
**IN THE COURT OF COMMON PLEAS OF FRANKLIN COUNTY, PENNSYLVANIA –
CIVIL DIVISION**

JOHN DOE 1, <i>et al</i> ,	:	Class Action Complaint
	:	
Plaintiffs,	:	
v.	:	Case Sealed by Court Order
	:	
FRANKLIN COUNTY, <i>et al</i> ,	:	
	:	Civil Action No. 2014-4623
Defendants.	:	

SETTLEMENT AGREEMENT

Plaintiffs, John Doe 1, John Doe 2, John Doe 3, Jane Doe 1, (the “Representative Plaintiffs”), individually and on behalf of all persons similarly situated of the certified class (collectively, “Plaintiffs”), and Defendants, Franklin County, Franklin County Sheriff’s Office (“Sheriff’s Office”), Franklin County Sheriff Dane Anthony (“Sheriff Anthony”), and Employee John/Jane Does (collectively, the “Defendants”) (Plaintiffs and Defendants are hereinafter collectively referred to as the “Parties”), hereby enter into this Settlement Agreement providing, subject to the approval of the Court, for settlement of the claims herein described against Defendants.

WHEREAS, Pennsylvania’s Uniform Firearms Act (“UFA”) declares as confidential “all information ... including but not limited to ... name or identity” provided by an applicant for a License to Carry Firearms (“LTCF”); and imposes sanctions, both civil and penal, of the greater of either One Thousand Dollars or three times actual damages plus attorney fees, for breach of that confidentiality, pursuant to 18 Pa.C.S. § 6111(i).

WHEREAS, Plaintiff filed the above-captioned class action lawsuit (the “Litigation,” “Lawsuit” or “Action”) against Defendants, alleging that Defendants improperly disclosed,

through the use of un-enveloped postcards, confidential information (“LTCF Information”) about applicants who applied for a License to Carry Firearms (“LTCF”) in alleged violation of 18 Pa.C.S. § 6111(i).

WHEREAS, the Defendants issued un-enveloped postcards, which displayed the name, address and other information relating to the LTCF Applicant on approximately 9,867 individuals between December 19, 2012 through January 29, 2016.

WHEREAS, the Court certified the Class on September 23, 2022 but directed the Parties to address how to more precisely define the Class.

WHEREAS, shortly after the Litigation was filed, Sheriff Brown and the Sheriff’s Office stopped utilizing un-enveloped postcards on January 29, 2016.

WHEREAS, the Defendants have denied and continue to deny Plaintiffs’ claims and deny any wrongdoing or liability of any kind to Plaintiffs and have indicated their intent to raise multiple arguments during any future summary judgment motions and/or trial, including but not limited to arguments that: (1) the applicants authorized the disclosure of information by allegedly being informed that the Sheriff’s Office would send un-enveloped postcards as part of the application process and thus did not violate the UFA, (2) that no public disclosure occurred by the issuance and mailing of un-enveloped postcards, and (3) that a 1 year statute of limitations should apply.

WHEREAS, the Parties have conducted, over the past 9 years, a thorough examination and investigation of the facts and law relating to the matters in this Litigation and that such examination included documentary and deposition discovery and numerous motions and filings, including three appeals, in the course of the Litigation.

WHEREAS, the Defendants have concluded that settlement is desirable in order to avoid the time, expense, and inherent uncertainties of defending protracted litigation and to resolve finally and completely all pending claims of the Plaintiffs relating to alleged conduct involved in this Litigation.

WHEREAS, Plaintiffs and Class Counsel recognize the costs and risks of prosecuting this Litigation, and believe that it is in their interest, and the interest of the Class, to resolve this Litigation, and any and all claims against the Defendants.

WHEREAS, substantial, adversarial settlement negotiations have taken place between the Parties, including with Commonwealth Court President Judge Emerita Bonnie Brigance Leadbetter, and, as a result, this Settlement Agreement has been reached, subject to Court approval.

WHEREAS, the Parties and their counsel believe that this Settlement Agreement offers significant benefits to Class and is fair, reasonable, adequate and in the best interest of the Class.

WHEREAS, this Settlement Agreement is made and entered into by and among the Defendants and the Representative Plaintiffs, individually and on behalf of the Class.

