KERSHAW | CUTTER & RATINOFF | LLP

December 10, 2014

Gina McCarthy
Administrator
1200 Pennsylvania Ave. NW
Environmental Protection Agency
Washington, DC 20460

Department of Justice
Citizen Suit Coordinator
950 Pennsylvania Ave.
Room 2615
Washington, DC 20530.

Jared Blumenfeld (via U.S. first class mail)
Regional Administrator
Environmental Protection Agency Region 9
75 Hawthorne Street
San Francisco, CA 94105

Re: *Environmental World Watch, Inc., et al v. The Walt Disney Company, et al*
U.S.D.C. Case No.: CV09-4045 DMG (PLAx)

Dear Sirs/Mesdames:

Enclosed please find a copy of the settlement agreement and proposed final order and judgment terms signed by the remaining parties to an action captioned *Environmental World Watch, Inc., Dennis Jackson, Robert Hill, Robin McCall, and William McCall v. The Walt Disney Company, Walt Disney Enterprises, Inc., and Disney Worldwide Services, Inc.*, Case No. CV09-4045 DMG (PLAx) filed in the United States District Court, Central District of California. Pursuant to 40 C.F.R. § 135.5, Plaintiffs are providing you with this copy of the Settlement Agreement and proposed final order and judgment terms per section of 18 of the Agreement.

Very truly yours,

For

John R. Parker, Jr.

401 Watt Avenue, Sacramento, CA 95864 | Tel 916.448.9800 | Toll Free 800.979.5279 | Fax 916.669.4499 | www.kcrlegal.com

cc: Kirk Wilkinson (via email)
Jack Silver (via email)

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CONFIDENTIAL SETTLEMENT COMMUNICATION
PURSUANT TO FEDERAL RULE OF EVIDENCE 408 AND
CALIFORNIA EVIDENCE CODE SECTION 1152

STIPULATION OF SETTLEMENT AND RELEASE

This Stipulation of Settlement and Release ("Agreement") is entered into by and between Dennis Jackson, Robin McCall, and William McCall (collectively "Plaintiffs"), and the Law Office of Jack Silver and Kershaw, Cutter & Ratinoff LLP (collectively, "Plaintiffs' Counsel"), on the one hand, and Defendants The Walt Disney Company, Disney Enterprises, Inc., and Disney Worldwide Services, Inc. (collectively "Disney") on the other hand (together, the "Parties").

RECITALS

A. On June 5, 2009, an action captioned Environmental World Watch, Inc., Dennis Jackson, Robert Hill, Robin McCall, and William McCall v. The Walt Disney Company, Walt Disney Enterprises, Inc., and Disney Worldwide Services, Inc., Case No. CV09-4045 DMG (PLAx) (the "Action") was filed in the United States District Court, Central District of California, alleging claims, including claims under the Resource Conservation and Recovery Act, for Disney's alleged use and discharge of hexavalent chromium from the cooling systems at Disney's studio lot located at 500 South Buena Vista Street in Burbank, California ("Studio Lot").

B. All claims asserted in the Action by Environmental World Watch, Inc. ("EWW") have been dismissed for lack of standing and the lack of subject matter jurisdiction, and neither EWW, nor any of its affiliated entities, individuals, or successors or assigns—including specifically, but without limitation, Environmental World Watch, LLC, RBC Four Co., Inc., RBC Four Co., LLC, William Dunlap, Doris Nichols, and Dennis Becvar—is a party to this Agreement or included within the term "Plaintiffs."

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C. On June 24, 2009, Plaintiffs filed a First Amended Complaint in the Action.

D. On August 14, 2009, Plaintiffs filed a Second Amended Complaint in the Action, adding claims under the Clean Water Act ("CWA").

E. On June 25, 2010, Plaintiffs filed a Third Amended Complaint in the Action adding additional claims under the CWA.

F. On March 11, 2011, Plaintiff Robert Hill voluntarily filed a stipulation of dismissal under Federal Rule of Civil Procedure 41(a)(1)(A)(ii), and the Court entered an Order dismissing his claims in the Action with prejudice.

G. On April 18, 2012, Plaintiffs filed a Fourth Amended Complaint ("FAC") and voluntarily dismissed, with prejudice (i) the first through fifth claims for relief in the Third Amended Complaint regarding alleged violations of the Resource Conservation and Recovery Act, including allegations that Defendants discharged hexavalent chromium from the Studio Lot; (ii) the eighth through fourteenth claims for relief in the Third Amended Complaint regarding violations of the CWA; and (iii) dropped their prayer for remediation and civil penalties, and elected to pursue equitable remedies only in the FAC.

H. On May 11, 2012, the parties filed cross-motions for summary judgment addressing (i) whether the Studio Lot is an industrial facility that requires coverage under the General Permit for its storm water discharges, and (ii) whether Disney's discharges of non-storm water runoff, including but not limited to landscape irrigation runoff and fire-line flushing require an individual National Pollutant Discharge Elimination System ("NPDES") permit.

I. On September 23, 2013, the District Court issued an order ("Summary Judgment Order") granting in part and denying in part Disney's motion and denying Plaintiffs' motion in its entirety ("Docket Entry # 378").

J. On April 1, 2014, the Court issued an order finding that EWW lacks Article III standing to bring this Action, and on June 24, 2014, the Court entered an order dismissing EWW's claims for lack of subject matter jurisdiction. EWW did not timely appeal the Court's Order re Dismissal and EWW's right to appeal has expired.

