

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

IN RE: SATYAM COMPUTER SERVICES LTD.  
SECURITIES LITIGATION

No. 09-MD-2027-BSJ

**STIPULATION AND AGREEMENT OF SETTLEMENT BETWEEN LEAD  
PLAINTIFFS AND THE PWC ENTITIES**

This stipulation and agreement of settlement (the “Stipulation”) is made and entered into through their respective undersigned counsel, by and between Lead Plaintiffs the Public Employees’ Retirement System of Mississippi, Mineworkers’ Pension Scheme, SKAGEN AS, and Sampension KP Livsforsikring A/S (collectively “Lead Plaintiffs”), on behalf of themselves and the Class, named plaintiffs International Brotherhood of Electrical Workers Local Union #237 (“IBEW”) and Brian F. Adams (proposed class representative for the Sub-Classes), and Defendants PricewaterhouseCoopers International Limited, Price Waterhouse (Bangalore), PricewaterhouseCoopers Private Limited, PricewaterhouseCoopers LLP (“PwC USA”), and Lovelock & Lewes (“L&L”) (together the “PwC Entities” or the “Settling Defendants”; and together with Lead Plaintiffs, IBEW, and Brian F. Adams, the “Settling Parties”). Subject to the terms and conditions set forth herein and the Court’s approval pursuant to Rule 23 of the Federal Rules of Civil Procedure, the settlement embodied in this Stipulation is intended by the Settling Parties: (a) to be a full and final disposition of the above-captioned action (the “Action”) with respect to the Settling Defendants; and (b) to fully, finally and forever resolve, discharge, dismiss

and settle the Released Claims against the Released Parties.<sup>1</sup> This Stipulation does not release any claims of Lead Plaintiffs and the other members of the Class against any Non-Settling Defendants.

**WHEREAS:**

A. Beginning on January 8, 2009, a series of proposed class actions were filed against Satyam Computer Services, Ltd. (“Satyam”), certain of the PwC Entities and certain of the Non-Settling Defendants in various jurisdictions that were centralized in this Court by the United States Judicial Panel on Multidistrict Litigation by order dated April 9, 2009. On April 28, 2009, the Court consolidated these cases into this Action before Judge Barbara Jones in the Southern District of New York.

B. On May 12, 2009, the Court appointed Lead Plaintiffs and approved their selection of Grant & Eisenhofer P.A., Bernstein Litowitz Berger & Grossmann LLP, Barroway Topaz Kessler Meltzer & Check, LLP and Labaton Sucharow LLP as lead counsel (“Lead Counsel”) to represent the putative Class.

C. On July 17, 2009, Lead Plaintiffs filed a Consolidated Class Action Complaint (the “Consolidated Complaint”) asserting claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) on behalf of persons and entities who: (i) purchased or otherwise acquired Satyam American Depositary Shares (“ADSs”) traded on the New York Stock Exchange (the “NYSE”); and (ii) persons and entities residing in the United States that purchased or otherwise acquired Satyam ordinary shares traded on the National Stock Exchange of India or the Bombay Stock Exchange (the “Indian Exchanges”) between January 6, 2004 and January 6, 2009 (the “Class Period”), and who were damaged thereby, except the Defendants and certain other persons and entities as set forth below (the “Class”). The Consolidated Complaint

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<sup>1</sup> All words or terms used herein that are capitalized and that are not otherwise defined herein shall have the

also asserted claims under Sections 10(b) and 20(a) of the Exchange Act and claims under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 (the “Securities Act”) against certain of the defendants on behalf of two sub-classes (“the Sub-Classes”) consisting of: (i) all persons who exercised options to purchase Satyam ADSs pursuant to Satyam Employee ADS Plans during the Class Period and who were damaged thereby; and (ii) all United States residents who exercised options to purchase Satyam ordinary shares pursuant to Satyam Employee Ordinary Share Option Plans during the Class Period and who were damaged thereby. Named plaintiff Brian F. Adams serves as proposed class representative for the Sub-Classes.

D. Between November 2009 and March 2010, various Defendants filed motions to dismiss the Consolidated Complaint, including motions to dismiss filed by all of the named PwC Entities on November 9, 2009. These motions were fully briefed as of April 2010.

E. Following the Supreme Court’s ruling in *Morrison v. National Australia Bank Ltd.*, -- U.S. --, 130 S. Ct. 2869 (2010), certain of the Defendants, including certain of the PwC Entities, filed supplemental briefs in support of their motions to dismiss all claims asserted in the Consolidated Complaint on behalf of U.S. residents who purchased Satyam ordinary shares on the Indian Exchanges. Briefing on these motions was completed on October 7, 2010.