NOW, THEREFORE, it is hereby stipulated and agreed, by and between the undersigned as follows:

I. DEFINITIONS.

As used in this Settlement Agreement, the following terms shall have the meaning set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. Class – Consistent with this Court’s Order of September 23, 2022,

Those individuals who allegedly had their confidential license to carry firearms applicant information disclosed by Defendants in violation of 18 Pa.C.S. § 6111(i) from December 19, 2012 through January 29, 2016, as a result of un-enveloped communications, including, but not limited to, postcards that were sent to the applicant/licensee containing information submitted by the applicant/licensee to the Defendants.

B. Class Counsel - shall mean: Joshua Prince, Esquire of Prince Law Offices, P.C.

C. Class Notices - shall mean the Court-approved form of notice in substantially the same form as Exhibits D wherein the Class is informed of the certification of this Litigation as a class action pursuant to Pa.R.C.P. Nos. 1701 *et seq.*, the preliminary approval of this settlement by the Court, and is provided with the opportunity to object to the Settlement and/or opt out of the Litigation and Settlement.

D. Class Representative - shall mean the individuals appointed as class representatives for the Class by the Honorable John D. Kuhn, in the Court's Order of September 23, 2022, and referred to, for confidentiality purposes, as John Doe 1, John Doe 2, John Doe 3, and Jane Doe 1.

E. Complaint – shall mean the Class Action Complaint, which was filed December 19, 2014, and is attached as Exhibit “A”.

F. Court - shall mean the Court of Common Pleas of Franklin County, Pennsylvania, the Honorable John D. Kuhn, specially presiding, or his duly appointed or designated successor.

G. Defendants - shall mean those individuals and entities as defined hereinabove.

H. Defendants' Counsel – shall mean Frank Lavery, Esquire of Lavery Law and Scott Wyland, Esquire of Salzman Hughes, P.C.

I. Distribution Amount - shall mean the amount available from the Settlement Fund after payment of attorney fees and expenses, and incentive awards to the Representative Plaintiff.

J. Effective Date - shall mean forty-five (45) days from the date on which the Settlement has been finally approved by the Court, and/or the date on which any appeals from the Final Approval Order are resolved, whichever is later.

K. Final Approval Hearing - shall mean the hearing at which the Court will consider and finally decide whether to enter the Final Approval Order.

L. Final Approval Order - shall mean the Court order that finally approves this Settlement Agreement, approves payment of attorney fees and expenses, and makes such other final rulings as are contemplated by this Settlement Agreement.

M. Franklin County - shall mean Franklin County and all of its departments (including the Franklin County Sheriff's Office), commissioners, boards, agencies, sub-divisions, employees, agents, attorneys, and representatives.

N. Litigation - shall mean the above-captioned lawsuit pending in the Court of Common Pleas of Franklin County, Pennsylvania, docket number 2014-4623.

O. LTCF – shall mean a Pennsylvania License to Carry Firearms.

P. LTCF Information – shall mean information that is allegedly confidential pursuant to 18 Pa.C.S. 6111(i), including any and all information provided by the applicant for an LTCF, a person who appeals from the denial or revocation of an LTCF, and any information received by the Defendants in connection with an LTCF application or appeal, including but not limited to name and address of the applicant or appellant, and/or the reason for appeal.

Q. Notice Program - shall mean the program for disseminating the Class Notices to Class in accordance with the terms herein.

R. Notice Date - shall mean the date upon which Class Notices are first mailed to known Class in accordance with the terms herein, which date shall be set forth on the Class Notices.

S. Objection Date - shall mean the date agreed upon by the Parties or otherwise ordered by the Court by which Class member must submit any objection to the Settlement Agreement's terms or provisions and submit any required statements, proof, or other materials and/or argument.

T. Opt-Out Deadline - shall mean the date agreed upon by the Parties or otherwise ordered by the Court by which any Class member who does not wish to be included in the Class and participate in the Settlement must complete the acts necessary to properly effect such election to opt out.

U. Opt-Out List - shall mean a written list prepared by the Settlement Administrator of the names of all Class who submit a timely Request for Exclusion.

