, collateral attack, or otherwise.

38. Settlement Class Members need not appear at the hearing or take any other action to indicate their approval.

39. Upon entry of the Final Approval Order and Judgment, all Settlement Class Members who have not personally and timely requested to be excluded from the Settlement Class will be enjoined from proceeding against Sony Pictures and Blue Sky and all other released parties as defined in the Settlement Agreements, with respect to all of the released claims as defined in the Settlement Agreements.

40. The schedule by which the events referenced above shall occur is as follows:

Event	Due Date
Administrator receives Sony Pictures, Blue Sky and defendant data on potential class members	July 26, 2016
Notice mailed and posted on internet	August 15, 2016
Deadline for motion for attorneys' fees, costs, and service awards	September 15, 2016
Objections deadline	September 29, 2016
Exclusions deadline/end of opt-out period	September 29, 2016

Event	Due Date
Administrator files Affidavit of Compliance with Court regarding notice requirements	October 13, 2016
Plaintiffs file motion for final approval of Sony Pictures & Blue Sky settlements	October 13, 2016
Final Fairness Hearing	November 10, 2016 at 1:30 p.m.

41. All further proceedings as to Sony Pictures and Blue Sky are hereby stayed, except for any actions required to effectuate or enforce the Settlement Agreements, or matters related to the Settlement Funds, including applications for attorneys' fees, payment of costs, and service awards to Class Representatives.

42. With respect to the Sony Pictures Settlement Agreement ("Sony Agreement") only, in the event the Sony Agreement is terminated pursuant to the applicable provisions of the Sony Agreement, the Sony Agreement and all related proceedings shall, except as expressly provided in the Sony Agreement, become void and shall have no further force or effect, and Class Plaintiffs shall retain all of their current rights against Sony Pictures, and Sony Pictures shall retain any and all of its current defenses and arguments thereto so that the Settling Parties may take such litigation steps (including without limitation opposing class certification, serving expert reports, deposing experts, and filing motions) that the Settling Parties otherwise would have been able to take absent the pendency of this Settlement. These Actions shall thereupon revert forthwith to their respective procedural and substantive status prior to May 3, 2016, and shall proceed as if the Sony Agreement had not been executed.

43. With respect to the Blue Sky Settlement Agreement ("Blue Sky Agreement") only, in the event the Blue Sky Agreement is terminated pursuant to the applicable provisions of the Blue Sky Agreement, the Blue Sky Agreement and all related proceedings shall, except as expressly provided in the Blue Sky Agreement, become void and shall have no further force or

effect, and Class Plaintiffs shall retain all of their current rights against Blue Sky, and Blue Sky shall retain any and all of its current defenses and arguments thereto so that the Settling Parties may take such litigation steps (including without limitation opposing class certification, serving expert reports, deposing experts, and filing motions) that the Settling Parties otherwise would have been able to take absent the pendency of this Settlement. These Actions shall thereupon revert forthwith to their respective procedural and substantive status prior to March 9, 2016, and shall proceed as if the Blue Sky Agreement had not been executed.

44. Neither this Order nor the Settlement Agreements, nor any other Settlement-related document nor anything contained or contemplated therein, nor any proceedings undertaken in accordance with the terms set forth in the Settlement Agreements or herein or in any other Settlement-related document, shall constitute, be construed as or be deemed to be evidence of or an admission or concession by Sony Pictures or Blue Sky as to (a) the validity of any claim that has been or could have been asserted against either or as to any liability by either as to any matter encompassed by the Settlement Agreement or (b) the propriety of certifying any litigation class against Sony Pictures or Blue Sky.

45. Neither the Settlement Agreements, nor any of their terms or provisions, nor any of the negotiations or proceedings connected with them, shall be construed as an admission or concession by plaintiffs or defendants, respectively, of the truth or falsity of any of the allegations in the Lawsuit, or of any liability, fault or wrongdoing of any kind.

46. All members of the Proposed Settlement Class are temporarily barred and enjoined from instituting or continuing the prosecution of any action asserting the claims released in the proposed settlements, until the Court enters final judgment with respect to the fairness, reasonableness, and adequacy of the settlements.

IT IS SO ORDERED.

Dated: July 6, 2016

Lucy H. Koh

LUCY H. KOH
United States District Judge

United States District Court
Northern District of California

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