K. On April 2, 2014, the Court granted Disney's motion to amend the Summary Judgment Order to certify such Order for interlocutory review of the non-storm water issue specified in that Order, and to stay the Action pending interlocutory appeal to the Ninth Circuit.

L. On April 9, 2014, the Court issued an order amending the Court's Summary Judgment Order and certifying the non-storm water issue for interlocutory review (Docket Entry # 429") ("Amended Summary Judgment Order").

M. On April 18, 2014, Disney filed a petition with the Ninth Circuit Court of Appeals for permission to appeal the Court's Amended Summary Judgment Order pursuant to 28 U.S.C. § 1292(b).

N. On July 8, 2014, the Ninth Circuit Court of Appeals entered an order granting Disney's petition for permission to appeal the Amended Summary Judgment Order pursuant to 28 U.S.C. § 1292(b).

O. On July 24, 2014, the Court held a telephonic status conference re settlement in which the Court confirmed that it would consider vacating the Summary Judgment Order and the Amended Summary Judgment Order in the event of a settlement between the parties.

P. After years of investigation and litigation, Plaintiffs:

1. have not identified evidence, and therefore have abandoned their claims that Disney used hexavalent chromium or water-treatment products containing hexavalent chromium in its cooling systems, including its cooling towers and its once-through well water cooling system;

2. have not identified evidence, and therefore have abandoned their claims that Disney discharged cooling water to any surface street, including Keystone Street and Parkside Avenue;

3. have not identified evidence, and therefore have abandoned their claims that Disney discharged cooling water containing hexavalent chromium to the area commonly known as Polliwog Park or the neighborhoods surrounding the Studio Lot and Polliwog Park; and

4. acknowledge that the California Department of Public Health has concluded that the risk of cancer presented by the levels of hexavalent chromium found at Polliwog Park is negligible and that the levels of hexavalent chromium in the soil at Polliwog Park are not expected to harm the health of people using Polliwog Park for recreation.

Q. The Parties have agreed to settle their disputes related to the remaining CWA claims in the Action, as set forth herein.

NOW, THEREFORE, in consideration of the promises and covenants contained in this Agreement, the Parties agree as follows:

I. DEFINITIONS

1. **Agency Approval.** Agency Approval is the process whereby the Plaintiffs shall serve a copy of this Agreement, signed by all parties to the Action, upon the Administrator of the Environmental Protection Agency ("EPA") and the Attorney General of the Department of Justice ("DOJ"), and whereby the Parties shall receive comments, if any, from the EPA and DOJ within the 45-day agency-review period provided by 40 C.F.R. § 135.5.

2. **Effective Date.** The Effective Date of this Agreement shall be the day that the final signatory to this Agreement executes the Agreement.

3. **Entry Date.** The Entry Date shall be the date the Court enters the Final Court Order approving this Agreement.

4. **Final Court Order.** Final Court Order is the order that this Court will enter approving the Agreement, vacating the Court's Summary Judgment Order (Docket Entry # 378) and Amended Summary Judgment Order (Docket Entry # 429), dismissing the entire Action with prejudice pursuant to Federal Rule of Civil Procedure 41(a)(2), and retaining jurisdiction over the Parties with respect to resolving disputes, if any, that may arise under the Final Court Order

5. **Termination Date.** The Termination Date of this Agreement shall be three years after the Entry Date.

II. TERMS OF SETTLEMENT

6. **No Admission of Liability.** The Parties enter into this Agreement for the purpose of avoiding prolonged and costly litigation. Nothing in this Agreement constitutes an admission by Disney concerning the merit of Plaintiffs' claims. Disney does not admit, and, in fact, denies any liability with regard to the claims asserted by Plaintiffs and EWW in the Action.

7. **No NPDES Permit.** Disney will continue to discharge storm water and certain categories of non-storm water (*e.g.*, runoff from landscape irrigation and fire-line flushing) from Disney's Studio Lot in Burbank, California ("Studio Lot") to the City of Burbank's municipal separate storm sewer system ("Burbank MS4") pursuant to Disney's Waste Discharge Permit No. 1168, the Burbank Municipal Code and in accordance with applicable laws. Disney will not apply for an NPDES Permit as sought by Plaintiffs in the FAC.

8. **Filter Installation.** Within ninety (90) days of the Entry Date, Disney will install, drop-inlet filters in six to eight catch basins that capture storm and non-storm water runoff (*e.g.*, landscape irrigation water) from parking lots and roadways at the Studio Lot. The drop-inlet filters shall be designed to reduce the volume and concentration of pollutants in Disney's storm sewer discharges to the Burbank MS4. Disney will document the installation of the drop-inlet filters by taking and maintaining photographs of such installations.

9. **Filter Review.** Disney will assess the condition of the drop-inlet filters at least one time each year before the rainy season (October 1 through May 30) and replace or repair them as needed.

10. **Sweeping.** Disney will continue its current practice of dry-vacuum sweeping open parking areas at the Studio Lot a minimum of five (5) days per week on non-rain-event days. In addition, Disney will continue its current practice of semi-annually wet-vacuum sweeping covered parking areas at the Studio Lot.