V. Parties - shall mean those individuals and entities defined hereinabove as the "Parties."

W. Preliminary Approval Order - shall mean the Order of the Court preliminarily approving this Settlement Agreement.

X. Policy Changes – means the changes in internal policy of the Defendants, which are agreed to by and between the Parties, and which are set forth in Section III(A) herein.

Y. Release - shall mean the release described in Section VII herein.

Z. Released Claims - shall mean and include any and all claims or causes of action by or on behalf of any and all Settlement Class Members (and their predecessors, successors,

heirs, administrators, executors, agents, trustees, representatives, and assigns) that are released by the Release described in Section VII herein.

AA. Released Parties - shall mean all persons or entities against whom Released Claims will be released pursuant to the Release described in Section VII herein.

BB. Request for Exclusion - shall mean a request by any Settlement Class Member for exclusion from (to opt out of) the Settlement Class in compliance with Section V herein.

CC. Settlement - shall mean the agreement between the Parties to resolve the Litigation, the terms of which have been memorialized in this Settlement Agreement.

DD. Settlement Administrator - shall mean the qualified party selected by Plaintiffs and designated in the Preliminary Approval Order to administer the Settlement, including implementing the Notice Program and maintaining the Settlement website and call center. Plaintiffs, Defendants, and their respective counsel shall not have any responsibility for any acts or omissions of the Settlement Administrator.

EE. Settlement Agreement - shall mean this Settlement Agreement, including any valid amendment hereto, and all the Exhibits attached hereto.

FF. Settlement Amount - shall mean the sum of Three Million Dollars (\$3,000,000.00) to be paid by or on behalf of the Defendants.

GG. Settlement Class Members - shall mean all persons in the Settlement Class who do not exclude themselves (opt out) pursuant to Section V herein.

HH. Settlement Fund - shall mean a fund or funds, governed by terms to be agreed to between Class Counsel and Defendants' Counsel, in the amount of the Settlement Amount, which shall be earmarked and guaranteed specifically for this case and remain available until such time as to be utilized to administer the monetary requirements of the Settlement.

Defendants shall provide documentation verifying that the Settlement Amount is available, has been earmarked and guaranteed for the sole purpose of this case, and will not be utilized for any other payments or purposes. Defendant will not allow the Settlement Fund to ever have less than the Settlement Amount in it, except to the extent payments are authorized by the Court and properly distributed, pursuant to this Settlement Agreement, to the Settlement Administrator, Class Members, and/or Class.

II. Settlement Website – shall mean a publicly accessible website established by the Settlement Administrator to provide information about the Settlement and answer questions about the Settlement.

II. REQUIRED EVENTS.

A. Promptly after execution of this Settlement Agreement by all Parties:

1. Plaintiffs shall file, and Defendants agree not to contest, a Motion for Preliminary Approval of the Settlement and Notice Program (the “Preliminary Approval Motion”), with Memorandum of Law, in substantially the same form as Exhibit “B” hereto, which shall move for the entry of a Preliminary Approval Order in substantially the same form as Exhibit “C” hereto, and which by its terms shall:

a. Preliminarily approve the terms of the Settlement Agreement without a hearing;

b. Approve the contents of the Class Notices, in substantially the same form as Exhibit “D” hereto, and methods in the Notice Plan set forth herein;

c. Direct the Defendants to pay the Settlement Administrator, from the Settlement Fund, the requisite fee for administering the settlement in this matter.

d. Set deadlines for the mailing of the Class Notices, the filing of objections to the settlement, the filing of Requests for Exclusion, and the filing of a Motion for Final Approval of Settlement and for an Award of Attorney Fees and Expenses (“Motion for Final Approval”);

e. Schedule a Final Approval Hearing to review comments regarding the proposed Class Settlement and to consider the fairness, reasonableness, and adequacy of the proposed Class Settlement and the application for an award of attorney fees and reimbursement of expenses, and to consider whether the Court should issue the Final Approval Order finally approving the Class Settlement, granting Class Counsel’s application for attorney fees and expenses, granting the incentive awards application by the Class Representative, and dismissing the Litigation except to the extent the Court retains jurisdiction to enforce this Settlement Agreement and the Policy Changes.