F. On December 14, 2010, Lead Plaintiffs moved for leave to amend the Consolidated Complaint, attaching as an Exhibit, a First Amended Consolidated Class Action Complaint (“FAC” or the “Complaint”). The FAC added PwC USA as a defendant. The FAC also identified IBEW as a proposed named plaintiff.

G. On February 16, 2011, the motion for leave to amend was granted and all pending dismissal motions were denied as moot. On February 17, 2011, the FAC was filed with the Court and became the operative complaint in the Action.

H. In 2010, Lead Plaintiffs and Satyam engaged retired United States District Court Judge Layn R. Phillips (“Judge Phillips”) to assist them in exploring a potential negotiated resolution of the claims against Satyam. Mediation commenced in late October 2010, and after an extensive mediation process, a settlement was reached for \$125 million, Satyam’s cooperation against the non-settling Defendants and potential additional consideration arising from any claims that Satyam may bring against any of the PwC Entities relating to the conduct alleged in this Action (the “Satyam Settlement”). The Satyam Settlement, which was reached on February 17, 2011, was announced to the Court and the remaining non-settling Defendants that same date. On February 22, 2011, Lead Plaintiffs moved for preliminary approval from the Court for the Satyam Settlement, which motion was granted on March 21, 2011.

I. Following the announcement of the Satyam Settlement, the PwC Entities and Lead Plaintiffs commenced negotiations regarding a potential resolution of the claims against the PwC Entities. After an exchange of mediation statements, review of the FAC and all dismissal motions previously filed by the PwC Entities, the Settling Parties held a two-day mediation session, which was once again presided over by Judge Phillips. At the conclusion of the second day of mediation, Lead Plaintiffs and the PwC Entities agreed to the underlying settlement of \$25.5 million, which is documented herein.

J. Lead Plaintiffs, through Lead Counsel, conducted an extensive investigation of the claims and underlying events and transactions relating to the Action. This investigation included, among other things, reviewing and analyzing: (i) India’s Central Bureau of Investigation’s charge sheets and exhibits relating to the alleged fraud which Lead Counsel petitioned for and obtained from the Additional Metropolitan Court, Hyderabad, Andhra Pradesh, India; (ii) documents obtained from the Registrar of Companies in Hyderabad and Calcutta, and India’s Ministry of

Corporate Affairs; (iii) Satyam's audited financial statements for the years ended March 31, 2009, and March 31, 2010, which provide the results of a forensic investigation conducted by Satyam's forensic accountant into activities at Satyam during the period from April 1, 2002 to September 30, 2008; (iv) Satyam's Wells submission to the Securities and Exchange Commission (the "SEC"); (v) approximately 9,451 pages of documents provided by Satyam to the SEC, including bank statements and balance confirmations, emails concerning bank statements and balances, allegedly fabricated invoices, financial presentation spreadsheets, and various annual reports for shareholders; (vi) email correspondence between PwC USA and certain of the PwC India Defendants, which had been disclosed to the SEC; and (vii) documents and trial transcripts from the criminal court proceedings in Hyderabad involving the fraud. Lead Counsel also consulted with experts on Indian law relating to Defendants' motions to dismiss and counsel in India with respect to petitioning and obtaining records maintained in India and other Indian procedural matters, as well as forensic accounting and damages experts.

K. This Stipulation, any proceedings relating to the Settlement, or any of the terms of the Settlement, whether or not consummated, shall in no event be construed as, or deemed to be evidence of, an admission or concession on the part of any of the PwC Entities with respect to any claim of any liability or damage whatsoever, or any infirmity in any defense that the PwC Entities have or may have asserted. The PwC Entities are entering into this Settlement to eliminate the burden, expense, uncertainty and distraction of further litigation with its attendant risks of monetary damages and reputational harm.

L. Lead Plaintiffs believe that the claims asserted in the Action have merit and that the evidence developed to date supports the claims asserted. However, Lead Plaintiffs and Lead Counsel also have taken into account, among other things, the inherent risks associated with

prosecuting complex actions, such as this Action, through trial and appeals. Based on their evaluation, Lead Plaintiffs and Lead Counsel believe that the Settlement set forth in this Stipulation confers substantial monetary and other benefits upon the Class and is in the best interests of Lead Plaintiffs and the Class.

**NOW THEREFORE**, without any concession by Lead Plaintiffs that the Action lacks merit, and without any concession by the Settling Defendants of any liability or wrongdoing or lack of merit in their defenses, it is hereby **STIPULATED AND AGREED**, by and among the Settling Parties to this Stipulation, through their respective attorneys, subject to approval by the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing to the Settling Parties hereto, all Released Claims as against all Released Parties shall be compromised, settled, released and dismissed with prejudice, and without costs, upon and subject to the following terms and conditions:

#### **DEFINITIONS**

1. As used in this Stipulation, and any exhibit attached hereto and made a part hereof, the following terms shall have the meanings set forth below:

(a) “AAR” means the Authority for Advance Rulings in India.