11. **No Sampling or Effluent Limits.** Nothing in this Agreement requires Disney to conduct storm sewer sampling, monitoring, inspections, or to meet any numerical discharge limits or reporting requirements, whether at the catch basins containing drop-inlet filters, at

outfalls to the Burbank municipal separate storm sewer system, or at any other location at the Studio Lot.

12. **Financial Terms of Settlement.** The Parties agree that Disney will defer $250,000 of the fees and costs incurred by Plaintiffs or Plaintiffs' Counsel in pursuing the Action by delivering a check in that amount payable to Kershaw Cutter & Ratinoff LLP. In all other respects, the Plaintiffs and Disney will each bear their own costs and fees in the Action through and including the Termination Date.

13. **General Release.**

(a) In consideration of the foregoing, Plaintiffs, individually and on behalf of any respective agents, attorneys, employees, servants, representatives, assignees, heirs, executors, administrators or beneficiaries, related entities, predecessors, successors, and insurers, and any and all persons acting by, through, under or in concert with any of them, past, present and future (collectively, the "Releasors"), each hereby fully and forever irrevocably, unconditionally, and generally release and discharge The Walt Disney Company, Disney Enterprises, Inc., and Disney Worldwide Services, Inc., and each of their parents, subsidiaries, affiliated entities, divisions, predecessors, successors, and assigns, and all of their respective past, present and future agents, servants, representatives, employees, officers, directors, shareholders, members, managers, attorneys, insurers, executors, heirs, beneficiaries, administrators, and any and all persons acting by, through, under or in concert with any of them (collectively, the "Releasees"), of and from any and all claims, rights, demands, debts, obligations, liabilities, costs, expenses, attorneys' fees, damages, actions, causes of action, of every nature and description whatsoever, whether known or unknown, asserted or unasserted,

foreseen or unforeseen, contingent or absolute, anticipated or unanticipated, that the Releasors have had, now have, or may in the future have against the Releasees by reason of any act, omission, transaction, occurrence, conduct, circumstance, condition, harm, matter, cause or thing that has occurred from the beginning of time up to and including the date hereof (collectively, the "Claims"). This General Release includes all Claims from the beginning of time up to and including the date hereof that arise directly or indirectly from, or relate to, Disney's Studio Lot, including the alleged discharge of cooling water, storm water and/or non-storm water from the Studio Lot, to neighboring locations, including Polliwog Park and the City of Burbank's municipal separate storm sewer system.

(b) Plaintiffs, and each of them, acknowledge that they are fully familiar with and have read the provisions of Section 1542 of the Civil Code of the State of California, 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.

(c) Plaintiffs, and each of them, being aware of said Code section, and having had the opportunity to consult legal counsel, expressly waive and relinquish any and all rights and benefits afforded by Section 1542, as well as any other statute, law, rule or common law principle of this or any other jurisdiction of similar effect, to the fullest extent permitted by law with respect to the Claims released herein, and do so understanding and acknowledging the significance of such specific waiver of Section 1542. Plaintiffs acknowledge and agree that this

waiver is an essential and material term of this Agreement, and that without such waiver, this Agreement would not have been entered into by Disney.

(d) Notwithstanding the provisions of Section 1542, this Agreement shall constitute a full and complete general release and discharge of Releasees by the Plaintiffs, and each of them expressly acknowledges that this Agreement is intended to include in its effect, without limitation, all claims, including those that Plaintiffs do not know or suspect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims. Plaintiffs and each of them further acknowledge that he/she may hereafter discover facts different from, or in addition to, those facts which he/she now knows or believes to be true, and agree that this General Release is now and shall remain effective notwithstanding the existence of or the discovery of additional or different facts. The Parties intend that this General Release shall be complete and final, and shall not be subject to any claim of accident, mutual mistake or mistake of fact.

14. **Covenant Not to Sue**. Except as may be provided in Paragraph 21, Plaintiffs hereby individually, and on behalf of any respective agents, attorneys, employees, servants, representatives, assignees, heirs, executors, administrators, beneficiaries, related entities, predecessors, successors, and insurers, and any and all persons acting by, through, under or in concert with any of them, past, present and future, covenant not to sue The Walt Disney Company, Disney Enterprises, Inc., and Disney Worldwide Services, Inc., and each of their parents, subsidiaries, affiliated entities, divisions, predecessors, successors, and assigns, and all of their respective past, present and future agents, servants, representatives, employees, officers, directors, shareholders, members, managers, attorneys, insurers, executors, heirs, beneficiaries,

administrators, and any and all persons acting by, through, under or in concert with any of them with respect to any and all claims of any kind whatsoever, related to the claims raised in the Notices of Intent to Sue letters and the Complaints in this Action, whether known or unknown, asserted or unasserted, foreseen or unforeseen, contingent or absolute, anticipated or unanticipated, up to and including the Termination Date of this Agreement.

III. AGENCY REVIEW AND COURT APPROVAL PROCESS

15. **Agency Review**. Within five (5) days of the Effective Date, Plaintiffs shall submit this Agreement to the EPA and the DOJ (the "Agencies") via certified mail, return receipt requested, for review and Agency Approval consistent with 40 C.F.R. § 135.5. The agency-review period shall expire forty-five (45) days after receipt of the Agreement by the Agencies, as evidenced by the return receipts, copies of which shall be provided to Disney upon receipt by Plaintiffs. In the event either of the Agencies comments negatively on the provisions of this Agreement, the Parties shall meet and confer to attempt to resolve the issue(s) raised by such Agencies. If the Parties are unable to resolve any issue(s) raised by the Agencies within 14 days of receipt of comments, the Parties agree to expeditiously seek a settlement conference with the Court or United States Magistrate Judge Paul L. Abrams for the purpose of achieving a mutually acceptable modification of the Agreement.