2. Class Counsel and Defendants’ Counsel will use their best efforts, consistent with the terms of this Settlement Agreement, to promptly obtain the Preliminary Approval Order and the Final Approval Order.

3. In the event that the Court fails to issue the Preliminary Approval Order or fails to issue the Final Approval Order, Class Counsel and Defendants’ Counsel agree to use their best efforts, consistent with this Settlement Agreement, to cure any defect identified by the Court.

4. The Parties acknowledge that prompt approval, consummation, and implementation of the Settlement set forth in this Settlement Agreement are essential. The Parties shall cooperate with each other in good faith to carry out the purposes of and effectuate this Settlement Agreement, shall promptly perform their respective obligations hereunder, and shall promptly take any and all actions and execute and deliver any and all additional documents and all other materials and/or information reasonably necessary or appropriate to carry out the terms of this Settlement Agreement and the transactions contemplated hereby. Any disputes regarding the Parties' obligations under this paragraph shall be submitted for decision by the Court, which decision shall be binding on the Parties.

III. SETTLEMENT TERMS.

A. Injunctive Relief.

The Defendants hereby agree and consent to the following permanent injunctive relief to be entered as part of the Final Approval Order:

1. The Defendants agree to the entry of a permanent injunction prohibiting them from sending out un-enveloped postcards containing LTCF applicant information, including, but not limited to, LTCF applications, renewals, denials, and approvals.

2. The Defendants agree to the entry of a permanent injunction prohibiting them from requiring any information, documentation, or action not required by the LTCF application form (currently SP 4-127) promulgated by the Pennsylvania State Police, so long as the form is consistent with the UFA and prevailing law.

3. The Defendants agree to the entry of a permanent injunction requiring them to train, on at least an annual basis, all employees involved with LTCF applications, renewals, denials, and approvals regarding the confidentiality of LTCF Information pursuant to 18 Pa.C.S. § 6111, so long as the UFA or any successor statute is in effect.

B. Discontinuance of Contempt Petition in Doe 1 Litigation

1. Upon entry of a Final Approval Order, where Class Counsel's request for attorney fees and expenses is approved in total and no appeal to the Final Approval Order is filed, Class Counsel agrees file a Praecipe to Discontinue Appeal with the Commonwealth Court for docket number 1182 C.D. 2022, pursuant to Pa.R.A.P. 1973.

C. Settlement Fund.

1. Upon entry by the Court of the Preliminary Approval Order, the Defendants shall provide Class Counsel with documentation verifying that the Settlement Amount is available and sequestered within Settlement Fund and that the Settlement Amount has been earmarked and guaranteed for the sole purpose of this case, and will not be utilized for any other payments or purposes.

2. All administrative expenses, including the costs of Settlement administration, website administration and the provision of notice to class members, shall be paid from the Settlement Fund to the Settlement Administrator upon the issuance of the Preliminary Approval Order and presentation of invoices and those administrative expenses shall be deducted from the Settlement Amount/Settlement Fund.

D. Attorneys Fees and Expenses.

1. As part of the Motion for Final Approval, Class Counsel will petition the Court for an award of attorney fees and expenses in an amount not to exceed forty percent (40%) of the Settlement Amount.

2. Defendants will not oppose Class Counsel's application for said award of fees and expenses, nor will they oppose any appeal filed by Class Counsel relative to their application for an award of attorney fees and expenses.

3. The amount of attorney fees and expenses approved by the Court shall, on the Effective Date (or earlier as permitted in Section III(F) below), be deducted from the Settlement Amount/Settlement Fund and shall be mailed and made payable to "Prince Law Offices, P.C."

E. Payments to Class Members.

1. The Settlement Amount/Settlement Fund, less Court-approved attorneys' fees and expenses and Court-approved incentive awards for the Class Representatives, shall be divided equally amongst the Class members; whereby, each Class member shall receive the same amount, but no more than one thousand dollars (\$1,000.00), regardless of how many un-enveloped postcards were sent in relation to that Class member.

2. No portion of the Settlement Amount/Settlement Fund shall be disbursed before the Effective Date, except as set forth in Section III(F) below.