(b) “Action” means *In re Satyam Computer Services Ltd. Securities Litigation*, No. 09-MD-02027-BSJ, pending in the United States District Court for the Southern District of New York, before the Honorable Barbara S. Jones, into which the following actions have been consolidated: *Aekta Ben Patel v. Satyam Computer Services Ltd., et al.*, 1:09-00093, *Hossein Momenzadeh v. Satyam Computer Services Ltd., et al.*, No. 1:09-00161, *Cynthia Freeman v. Satyam Computer Services Ltd., et al.*, 1:09-00330, *Naveen Chander Jepu v. Satyam Computer Services Ltd., et al.*, 1:09-00337, *Bert H. Sturgis, II v. Satyam Computer Services Ltd., et al.*, 1:09-00361, and *Saji Vettiyil v. Satyam Computer Services Ltd., et al.*, 1:09-03641 (transferred by

the United States Judicial Panel on Multidistrict Litigation from the Northern District of California on April 9, 2009).

(c) “Alternative Judgment” means a form of final judgment that may be entered by the Court herein but in a form other than the form of Judgment provided for in this Stipulation and where none of the parties hereto elect to terminate this Settlement by reason of such variance.

(d) “Authorized Claimant” means a Class Member who timely submits a valid Proof of Claim form to the Claims Administrator that is accepted for payment by the Court.

(e) “Claimant” means a Person that submits a claim form to the Claims Administrator seeking payment from the Net Settlement Fund.

(f) “Claims Administrator” means Rust Consulting, Inc., the firm to be retained by Lead Counsel, subject to Court approval, to provide all notices approved by the Court to potential Class Members, process Proofs of Claim and administer the Settlement.

(g) “Class” means all persons and entities who: (a) purchased or otherwise acquired Satyam ADSs traded on the NYSE; and/or (b) were investors residing in the United States at the time they purchased or otherwise acquired Satyam ordinary shares traded on the Indian Exchanges, during the Class Period and who were damaged thereby. The Class includes the Sub-Classes consisting of: (a) all persons who exercised options to purchase Satyam ADSs pursuant to Satyam Employee ADS Plans during the Class Period and who were damaged thereby; and (b) all United States residents who exercised options to purchase Satyam ordinary shares pursuant to Satyam Employee Ordinary Share Option Plans during the Class Period and who were damaged thereby. Excluded from the Class are the Defendants; persons who, during the Class Period, were officers and/or directors of Satyam or of its parent, subsidiaries and/or affiliates; persons who, during the Class Period, were officers, directors, members or partners in any other

entity Defendant or any of their respective parents, subsidiaries and/or affiliates; any entity in which any Defendant has or had a controlling interest; the Defendants' liability insurance carriers and any affiliates or subsidiaries thereof; members of the immediate families of any of the foregoing; and their legal representatives, heirs, successors or assigns. Also excluded from the Class are any Class Members who properly exclude themselves by filing a valid and timely request for exclusion in accordance with the requirements set forth in the Notice.

(h) "Class Member" means a member of the Class.

(i) "Class Period" means the period from January 6, 2004 through January 6, 2009, inclusive.

(j) "Company" means Satyam Computer Services Ltd.

(k) "Complaint" means the First Amended Consolidated Class Action Complaint filed on February 17, 2011.

(l) "Compliance Costs" means expenses and costs incurred in connection with determining the amount of and paying any Taxes owed with respect to the Settlement Amount and complying with any applicable Tax payment and reporting requirements of or in connection with the Settlement Amount (including, without limitation, the reasonable expenses of tax attorneys and/or accountants).

(m) "Court" means the United States District Court for the Southern District of New York.

(n) "Defendants" means Satyam, the PwC Entities, Byrraju Ramalinga Raju, Byrraju Rama Raju, Vadlamani Srinivas, Maytas Infra Limited, Maytas Properties, Byrraju Teja Raju, Byrraju Rama Raju Jr., Mangalam Srinivasan, Krishna G. Palepu, M. Rammohan Rao, T.R. Prasad, V.S. Raju, Vinod K. Dham and Ram Mynampati.

(o) “Distribution Order” means an order of the Court approving the Claims Administrator’s administrative determinations concerning the acceptance and rejection of the claims submitted and approving any fees and expenses not previously paid, including the fees and expenses of the Claims Administrator and, if the Effective Date has occurred, directing payment of the Net Settlement Fund in whole or part to Authorized Claimants.

(p) “Effective Date” means the date upon which the Settlement shall become effective, as set forth in ¶ 38 below.

(q) “Fee and Expense Application” has the meaning defined in ¶ 14 hereof.