16. **Preliminary Court Approval**. Within five (5) days of receipt of Agency Approval, the Parties shall jointly move the court for entry of an order:

(a) preliminarily approving this settlement in substantially the form presented by the Parties (hereinafter, "Preliminary Court Approval");

(b) providing that the Summary Judgment Order (Docket Entry # 378) and Amended Summary Judgment Order (Docket Entry # 429) entered by this Court shall be vacated after Disney withdraws the interlocutory appeal that it filed with the United States Court of Appeals for the Ninth Circuit pursuant to 28 U.S.C. 1292(b); and

(c) providing that, after Disney withdraws its interlocutory appeal, the Court shall enter a Final Court Order dismissing the entire Action with prejudice pursuant to Federal Rule of Civil Procedure 41(a)(2), and retaining jurisdiction over the Parties with respect to resolving disputes, if any, that may arise under the Final Court Order.

17. **Appeal Withdrawal**. Within five (5) days of Preliminary Court Approval, Disney shall withdraw its interlocutory appeal to the United States Court of Appeals for the Ninth Circuit (Case No. 14-80055) (hereinafter "Appeal Withdrawal").

18. **Final Court Order**. Within ten (10) days of Disney's Appeal Withdrawal, the Parties shall jointly move the Court for final approval of this Agreement and entry of a Final Court Order:

(a) approving this Agreement in substantially the form presented by the Parties;

(b) vacating the Court's Summary Judgment Order (Docket Entry # 378) and Amended Summary Judgment Order (Docket Entry # 429);

(c) dismissing the entire Action with prejudice pursuant to Federal Rule of Civil Procedure 41(a)(2);

(d) retaining jurisdiction over the Parties with respect to resolving disputes, if any, that may arise under the Final Court Order.

19. **Delivery of Releases.** No later than seven (7) days from the Entry Date, Plaintiff's Counsel shall deliver to Disney a general release executed by each of the Plaintiffs in the form annexed hereto as Exhibit 1 ("General Release Upon Final Court Order") together with completed tax identification forms necessary for preparing a check to Plaintiffs and their counsel.

20. **Delivery of Funds.** Within twenty-one (21) days of receiving the executed General Releases Upon Final Court Order and completed tax identification forms as provided in Paragraph 19, Disney shall deliver a check in the amount of $250,000 payable to Kershaw Cutter & Ratinoff LLP as provided in Paragraph 12 above.

21. **Dispute Resolution.** After the Entry Date, any disputes arising from or with respect to any of the provisions of this Agreement shall be resolved through the following procedure. The Parties agree to first meet and confer to resolve any dispute arising under this Agreement. The Parties shall meet and confer within fourteen (14) days of receiving written notification from the other Party of a request for a meeting to determine the merits of the dispute and to develop a mutually agreed-upon plan, including implementation dates, to resolve the dispute. In the event that such disputes cannot be resolved through the meet-and-confer process or the Parties fail to meet and confer, the Parties agree to request a settlement meeting before United States Magistrate Judge Paul Abrams or a Court-appointed mediator. In the event that the Parties cannot resolve the dispute by the conclusion of the settlement meeting with the Magistrate Judge or mediator, the Parties may submit the dispute via motion to the District Court Judge. The parties expressly consent to have all disputes arising from this Agreement resolved by the District Court, and the parties waive any appeal or judicial review of a decision entered by the District Court Judge made within the parameters of this Agreement. This Court shall retain

jurisdiction in this matter from the Effective Date through the Termination Date for the purposes of enforcing the terms of the Final Court Order or resolving any dispute concerning the terms of the Final Court Order. In addition, following the Termination Date, this Court shall retain jurisdiction for the purpose of resolving any disputes arising prior to the Termination Date.

22. **Release Upon Termination Date.** Within thirty (30) days of the Termination Date, each Plaintiff, or a legal representative authorized to sign on behalf of each Plaintiff, shall execute, and Plaintiffs' counsel shall deliver to Disney, executed copies of the general release annexed hereto as Exhibit 2 ("General Release Upon Termination").

IV. REPRESENTATIONS AND WARRANTIES OF PLAINTIFFS' COUNSEL

23. In addition to other representations, warranties and covenants included herein, Plaintiffs and Plaintiffs' Counsel, on behalf of Plaintiffs, represent, warrant and/or covenant that:

(a) This Agreement constitutes a valid, legal and binding obligation of each Plaintiff and of Plaintiffs' Counsel, enforceable according to its terms;

(b) Plaintiffs' Counsel will use their best efforts to obtain, and deliver to counsel for the Defendants, executed copies of the General Release Upon Final Court Order , annexed hereto as Exhibit 1, from each Plaintiff within seven (7) days of Entry Date. Plaintiffs' Counsel will also use their best efforts to obtain, and deliver to counsel for the Defendants, executed copies of the General Release Upon Termination, annexed hereto as Exhibit 2, from each Plaintiff within thirty (30) days of the Termination Date;