F. Partial Distribution Pending Appeal.

If an appeal is filed from the Final Approval Order, and if the payment of some portion of the Settlement Fund is not in dispute in such appeal, that undisputed portion of the Settlement Fund shall be distributed in accordance with this Settlement Agreement. In the event that Final

Approval of the Settlement is overturned on appeal, any unpaid funds shall remain with the Defendants until further Order of the Court.

F. Other Disbursements from the Settlement Fund.

Any excess remaining in the Settlement Fund, and any sums payable to any Settlement Class members who cannot be located after diligent effort, or who fail to cash or deposit their settlement check within ninety (90) days of the date it is mailed and not returned as undeliverable, shall be distributed as other Court-approved disbursements of funds as follows:

1. 50% to the Pennsylvania Sheriffs' Association; whereby, the money shall only be utilized to provide training and equipment to sheriff departments across Pennsylvania; and,
2. 50% to Firearm Owners Against Crime - PAC.

G. Residual.

Any sums remaining after distribution to the Class Members, Class Counsel, and pursuant to section III(F) above, shall be distributed residual funds as follows:

1. 50% to the Pennsylvania Interest on lawyers Trust Account Board as required by Pa.R.C.P. 1716;
2. 50% to Franklin County Veterans' Affairs Outreach Fund.

IV. NOTIFICATION TO CLASS MEMBERS.

A. Responsibilities of the Settlement Administrator.

1. The Settlement Administrator shall be selected by the Plaintiffs and paid for by the Defendants from the Settlement Fund and shall implement and administer the Notice Program, as approved by the Court.

2. The Settlement Administrator shall be responsible for, without limitation: (i) mailing the Class Notices; (ii) responding to requests for a copy of the Class Notices; (iii) maintaining the Settlement Website until the Effective Date; (iv) maintaining, until the day after the Final Approval Hearing, a toll free Settlement telephone number and call center through which a live and knowledgeable person may be reached Monday through Friday from 9:00 a.m. to 5:00 p.m. to provide information and answer questions about the Settlement; (v) otherwise administering the Notice Program and (vi) distributing payments to the Class members. The Notice Program shall comply with all requirements of applicable law. The Settlement Administrator will be required to maintain an appropriate insurance policy to protect against any violation of its fiduciary duties and other legal obligations to the Court, the Representative Plaintiffs, Class members, Defendants, Defendants' Counsel and Class Counsel; and further the Settlement Administrator will be required to indemnify, defend, and hold harmless the Defendants and Defendants' Counsel from any claims or costs whatsoever arising out of the Settlement Administrator's violation of its duty of confidentiality in connection with the performance of its duties under this Agreement.

3. The Settlement Administrator will maintain the Settlement Website, which will provide information about the Settlement to Class members, including, a downloadable copies of the Complaint, the Settlement Agreement, the Preliminary Approval Motion, the Preliminary Approval Order, the Class Notices, the Motion for Final Approval, and the Final Approval Order, all in .pdf format, as well as other pertinent information about the Litigation and the Settlement, including any upcoming hearings or other events and the general the status of the Litigation and Settlement. Class

Counsel shall have the right and opportunity to approve the content of the Settlement Website and Defense Counsel shall be provided 10 (ten) days to review and provide comments on the Settlement Website before it goes live. If Defense Counsel fails to provide any comments within 10 (ten) days, all comments are deemed waived, and the website may be published.

B. Notice.

1. Notice will be provided to the Class by the Settlement Administrator by direct mailing of Class Notices to all Class Members at their last known or readily ascertainable address utilizing the records maintained by the Defendants, including, but not limited to, driver's license, non-driver's license identification, LTCF records, land records, tax records, and utility records. The Defendants will promptly search their records and provide the Settlement Administrator with the last known good address for each Class member. The Class Notices will be provided in English and will provide instructions in Spanish that a Spanish language version of the Class Notices will be provided upon request by calling the Settlement Administrator, and that it is also available on the Settlement Website. Class Notices will be initially mailed by the Settlement Administrator not later than thirty (30) days after entry of the Preliminary Approval Order.

2. The Settlement Administrator shall also provide a copy of the Class Notices to anyone who requests a copy through written communication to the Settlement Administrator or through the toll-free telephone number to be established by the Settlement Administrator.