(r) “Final” with respect to the Judgment means the later of: (i) if there is an appeal from the Judgment, the date of final affirmance on appeal and the expiration of the time for any further judicial review whether by appeal, reconsideration or a petition for a *writ of certiorari* and, if *certiorari* is granted, the date of final affirmance of the Judgment following review pursuant to the grant; or (ii) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding on *certiorari* to review the Judgment; or (iii) the expiration of the time for the filing or noticing of any appeal from the Judgment, which is thirty (30) calendar days after the Judgment is entered on the Court’s docket (or, if the date for taking an appeal or seeking review of the Judgment shall be extended beyond this time by order of the Court, by operation of law or otherwise, or if such extension is requested, the date of expiration of any such extension if any appeal or review is not sought). In the event that the Court enters an Alternative Judgment, Final shall mean the date that such Alternative Judgment is no longer subject to appeal or review by *certiorari* or otherwise, and the time for any petition for reargument, appeal or review, by *certiorari* or otherwise, has expired. However, any appeal or proceeding seeking subsequent judicial review pertaining solely to the Plan of Allocation of the Net Settlement Fund, or to the

Court's award of attorneys' fees or expenses, shall not in any way delay or affect the time set forth above for the Judgment or Alternative Judgment to become Final, or otherwise preclude the Judgment or Alternative Judgment from becoming Final.

(s) "Final Escrow Account" means the separate interest-bearing escrow account to be established at a banking institution designated by Lead Counsel that is not a restricted entity under the Settling Defendants' independence requirements (which may or may not be the same institution at which the Initial Escrow Account was maintained), into which the Settlement Amount plus net accrued interest on that amount (*i.e.*, all income earned on the Settlement Amount less any Taxes paid or owing resulting from income earned on the Settlement Amount) from the day of deposit into the Initial Escrow Account until the transfer to the Final Escrow Account pursuant to ¶ 6 below, net of any Transfer Taxes, any banking transaction costs and banking fees related to the Initial Escrow Account and the investment of the Settlement Amount pursuant to the terms of the Initial Escrow Agreement, Compliance Costs, and any amounts already paid pursuant to ¶¶ 16 and/or 23 below, shall be transferred. The Final Escrow Account shall be maintained solely by the Final Escrow Agent pursuant to the terms of the Final Escrow Agreement.

(t) "Final Escrow Agent" means a qualified financial institution that is not a restricted entity under the Settling Defendants' independence policies designated by Lead Counsel to maintain the Final Escrow Account pursuant to the terms of the Final Escrow Agreement.

(u) "Final Escrow Agreement" means the Escrow Agreement to be entered into between the Final Escrow Agent and Lead Counsel that shall govern the Final Escrow Account.

(v) “Fund Administrator,” which is used herein in connection with the Final Escrow Account for purposes of Treasury Regulation §1.468B-2(k)(3) with respect to the Settlement Fund, means Lead Counsel.

(w) “Initial Escrow Account” means a separate escrow account maintained by the New York branch of Citibank, N.A., into which the Settlement Amount shall be deposited by the Settling Defendants pursuant to the terms of ¶ 6 below, and which shall be governed by the Initial Escrow Agreement and invested pursuant to the terms of the Initial Escrow Agreement. The Settlement Amount on deposit in the Initial Escrow Account and any earnings thereon shall remain the property of the Settling Defendants to the extent of each Settling Defendant’s funding, and each funding Settling Defendant shall be entitled to recover from the Settlement Amount and earnings thereon, Taxes, if any, payable on such earnings, any Transfer Taxes, Compliance Costs, and any banking transaction costs and banking fees related to the Initial Escrow Account and the investment of the Settlement Amount pursuant to the terms of the Initial Escrow Agreement. Except as provided for in the preceding sentence, the Settlement Amount and earnings thereon cannot be used for any purpose other than to satisfy the Settling Defendants’ obligations under this Stipulation, unless and until the Settlement is terminated pursuant to the terms of this Stipulation. The Initial Escrow Account shall be maintained solely by the Initial Escrow Agent pursuant to the terms of the Initial Escrow Agreement. The signatories to the Initial Escrow Agreement, other than counsel for the Settling Defendants, the Escrow Agent and Lead Counsel, shall be responsible for ensuring that all Taxes and Transfer Taxes, if any, on the Settlement Amount while in the Initial Escrow Account are timely paid; provided, however, that any such Taxes and Transfer Taxes, shall be paid out of the Settlement Fund.

(x) “Initial Escrow Agent” means the New York branch of Citibank, N.A. which will maintain the Initial Escrow Account pursuant to the terms of the Initial Escrow Agreement.