(c) Plaintiffs' Counsel are not currently representing any clients other than the Plaintiffs in this Action in respect of asserted or unasserted claims against Disney concerning the Studio Lot that are the same or similar to those raised in the Action or any of the following

actions: **(i)** *Environmental World Watch, Inc. v. The Walt Disney Company*, No. NC03984633 (L.A. Super. Ct. filed June 1, 2007) (dismissed for lack of prosecution on Aug. 15, 2007); **(ii)** *Environmental World Watch, Inc. v. The Walt Disney Company*, No. NC050458 (L.A. Super. Ct. filed Oct. 29, 2007) (dismissed without prejudice on Nov. 7, 2008; judgment for Defendants and award of costs entered on Feb. 5, 2009); **(iii)** *The United States of America, ex rel Environmental World Watch, Inc. v. The Walt Disney Company*, Case No. 2:08-cv-04733-JVS-VBK (dismissed without prejudice on May 13, 2009); **(iv)** *State of California, ex rel. Environmental World Watch, Inc. v. The Walt Disney Company*, No. BC408096 (L.A. Super. Ct. filed Feb. 19, 2009) (dismissed on Nov. 5, 2010; judgments for Defendants entered on Jan. 6, 2011 and Feb. 9, 2011); **(v)** *Jackson v. The Walt Disney Company*, No. BC410175 (dismissed with prejudice by all plaintiffs except Phyliss Thompson who dismissed without prejudice; judgment of dismissal and award of costs to Defendants entered on November 6, 2012); **(vi)** *Environmental World Watch, Inc. v. The Walt Disney Company*, No. BC414964 (L.A. Super. Ct. filed June 3, 2009) (dismissal with prejudice entered on April 24, 2012); **(vii)** *Hill v. The Walt Disney Company*, No. BC415444 (L.A. Super. Ct. filed June 9, 2009) (dismissed with prejudice by all plaintiffs except Dennis Weisenbaugh who dismissed without prejudice; judgment of dismissal and award of costs to Defendants entered on November 6, 2012); **(viii)** *Baptist v. The Walt Disney Company*, No. BC429489 (L.A. Super. Ct. filed Jan. 8, 2010) (dismissal of entire action, with prejudice, entered on January 31, 2012); **(ix)** *The State of California, ex rel. RBC Four Co. v. The Walt Disney Company*, No. BC461157 (L.A. Super. Ct. filed May 9, 2011) (dismissed without prejudice on November 30, 2012); **(x)** *Environmental World Watch, LLC v. The Walt Disney Company*, BC492473 (L.A. Super. Ct. filed September 18, 2012) (motion for judgment granted

against Plaintiffs on April 2, 2014); (xi) *The United States of America, ex rel. RBC Four Co. LLC v. The Walt Disney Company*, CV12- 8036 DMG (PLAx), filed September 20, 2012 (dismissed with prejudice and Rule 11 sanctions issued against counsel on August 9, 2013); **(xii)** *Greenberg v. The Walt Disney Company*, No. BC524409 (L.A. Super. Ct. filed October 11, 2013).

V. ADDITIONAL PROVISIONS

24. **Right To Represent Clients.** Nothing in this agreement is intended to restrict an attorney's right to practice law. This agreement is in compliance with both ABA Model Rule 5.6 and California Rules of Professional Conduct 1-500.

25. **Severability.** In the event that any provision of this Agreement is held by a court to be unenforceable, the validity of the remaining enforceable provisions shall not be adversely affected.

26. **Understanding of Agreement.** As a material inducement to enter into this Agreement, each of the Parties warrants and represents that in executing this Agreement, he/she/it has read and fully understands the terms of this Agreement, having been counseled thereon by attorneys of their own choosing. The Parties, and each of them, further represent and warrant that in executing this Agreement, they do not rely, and have not relied upon any inducement, promise, representation and/or statement made by the remaining Parties, or any of them, or their respective agents, representatives and/or attorneys with regard to the subject matter, basis, meaning, effect, and/or fact of this Agreement.

27. **Free and Voluntary Execution.** Each of the Parties represents and acknowledges that he/she/it has read this Agreement and understands all of its terms and executes this

Agreement freely, voluntarily and without coercion, with full knowledge of its significance and the legal consequences thereof.

28. **Entire Agreement.** All agreements, covenants, representations and warranties, express or implied, oral or written, of the Parties concerning the subject matter of this Agreement are contained herein. All prior discussions, negotiations and agreements are superseded by this Agreement. This Agreement may not be changed or modified except in writing signed by all Parties or their counsel.

29. **Construction of Agreement.** The terms and conditions of this Agreement are the result of arm's length negotiations between the Parties and shall not be construed for or against any Party by reason of the extent to which any Party participated in its drafting.

30. **No Prior Assignment.** Each of the Plaintiffs and Plaintiffs' Counsel represents and warrants that he/she has not sold, assigned, conveyed, pledged, encumbered, or otherwise in any way transferred to any person or entity any interest in the rights, claims, or causes of action he/she is releasing in this Agreement.