3. If, after the initial mailing, any Class Notices are returned as undeliverable, the Settlement Administrator will diligently and promptly attempt to locate such Class members by way of submission to the United States Postal Service of a “Request for Change of Address or Boxholder Information Needed for Service of Legal Process” form, and through PennDot and the use a national locator database or service and, if another address is found, immediately re-mail the appropriate Class Notice to the new address.

4. Forty-five (45) days after the Class Notices are initially mailed out by the Settlement Administrator, the Settlement Administrator shall provide a confidential report to the Court, with a copy to Class Counsel and Defendants’ Counsel, setting forth the number of Class Notices that were returned, the reason each was returned, and the efforts taken to diligently locate the correct address of each such individual whose Class Notice was returned.

5. The contract between the Parties and the Settlement Administrator shall contain a provision providing that the names, addresses and other information about the Class members that is provided to it by Defendants, Defendants’ Counsel, Class Counsel, or by individual Class members, shall be treated as strictly confidential, shall be disclosed only to employees and subcontractors of the Settlement Administrator that require access to such information to comply with and implement this Settlement Agreement, and shall otherwise be used by the Settlement Administrator only as necessary to comply with and implement this Settlement Agreement.

6. The Settlement Administrator will employ an interpreter to assist Class members whose primary language is Spanish and who may have questions or concerns regarding the Litigation or Settlement.

V. REQUESTS FOR EXCLUSION BY SETTLEMENT CLASS MEMBERS.

A. Any Class member may make a Request for Exclusion (also known as a request to “opt out”) by mailing or delivering such request in writing to the Settlement Administrator. Any Request for Exclusion must be postmarked no later than the Opt-Out Deadline. To be valid, a Request for Exclusion must contain the name, address and telephone number of the person requesting exclusion, such person must, in substance, state that he or she elects to be excluded from the Settlement, does not wish to be a Class Member, and elects to be excluded from any judgment entered pursuant to the Settlement, and it must be signed and dated by the person seeking to be excluded.

B. Any Class Member who submits a valid and timely Request for Exclusion may not file an objection to the Settlement and shall be deemed to have waived any rights or benefits under this Settlement Agreement.

C. Five (5) business days after the deadline for submission of Requests for Exclusion, the Settlement Administrator shall provide an Opt-Out List to Class Counsel and to Defendants’ Counsel together with copies of each Request for Exclusion. Class Counsel shall specify the number of individuals who opted out of the Settlement in their Motion for Final Approval and shall provide the names of such individuals to the Court *in camera* or under seal if requested by the Court.

VI. OBJECTIONS BY SETTLEMENT CLASS MEMBERS.

A. The agreed-upon procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Class members' objections to the Settlement Agreement, in accordance with such Settlement Class members' due process rights.

B. The Preliminary Approval Order and Class Notices shall provide that any Class Member who wishes to be heard orally at the Final Approval Hearing, or who wishes for any objection to be considered, must file a Notice of Objection with the Prothonotary by the Objection Date. Such Notice of Objection, along with any supporting documentation, shall be filed under seal to preserve confidentiality under 18 Pa.C.S. § 6111(i), must be signed and dated by the objector, and shall contain the case caption, including case number, the name, address and telephone number of the person objecting, a statement that the objecting person is a member of the Class, and a detailed statement of each objection asserted, including the grounds for objection and reasons for appearing and being heard, and shall have appended to it any documents such person wishes to be considered in support of the objection. A copy of the Notice of Objection, along with any appended documentation, must, upon filing, be immediately provided by the objector via mail or hand delivery to Class Counsel and to Defendants' Counsel.

C. The Preliminary Approval Order and Class Notices will further provide that objectors who fail to properly or timely file a valid Notice of Objection, along with the required information and documentation set forth above, or to serve them as provided above, shall not be heard during the Final Approval Hearing, nor shall their objections be considered by the Court. The Preliminary Approval Order and Class Notices will also provide that by filing a Notice of Objection or by appearing at the Final Approval Hearing, objectors will not be considered to

have waived any existing claim or right to confidentiality that may exist pursuant to 18 Pa.C.S. § 6111(i).