(y) “Initial Escrow Agreement” means the agreement to be entered into among the Initial Escrow Agent, certain of the Settling Defendants and their counsel as the Settling Defendants so designate, and Lead Counsel that shall govern the Initial Escrow Account which shall provide, among other things, that no disbursement may be made from the Initial Escrow Account other than by written instructions that shall be signed by (i) designated representatives of the Settling Defendants; (ii) Wilmer Cutler Pickering Hale and Dorr LLP (“Wilmer”); and (iii) no less than two designated representatives for Lead Counsel, as provided in the Initial Escrow Agreement.

(z) “Judgment” means the proposed judgment substantially in the form attached hereto as Exhibit B, to be entered pursuant to Rule 54(b) of the Federal Rules of Civil Procedure approving the Settlement.

(aa) “Lead Counsel” means the law firms of Grant & Eisenhofer P.A., Bernstein Litowitz Berger & Grossmann LLP, Barroway Topaz Kessler Meltzer & Check, LLP and Labaton Sucharow LLP.

(bb) “Lead Plaintiffs” means Public Employees’ Retirement System of Mississippi, Mineworkers’ Pension Scheme, SKAGEN AS, and Sampension KP Livsforsikring A/S.

(cc) “Net Settlement Fund” means the Settlement Fund less: (i) Court-awarded attorneys’ fees and expenses and any interest awarded thereon; (ii) Notice and Administration Expenses; (iii) any banking transaction costs and banking fees related to the Initial Escrow

Account and the investment of the Settlement Amount pursuant to the terms of the Initial Escrow Agreement; (iv) any banking transaction costs and banking fees related to the Final Escrow Account and the investment of the Settlement Amount pursuant to the terms of the Final Escrow Agreement; (v) any and all Taxes on the earnings of the Settlement Fund, any and all Transfer Taxes, and any and all Taxes after transfer to the Final Escrow Account; (vi) Compliance Costs of the Settlement Fund; and (vi) any other fees or expenses approved by the Court, including any award to Lead Plaintiffs or other proposed Class Representatives of their reasonable costs and expenses (including lost wages) incurred in representing the Class in this Action.

(dd) “Non-Settling Defendants” means the defendants identified in the Complaint that are not a party to this Settlement, *i.e.*: Byrraju Ramalinga Raju, Byrraju Rama Raju, Vadlamani Srinivas, Maytas Infra Limited, Maytas Properties, Byrraju Teja Raju, Byrraju Rama Raju Jr., Mangalam Srinivasan, Krishna G. Palepu, M. Rammohan Rao, T.R. Prasad, V.S. Raju, Vinod K. Dham, Ram Mynampati and Satyam.

(ee) “Notice” means the Notice of (I) Pendency of Class Action; (II) Proposed Settlements with Satyam Computer Services Ltd. and the PwC Entities; and (III) Motion for an Award of Attorneys’ Fees and Reimbursement of Expenses substantially in the form attached hereto as Exhibit 1 to Exhibit A which is to be sent to potential members of the Class.

(ff) “Notice and Administration Expenses” means all fees and expenses incurred in connection with providing notice to the Class and the administration of the Settlement, including but not limited to: (i) printing and mailing the Notice; (ii) publication of the Summary Notice; (iii) reimbursement to nominees for their expenses in forwarding the Notice to beneficial owners; (iv) receiving, reviewing and processing claims; (v) communicating with Persons regarding the proposed Settlement and claims administration process; (vi) distributing the

proceeds of the Settlement; and (vii) fees related to the Initial and Final Escrow Accounts and investment of the Settlement Fund pursuant to the terms of the Initial and Final Escrow Agreements.

(gg) “Person” means an individual, corporation (including all divisions and subsidiaries), general or limited partnership, association, joint stock company, joint venture, limited liability company, professional corporation, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any other business or legal entity.

(hh) “Plan of Allocation” means the proposed Plan of Allocation set forth in the Notice.

(ii) “Preliminary Approval Order” means the proposed order preliminarily approving the Settlement and directing notice to the Class of the pendency of the Action and of the Settlement substantially in the form attached hereto as Exhibit A.

(jj) “Proof of Claim” or “Claim Form” means the Proof of Claim and Release form for submitting a claim substantially in the form attached hereto as Exhibit 2 to Exhibit A.

(kk) “PwC Entities” means PricewaterhouseCoopers International Limited, Price Waterhouse (Bangalore), PricewaterhouseCoopers Private Limited, Lovelock & Lewes and PwC USA.

(ll) “PwC India Defendants” means Price Waterhouse (Bangalore), PricewaterhouseCoopers Private Limited, and Lovelock & Lewes.

(mm) “Released Claims” means the Released Plaintiffs’ Claims and the Released Settling Defendants’ Claims (as defined below) collectively.

(nn) “Released Parties” means the Released Settling Defendants Parties and the Released Plaintiff Parties (as defined below) collectively.