31. **Binding Contract.** In the event any court of competent jurisdiction should find that the United States District Court for the Central District of California lacks jurisdiction to resolve any dispute that may arise under this Agreement and/or enforce this Agreement as provided above, the Parties stipulate and agree that (1) they will jointly request the Court to set aside dismissal of the FAC and reinstate the FAC for the sole purpose of providing the Court with jurisdiction to resolve the dispute and enforce this Agreement, and (2) should the Court decline to do so, this Agreement shall be deemed a binding contract enforceable as a contract by the Superior Court of the State of California for the County of Los Angeles.

32. **Execution in Counterparts and Exchange of Signatures by Facsimile or PDF.** This Agreement may be signed in counterparts, each of which, when executed, shall constitute an original. When taken together, all such counterparts shall be considered one fully signed Agreement. Facsimile or PDF signatures shall be treated as original signatures for purposes of this Agreement.

33. **Confidentiality.** Except as otherwise already in the public domain or as may be required by applicable law or compelled by legal process, including without limitation as may be required by EPA and/or DOJ during or in connection with the agencies' 45-day review period, Plaintiffs and Plaintiffs' Counsel shall maintain all settlement discussions , negotiations, and related communications as confidential and shall not disclose them to any person or entity not a Party hereto. Plaintiffs and their representatives, including Plaintiffs' Counsel, shall make no response to any inquiry from the press or others concerning this dispute other than the following statement: "The matter has been resolved." The confidentiality obligations set forth in this paragraph are material and essential terms of this Agreement. Plaintiffs and Plaintiffs' Counsel shall not disclose their work product, including expert work product, to any person or entity, or in response to any media request, and shall keep such materials confidential except as otherwise already in the public domain or as may be required by applicable law or compelled by legal process, including without limitation as may be required by the EPA or DOJ during or in connection with the agencies' 45-day review period. Plaintiffs and Plaintiffs' Counsel will destroy or return to Disney, within seven days of receipt of the Payment, all documents produced during discovery except those documents already in the public domain. If legal process is received by Plaintiffs or Plaintiffs' Counsel, they shall promptly notify Disney that the process

has been served and forward a copy to Disney so that Disney shall have time to respond, if appropriate.

34. **Notices.** All notices, requests, demands and other communications, which may be given under or concerning this Agreement, shall be in writing and shall be deemed to have been given when received. In each case, the notice shall be sent:

(1) If to the Plaintiffs, addressed to:

C. Brooks Cutter, Esq.
Kershaw Cutter & Ratinoff LLP
401 Watt Avenue
Sacramento, CA 95864

With copy to:

Jack Silver, Esq.
Law Office of Jack Silver
Post Office Box 5469
Santa Rosa, CA 95402-5469

(2) If to Disney, addressed to:

General Counsel
The Walt Disney Company
500 South Buena Vista Street
Burbank, CA 91521

With copy to:

Kirk Wilkinson, Esq.
Latham & Watkins LLP
355 South Grand Avenue, Los Angeles, CA 90071-1560

or to such other place as any party may designate by written notice to the other party.

35. **Other Orders Unaffected.** All other orders in this Action, other than the Summary Judgment Orders, including orders imposing sanctions against William Dunlap,

Dennis Becvar, EWW, Inc., and their counsel, and any appeals therefrom, are unaffected by this Agreement.

36. **Cooperation.** If, for any reason, the Court should decline to approve this Agreement in the form presented, the Parties shall work together to modify the Agreement within thirty (30) days so that it is acceptable to the Court. The Parties shall, without further consideration, execute and deliver such other documents and take such other actions as may be necessary to effectuate the terms of this Agreement.

37. **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of California, without reference to its conflict-of-law rules.

38. **Voiding the Agreement.** Failure by the Court to approve any material condition of this Agreement which effects a fundamental change to the Parties Agreement shall render the entire Agreement voidable and unenforceable as to all Parties herein at the option of either Party.

VI. AGREEING AND RELEASING PARTIES:

PLAINTIFF *Dennis Jackson*

By: _____ **Date:** _____
Dennis Jackson

PLAINTIFF *Robin McCall*

DocuSigned by:
Robin McCall
CC137E7D65F14D6...

By: _____ **Date:** 10/29/2014
Robin McCall

PLAINTIFF *William McCall*

DocuSigned by:
William McCall
FBF62FC67C3A461...

By: _____ **Date:** 10/31/2014
William McCall

VI. AGREEING AND RELEASING PARTIES:

PLAINTIFF *Dennis Jackson*

By: Dennis Jackson **Date**: 12-6-14

Dennis Jackson

PLAINTIFF *Robin McCall*

By: _____ **Date**: _____

Robin McCall

PLAINTIFF *William McCall*

By: _____ **Date**: _____

William McCall

ED_001083_00000424-00025

VII. *AGREEING PARTIES:*

DEFENDANT *The Walt Disney Company*

By: _____ **Date:** _____

Marsha Reed – Vice President Governance Administration and Assistant Secretary, The Walt Disney Company

DEFENDANT *Disney Enterprises, Inc.*

By: _____ **Date:** _____

Daniel F. Grossman - Vice President

DEFENDANT *Disney Worldwide Services, Inc.*

By: _____ **Date:** _____

John A. Stowell - Treasurer

KERSHAW, CUTTER AND RATINOFF LLP

By: _____ **Date:** 12/5-/14

Brooks Cutter, Esq., of Kershaw, Cutter & Ratinoff, LLP

LAW OFFICE OF JACK SILVER

By: _____ **Date:** _____

Jack Silver, Esq.