D. In accordance with the law, only Class members who have validly objected to the Settlement pursuant to the terms immediately above may appeal from the Final Approval Order. The proposed Final Approval Order shall provide that any Class member who wishes to appeal the Final Approval Order, which appeal will delay the distribution of the Settlement payments to the Class, shall post an appropriate bond with this Court in an amount to be determined by the Court as a condition of prosecuting such appeal and of sufficient amount to compensate the Class members for the delay, including but not limited to, the loss of use of the Settlement funds during the pendency of the appeal.

VII. RELEASE, DISMISSAL OF ACTION, AND JURISDICTION OF COURT.

A. By this Settlement Agreement and specifically as provided in this paragraph, Defendants, and all of their respective predecessors, successors and assigns, officers, officials, agencies, departments, insurers, attorneys and employees (the “Released Parties”) are released from any and all claims or causes of action asserted in the Complaint.

B. This Settlement Agreement and the foregoing release paragraph do not affect the rights of Class members who timely and properly exclude themselves from the Settlement.

C. This Settlement Agreement and the foregoing release paragraph do not affect the rights of Class members whose LTCF Information or other information protected by confidentiality provisions of the UFA may be disclosed by any of the Defendants in the future.

D. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of the Court. The Parties agree that the Court

shall retain jurisdiction to protect, preserve, supervise, and implement the Settlement Agreement, including, but not limited to, the Release and the Policy Changes. Moreover, the Court shall retain jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and provisions of the Settlement Agreement, including, but not limited to, orders enjoining Class members from prosecuting claims that are released pursuant to the Settlement Agreement and orders directing the Defendants to comply with the Policy Changes.

F. Upon the Effective Date: (i) the Settlement Agreement shall be the exclusive remedy for any and all Released Claims of Class members except as set forth herein; (ii) the Released Parties shall not be subject to liability or expense of any kind to any Class members or their successors, predecessors or assigns except as set forth herein; and (iii) Class members and their successors, predecessors and assigns shall be permanently barred from initiating, asserting, or prosecuting any and all Released Claims against any Released Party in any federal or state court in the United States or any other tribunal except as set forth herein.

G. Defendants agree that any applicable statute of limitations or statute of repose is and has been tolled during the pendency of this Litigation. With respect to any claims asserted in the Litigation that are subsequently asserted by any member of the Class who has properly opted out of the Settlement, Defendants shall not assert any statute of limitations, repose, or laches defense unless such defense validly existed prior to the date this class action was filed. Further, in the event that the Court does not approve this Settlement Agreement, or an appellate court reverses the Court's order approving this Settlement Agreement, Defendants agree that, with respect to any claims asserted in the Litigation that are subsequently asserted or maintained by

any member of the Class who opted out, Defendants shall not assert any statute of limitations, repose or laches defense that did not validly exist on the date this action was filed.

VIII. INCENTIVE AWARDS TO CLASS REPRESENTATIVES.

It is agreed between the Parties that the Representative Plaintiffs provided substantial assistance to Class Counsel in their prosecution of this action. Given the efforts of the Representative Plaintiffs on behalf of the Settlement Class, Defendants will not oppose an application for incentive awards in the additional sum of \$2,500.00 to each of the Representative Plaintiffs. To the extent any incentive awards are approved by the Court, the total amount of such incentive awards shall reduce *pro rata* the amounts to be paid to the Class members.

IX. REPRESENTATIONS, WARRANTIES AND COVENANTS.

A. Class Counsel represents and warrants that he has the authority, on behalf of Representative Plaintiffs, to execute, deliver, and perform this Settlement Agreement and to consummate all of the transactions contemplated hereby. When signed by Class Counsel, this Settlement Agreement has been duly and validly executed and delivered by Class Counsel and Representative Plaintiffs and constitutes a legal valid and binding obligation.

B. Defendants, through Defendants' Counsel, represent and warrant that they have the authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by Defendants of this Settlement Agreement and the consummation by them of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendants. When

signed by Defendants' Counsel, this Settlement Agreement has been duly and validly executed and delivered by Defendants and constitutes their legal, valid, and binding obligation.

X. MISCELLANEOUS PROVISIONS.

A. Neither Class Counsel nor Defendants' Counsel shall encourage or cause any Class Member (with the exception of Franklin County employees) to opt out of the Settlement, object to the Settlement, or appeal from the Final Approval Order, nor shall they encourage or cause any other person to do so.