(oo) “Released Plaintiffs’ Claims” means all claims, rights and causes of action, duties, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that Lead Plaintiffs or any other Class Member: (i) have asserted in the Complaint; or (ii) could have asserted in the Complaint or any other forum, that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint and that relate to the purchase or acquisition during the Class Period of Satyam ADSs traded on the NYSE or Satyam ordinary shares traded on the Indian Exchanges or to the claims of the Sub-Classes asserted in the Complaint. Released Plaintiffs’ Claims do not release, bar, waive or otherwise impact: (i) any claims to enforce the Settlement, (ii) any claims of any Class Member against any Non-Settling Defendants; (iii) each Lead Plaintiff’s and each other Class Member’s right to participate in the distribution of any funds recovered by any governmental or regulatory agency in connection with or emanating from any investigation or inquiry relating to any of the Released Settling Defendants Parties; and (iv) each Lead Plaintiff’s and each other Class Member’s right to participate in the distribution of any funds recovered by Satyam based on any claims that it may decide to bring against the PwC Entities.

(pp) “Released Plaintiff Parties” means each and every Lead Plaintiff, Lead Counsel, all other Class Members and Sub-Class Members and their respective trustees, officers, directors, partners, employees, contractors, auditors, principals, agents, attorneys, predecessors, successors, parents, subsidiaries, divisions, joint ventures, general or limited partners or

partnerships, and limited liability companies; the spouses and members of the immediate families of Class Members who are individuals as well as their legal representatives, heirs, successors or assigns; and any trust of which any Lead Plaintiff, Class Member, or Lead Counsel is the settlor or which is for the benefit of any of their immediate family members.

(qq) “Released Settling Defendants’ Claims” means all claims, rights and causes of action, duties, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, and liabilities of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, or any other law, that the Settling Defendants or any other Released Settling Defendants Party asserted, or could have asserted, against any of the Released Plaintiff Parties that arise out of or relate in any way to the commencement, prosecution, settlement or resolution of the Action or any of the claims against the Released Settling Defendants Parties. Released Settling Defendants’ Claims do not release, bar, waive or otherwise impact: (i) any claims to enforce the Settlement and/or (ii) any claims of the PwC Entities against any Non-Settling Defendants, other than as provided in ¶ 12 of the Judgment attached hereto as Exhibit B hereto.

(rr) “Released Settling Defendants Parties” means the Settling Defendants and all firms within the PwC Network, and any and all current or former partners, principals employees, insurers, counsel or other advisors and/or affiliates of any of the Settling Defendants or any such firm or firms and the spouses and members of the immediate families of all current or former partners, principals and employees of all firms within the PwC Network as well as their legal representatives, heirs, successors or assigns, but specifically does not include any Non-Settling Defendants or Satyam.

(ss) “Segregated Account” means a segregated bank-account owned by Price Waterhouse (Bangalore) at HDFC Bank in India or at another internationally-recognized banking institution in India that is reasonably acceptable to Lead Counsel.

(tt) “Settlement” means the resolution of the Action as against the Settling Defendants in accordance with the terms and provisions of this Stipulation.

(uu) “Settlement Amount” means the total principal amount of \$25,500,000.00 in cash payable pursuant to the terms of ¶ 6 below.

(vv) “Settlement Fund” means the Settlement Amount and any interest earned thereon.

(ww) “Settlement Hearing” means the hearing to be held by the Court to determine whether the proposed Settlement is fair, reasonable and adequate and should be finally approved.

(xx) “Settling Defendants” mean the PwC Entities.

(yy) “Settling Defendants’ Counsel” means the law firms of Davis Polk & Wardwell LLP, Mayer Brown LLP and Wilmer Cutler Pickering Hale and Dorr LLP.

(zz) “Settling Party” or “Settling Parties” means the Settling Defendants and/or Lead Plaintiffs, on behalf of themselves and the other Class Members.

(aaa) “Stipulation” means this Stipulation and Agreement of Settlement Between Lead Plaintiffs and the PwC Entities.

(bbb) “Summary Notice” means the Summary Notice of (I) Pendency of Class Action; (II) Proposed Settlements with Satyam Computer Services Ltd. and the PwC Entities; and (III) Motion for an Award of Attorneys’ Fees and Reimbursement of Expenses for publication substantially in the form attached hereto as Exhibit 3 to Exhibit A.

(ccc) “Tax” or “Taxes” means all federal, state, local and/or foreign taxes of any kind (including, without limitation, interest, penalties and additions to taxes imposed by any applicable tax law).

(ddd) “Transfer Taxes” means any and all taxes required to be withheld at the time or times prescribed by applicable law by the Settling Defendants or the Initial Escrow Agent with respect to any payment or transfer of all or any portion of the Settlement Fund.