By: _____ Date: _____

Marsha Reed – Vice President Governance Administration and Assistant Secretary, The Walt Disney Company

DEFENDANT *Disney Enterprises, Inc.*

By: _____ Date: _____

Daniel F. Grossman - Vice President

DEFENDANT *Disney Worldwide Services, Inc.*

By: _____ Date: _____

John A. Stowell - Treasurer

KERSHAW, CUTTER AND RATINOFF LLP

By: _____ Date: _____

Brooks Cutter, Esq., of Kershaw, Cutter & Ratinoff, LLP

LAW OFFICE OF JACK SILVER

By: Jack _____ Date: Oct. 24, 2014

Jack Silver, Esq.

VII. *AGREEING PARTIES:*

DEFENDANT *The Walt Disney Company*

By: _____ **Date:** _____

Marsha Reed – Vice President Governance Administration and Assistant Secretary, The Walt Disney Company

DEFENDANT *Disney Enterprises, Inc.*

By: _____ **Date:** 11/10/14

Daniel F. Grossman - Vice President

DEFENDANT *Disney Worldwide Services, Inc.*

By: _____ **Date:** _____

John A. Stowell - Treasurer

KERSHAW, CUTTER AND RATINOFF LLP

By: _____ **Date:** _____

Brooks Cutter, Esq., of Kershaw, Cutter & Ratinoff, LLP

LAW OFFICE OF JACK SILVER

By: _____ **Date:** _____

Jack Silver, Esq.

ED_001083_00000424-00028

VII. *AGREEING PARTIES:*

DEFENDANT *The Walt Disney Company*

By: _____ **Date:** _____

Marsha Reed – Vice President Governance Administration and Assistant Secretary, The Walt Disney Company

DEFENDANT *Disney Enterprises, Inc.*

By: _____ **Date:** _____

Daniel F. Grossman - Vice President

DEFENDANT *Disney Worldwide Services, Inc.*

By: _____ **Date:** November 11, 2014

John A. Stowell - Treasurer

KERSHAW, CUTTER AND RATINOFF LLP

By: _____ **Date:** _____

Brooks Cutter, Esq., of Kershaw, Cutter & Ratinoff, LLP

LAW OFFICE OF JACK SILVER

By: _____ **Date:** _____

Jack Silver, Esq.

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VII. *AGREEING PARTIES:*

DEFENDANT *The Walt Disney Company*

By: _____ **Date:** Dec. 10, 2014

Marsha Reed – Vice President Governance Administration and Assistant Secretary, The Walt Disney Company

DEFENDANT *Disney Enterprises, Inc.*

By: _____ **Date:** _____

Daniel F. Grossman - Vice President

DEFENDANT *Disney Worldwide Services, Inc.*

By: _____ **Date:** _____

John A. Stowell - Treasurer

KERSHAW, CUTTER AND RATINOFF LLP

By: _____ **Date:** _____

Brooks Cutter, Esq., of Kershaw, Cutter & Ratinoff, LLP

LAW OFFICE OF JACK SILVER

By: _____ **Date:** _____

Jack Silver, Esq.

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EXHIBIT 1

GENERAL RELEASE UPON FINAL COURT ORDER

1. By signing this General Release Upon Entry Date ("General Release"), I, individually and on behalf of any respective agents, attorneys, employees, servants, representatives, assignees, heirs, executors, administrators or beneficiaries, related entities, predecessors, successors, and insurers, and any and all persons acting by, through, under or in concert with any of them, past, present and future (collectively, the "Releasors"), fully and forever irrevocably, unconditionally, and generally release and discharge The Walt Disney Company, Disney Enterprises, Inc., and Disney Worldwide Services, Inc., and each of their parents, subsidiaries, affiliated entities, divisions, predecessors, successors, and assigns, and all of their respective past, present and future agents, servants, representatives, employees, officers, directors, shareholders, members, managers, attorneys, insurers, executors, heirs, beneficiaries, administrators, and any and all persons acting by, through, under or in concert with any of them (collectively, the "Releasees"), of and from any and all claims, rights, demands, debts, obligations, liabilities, costs, expenses attorneys' fees, damages, actions, causes of action, of every nature and description whatsoever, whether known or unknown, asserted or unasserted, foreseen or unforeseen, contingent or absolute, anticipated or unanticipated, that the Releasors have had, now have, or may in the future have against the Releasees by reason of any act, omission, transaction, occurrence, conduct, circumstance, condition, harm, matter, cause or thing that has occurred from the beginning of time up to and including the date hereof (collectively, the "Claims"). This General Release includes all Claims from the beginning of time up to and including the date hereof that arise directly or indirectly from or relate to, Disney's Studio Lot, including the alleged discharge of cooling water, storm water and/or non-storm water from the

Studio Lot, to neighboring locations, including Polliwog Park and the City of Burbank's municipal separate storm sewer system.

2. I acknowledge that I am fully familiar with and have read the provisions of Section 1542 of the Civil Code of the State of California, 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.

3. Being aware of said Code section, and having had the opportunity to consult legal counsel, I expressly waive and relinquish any and all rights and benefits afforded by Section 1542, as well as any other statute, law, rule or common law principle of this or any other jurisdiction of similar effect, to the fullest extent permitted by law with respect to the Claims released herein, and do so understanding and acknowledging the significance of such specific waiver of Section 1542. I acknowledge and agree that this waiver is an essential and material term of this Agreement, and that without such waiver, this Agreement would not have been entered into by Disney.