B. This Settlement Agreement is entered into for purposes of Settlement. In the event that the Effective Date does not occur, or a Final Approval Order is not entered, for any reason other than the fault of the Defendants, then this Settlement Agreement, including any Releases or dismissals hereunder, is canceled, except to the extent otherwise set forth herein. In the event this Settlement Agreement is canceled or deemed canceled, no term or condition of this Settlement Agreement, or any draft thereof, or of the discussion, negotiation, documentation or other part or aspect of the Parties' settlement discussions shall have any effect, nor shall any such matter be admissible in evidence for any purpose, or used for any purposes whatsoever in the Litigation or in any other litigation, and all Parties shall be restored to their prior rights and positions as if the Settlement Agreement had not been entered into, except that Defendants shall not be entitled to reimbursement of any administrative expenses paid for work actually performed.

C. The headings of the sections and paragraphs of this Settlement Agreement are included for convenience only and shall not be deemed to constitute part of this Settlement Agreement or to affect its construction.

D. This Settlement Agreement, including all exhibits attached hereto, may not be modified or amended except in writing signed by all of the Parties or their counsel.

E. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

F. This Settlement Agreement shall be governed by and construed in accordance with the substantive laws of the Commonwealth of Pennsylvania, without giving effect to any choice or conflict of law provision, or rule that would cause the application of the laws of any other jurisdiction.

G. Except as otherwise provided in this Settlement Agreement, including the right of Class Counsel to be reimbursed for funds expended from the Attorney Fee and Expense award, each party to this Settlement Agreement shall bear his, her, or its own costs of the Litigation.

H. If any clause, provision or paragraph of this Settlement Agreement shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision or paragraph of this Settlement Agreement, and this Settlement Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable clause, paragraph, or other provisions had not been contained herein.

I. The Parties to this Settlement Agreement reserve the right, by agreement and subject to the Court's approval, to grant any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

J. The determination of the terms of, and the drafting of, this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Since this Settlement Agreement was drafted with

the participation of all Parties and their counsel, the presumption that ambiguities shall be construed against the drafter does not apply. Each of the Parties was represented by competent and effective counsel throughout the course of Settlement negotiations and in the drafting and execution of this Settlement Agreement, and there was no disparity in bargaining power among the Parties to this Settlement Agreement. In entering into this Settlement Agreement, none of the Parties relied on advice received from any other Party or any other Party's counsel.

K. All of the exhibits to this Settlement Agreement are material and integral parts hereof and are fully incorporated herein by reference. This Settlement Agreement and the exhibits thereto constitute the entire, fully integrated agreement among the Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the Litigation.

L. Any notice, request or instruction or other document to be given by any party to this Settlement Agreement to any other party to this Settlement Agreement (other than class notification) shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid as follows:

1. If to Defendants or Defendants' Counsel to: Frank Lavery, Esquire, Lavery Law, 225 Market Street, Suite 304, Harrisburg, PA 17101.

2. If to Class Counsel or Plaintiff to: Joshua Prince, Esquire, Prince Law Offices, P.C., 646 Lenape Road, Bechtelsville, PA 19505.

M. Dispute Resolution. The Parties agree that any disputes regarding the terms and conditions of this Settlement Agreement shall be submitted to the Court, who shall decide such dispute.

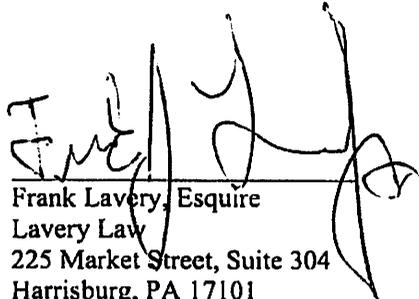
N. The Parties agree to provide PCoRP such information as PCoRP may need to issue all legally required documents in connection with tax reporting obligations, which information PCoRP shall treat confidentially and in the same manner as the Settlement Administrator, as specified in Section IV., B. 5, *supra*.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the date(s) indicated on the lines below.



Joshua Prince, Esquire
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*On behalf of Plaintiffs
and the Class*



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On behalf of Defendants