(eee) “Unknown Claims” means any and all Released Plaintiffs’ Claims, which the Lead Plaintiffs or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Settling Defendants Parties, and any Released Settling Defendants’ Claims that the Settling Defendants or any other Released Settling Defendants Party does not know or suspect to exist in his, her or its favor at the time of the release of the Released Plaintiff Parties, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. Unknown Claims shall also include any and all Released Plaintiffs’ Claims and Released Settling Defendants’ Claims acquired, whether directly, or through assignment or subrogation or otherwise, after the date of the execution of this Stipulation by Lead Counsel and Settling Defendants’ Counsel. For the purpose of clarity, Unknown Claims do not include any claims that Satyam may pursue against the PwC Entities or that the PwC Entities may pursue against Satyam. With respect to any and all Released Plaintiffs’ Claims and Released Settling Defendants’ Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and the Settling Defendants shall expressly, and each other Class Member and each other Released Settling Defendants Party shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or

principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

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

Lead Plaintiffs, the other Class Members, the Settling Defendants or the other Released Settling Defendants Parties may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Plaintiffs' Claims and the Released Settling Defendants' Claims, but Lead Plaintiffs and the Settling Defendants shall expressly, fully, finally and forever settle and release, and each other Class Member and each other Released Settling Defendants Party shall be deemed to have settled and released, and upon the Effective Date and by operation of the Judgment shall have settled and released, fully, finally, and forever, any and all Released Plaintiffs' Claims and Released Settling Defendants' Claims as applicable, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs and the Settling Defendants acknowledge, and other Class Members and each other Released Settling Defendants Party by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Plaintiffs' Claims and Released Settling Defendants' Claims was separately bargained for and was a key element of the Settlement.

### **CLASS CERTIFICATION**

2. For purposes of this Settlement only, and without prejudice to, or waiver of, any claims or defenses the Settling Defendants may have against any Person who is not a member of, or is excluded from, the Class, Lead Plaintiffs and the Settling Defendants agree to: (i) certification of the Action as a class action, pursuant to Fed. R. Civ. P. 23(a) and 23(b)(3), on behalf of the Class

and Sub-Classes as defined in ¶ 1(g); (ii) the certification of Lead Plaintiffs, IBEW and Brian F. Adams as Class Representatives for the Class; and (iii) the appointment of Lead Counsel as Class Counsel for the Class.

**SCOPE AND EFFECT OF SETTLEMENT**

3. The obligations incurred pursuant to this Stipulation are in full and final disposition of the Action with respect to the Released Parties and any and all Released Claims, subject to approval by the Court and such approval becoming Final.

4. By operation of the Judgment, as of the Effective Date, Lead Plaintiffs and each and every other Class Member, on behalf of themselves and each of their respective agents, representatives, heirs, executors, trustees, administrators, predecessors, successors and assigns, shall be deemed to have fully, finally and forever waived, released, discharged and dismissed each and every one of the Released Plaintiffs' Claims as against each and every one of the Released Settling Defendants Parties and shall forever be barred and enjoined from commencing, instituting, prosecuting or maintaining any of the Released Plaintiffs' Claims against any of the Released Settling Defendants Parties. The Settling Parties shall not assign to any third party or seek to promote any third party to bring any claims or potential claims against any of the PwC Entities. Nothing in the above shall prejudice the rights of Lead Plaintiffs or any other Class Member to participate in: (a) the distribution of any funds recovered by any governmental or regulatory agency in connection with or emanating from any investigation or inquiry relating to any of the Released Settling Defendants Parties; and (b) the distribution of any funds recovered by Satyam based on any claims that it may decide to bring against the PwC Entities.

5. By operation of the Judgment, as of the Effective Date, the Settling Defendants and each of the other Released Settling Defendants Parties, on behalf of themselves and each of their respective agents, representatives, heirs, executors, trustees, administrators, predecessors,

successors and assigns, shall be deemed to have fully, finally and forever waived, released, discharged and dismissed each and every one of the Released Settling Defendants' Claims as against each and every one of the Released Plaintiff Parties and shall forever be barred and enjoined from commencing, instituting, prosecuting or maintaining any of the Released Settling Defendants' Claims against any of the Released Plaintiff Parties.