4. Notwithstanding the provisions of Section 1542, this Agreement shall constitute a full and complete general release and discharge of Releasees by me, and I expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims, including those that I do not know or suspect to exist in my favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims. I further acknowledge that I may hereafter discover facts different from, or in addition to, those facts which I now know or believe to be true, and agree that this General Release is now and shall remain effective notwithstanding the existence of or the discovery of additional or different facts.

The Parties intend that this General Release shall be complete and final, and shall not be subject to any claim of accident, mutual mistake or mistake of fact.

PLAINTIFF *Dennis Jackson*

_____ **Date:** _____
Dennis Jackson

PLAINTIFF *Robin McCall*

DocuSigned by:
Robin McCall
6C137F7D65F14D6...
Robin McCall **Date:** 10/29/2014

PLAINTIFF *William McCall*

DocuSigned by:
William McCall
E8E62FC87C3A401...
William McCall **Date:** 10/31/2014

The Parties intend that this General Release shall be complete and final, and shall not be subject to any claim of accident, mutual mistake or mistake of fact.

PLAINTIFF *Dennis Jackson*

Dennis Jackson

Dennis Jackson

Date: 12-6-14

PLAINTIFF *Robin McCall*

Robin McCall

Date: _____

PLAINTIFF *William McCall*

William McCall

Date: _____

EXHIBIT 2

GENERAL RELEASE UPON TERMINATION

1. By signing this General Release Upon Termination ("General Release"), I, individually and on behalf of any respective agents, attorneys, employees, servants, representatives, assignees, heirs, executors, administrators or beneficiaries, related entities, predecessors, successors, and insurers, and any and all persons acting by, through, under or in concert with any of them, past, present and future (collectively, the "Releasors"), fully and forever irrevocably, unconditionally, and generally release and discharge The Walt Disney Company, Disney Enterprises, Inc., and Disney Worldwide Services, Inc., and each of their parents, subsidiaries, affiliated entities, divisions, predecessors, successors, and assigns, and all of their respective past, present and future agents, servants, representatives, employees, officers, directors, shareholders, members, managers, attorneys, insurers, executors, heirs, beneficiaries, administrators, and any and all persons acting by, through, under or in concert with any of them (collectively, the "Releasees"), of and from any and all claims, rights, demands, debts, obligations, liabilities, costs, expenses attorneys' fees, damages, actions, causes of action, of every nature and description whatsoever, whether known or unknown, asserted or unasserted, foreseen or unforeseen, contingent or absolute, anticipated or unanticipated, that the Releasors have had, now have, or may in the future have against the Releasees by reason of any act, omission, transaction, occurrence, conduct, circumstance, condition, harm, matter, cause or thing that has occurred from the beginning of time up to and including the date hereof (collectively, the "Claims"). This General Release includes all Claims from the beginning of time up to and including the date hereof that arise directly or indirectly from, or relate to, Disney's Studio Lot, including the alleged discharge of cooling water, storm water and/or non-storm water from the

Studio Lot, to neighboring locations, including Polliwog Park and the City of Burbank's municipal separate storm sewer system.

2. I acknowledge that I am fully familiar with and have read the provisions of Section 1542 of the Civil Code of the State of California, 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.

3. Being aware of said Code section, and having had the opportunity to consult legal counsel, I expressly waive and relinquish any and all rights and benefits afforded by Section 1542, as well as any other statute, law, rule or common law principle of this or any other jurisdiction of similar effect, to the fullest extent permitted by law with respect to the Claims released herein, and do so understanding and acknowledging the significance of such specific waiver of Section 1542. I acknowledge and agree that this waiver is an essential and material term of this Agreement, and that without such waiver, this Agreement would not have been entered into by Disney.

4. Notwithstanding the provisions of Section 1542, this Agreement shall constitute a full and complete general release and discharge of Releasees by me, and I expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims, including those that I do not know or suspect to exist in my favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claims. I further acknowledge that I may hereafter discover facts different from, or in addition to, those facts which I now know or believe to be true, and agree that this General Release is now and shall remain effective notwithstanding the existence of or the discovery of additional or different facts.

The Parties intend that this General Release shall be complete and final, and shall not be subject to any claim of accident, mutual mistake or mistake of fact.

PLAINTIFF *Dennis Jackson*

_____ **Date:** _____
Dennis Jackson

PLAINTIFF *Robin McCall*

DocuSigned by:
Robin McCall
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Date: 10/29/2014
Robin McCall

PLAINTIFF *William McCall*

DocuSigned by:
William McCall
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Date: 10/31/2014
William McCall

The Parties intend that this General Release shall be complete and final, and shall not be subject to any claim of accident, mutual mistake or mistake of fact.

PLAINTIFF *Dennis Jackson*

Dennis Jackson

Date: 12-6-14

PLAINTIFF *Robin McCall*

Robin McCall

Date: _____

PLAINTIFF *William McCall*

William McCall

Date: _____

Kershaw, Cutter & Ratinoff
401 Watt Avenue
Sacramento, CA 95864

Eric Holder
US Dept. of Justice
950 Pennsylvania Ave NW
Washington, DC 20004