**THE SETTLEMENT CONSIDERATION**

6. The following are the Settling Parties' obligations with respect to the Settlement Amount. In full settlement of the claims asserted in the Action against the Settling Defendants and in consideration of the releases specified in ¶¶ 4 and 5 above, the Settlement Amount shall be paid for the benefit of the Class. PricewaterhouseCoopers Private Limited shall be treated as a "pro forma defendant" for all legal, regulatory and taxation purposes in India. The Settling Parties agree that payment of the entire Settlement Amount consistent with the terms of this Stipulation shall fully discharge the obligations of all of the Settling Defendants under this Stipulation with respect to the payment of the Settlement Amount and is consideration for the releases to the Settling Defendants and their releasees provided for in this Stipulation. The force and effect of the bar order in favor of each of the Settling Defendants as set forth in Exhibit B to this Stipulation is integral to this Settlement. The Settling Defendants shall pay the Settlement Amount in accordance with the following terms:

(a) The Settlement Amount shall be deposited into the Initial Escrow Account on or before April 29, 2011. Notwithstanding the foregoing, with respect to any portion of the Settlement Amount being funded by Price Waterhouse (Bangalore), if approval from the Reserve Bank of India ("RBI") is not obtained before April 29, 2011, that portion of the Settlement Amount to be paid by Price Waterhouse (Bangalore) shall be deposited into the Segregated Account for the benefit of the Class as set forth in ¶ 6(b) below. For purposes of the transfer of any portion of the

Settlement Amount from the Segregated Account to the Initial Escrow Account as well as the transfer of the Net Segregated Account Interest (as defined in ¶ 6(b) below), the relevant Indian Rupee-United States Dollar exchange rate shall be the RBI reference rate in effect in India following the close of business on the business day preceding the date of such transfer, however in no event shall the total Settlement Fund deposited into the Initial Escrow Account be less than \$25,500,000.00.

(b) In the event that Price Waterhouse (Bangalore) cannot deposit its allocated portion of the Settlement Amount into the Initial Escrow Account by April 29, 2011 because RBI approval for transfer has not been received, then by no later than April 29, 2011, Price Waterhouse (Bangalore) shall deposit any such portion of the Settlement Amount into the Segregated Account. Any interest earned on the Segregated Account shall be for the benefit of the Class. Within seven (7) business days from the date of approval by the RBI, that portion of the Settlement Amount deposited by Price Waterhouse (Bangalore) into the Segregated Account plus interest earned in the Segregated Account less any Taxes due on the interest earned shall be transferred to the Initial Escrow Account. For the sake of clarity, regardless of the amount in the Segregated Account on the day of transfer of the portion of the Settlement Amount deposited in the Segregated Account, in no event shall Price Waterhouse (Bangalore) transfer less than the amount in U.S. Dollars that it was required to contribute to the Settlement Amount in order for the amount on deposit in the Initial Escrow Account on April 29, 2011 to have been at least \$25,500,000.00.

(c) No later than April 29, 2011, the total amount of funds deposited in the Segregated Account and the Initial Escrow Account by the Settling Defendants shall equal the Settlement Amount.

(d) In the event that RBI approval for transfer of the funds from the Segregated Account into the Initial Escrow Account is not received on or before August 31, 2011, Lead Plaintiffs shall have sole discretion to terminate the Settlement in accordance with the provisions set forth in ¶¶ 44-45 below, unless such date to obtain RBI approval is extended in writing by the Settling Parties, or unless the Settling Defendants otherwise deposit into the Initial Escrow Account an amount equal to the amount originally deposited in the Segregated Account plus interest accrued thereon from April 29, 2011 through August 31, 2011 less any Taxes owed on income earned in the Segregated Account. In all events, Price Waterhouse (Bangalore) shall provide notice to Lead Counsel as soon as practicable after it receives RBI approval.

(e) Lead Counsel shall, within two (2) business days of the execution of this Stipulation by the Settling Defendants' Counsel and Lead Counsel, file this Stipulation with the Court.

(f) Price Waterhouse (Bangalore) shall, within five (5) business days of the execution of this Stipulation by Lead Counsel and Settling Defendants' Counsel, cause its authorized dealer to seek the necessary approval from the RBI in respect of the transfer of any portion of the Settlement Amount that it is funding to the Initial Escrow Account. Price Waterhouse (Bangalore)'s application for approval from the RBI with respect to the transfer of such funds to and from the Initial Escrow Account shall provide that (i) such portion of the Settlement Amount may be transferred into the Initial Escrow Account by Price Waterhouse (Bangalore) upon receipt of preliminary approval of the Settlement by the Court; (ii) Notice and Administration Expenses up to the amount provided for in ¶ 23 below may be paid in accordance with instructions from Lead Counsel at any time after the Initial Escrow Account is funded and the preliminary approval of the Settlement by the Court; (iii) any attorneys' fees and expenses, and

interest thereon, awarded by the Court shall be funded in accordance with ¶ 16 below; and (iv) the balance of the Settlement Amount remaining in the Initial Escrow Account, inclusive of applicable interest earned on the Settlement Amount and net of Taxes owed or owing as a result of income earned on the Settlement Amount while in the Initial Escrow Account, any Transfer Taxes, any banking transaction costs and banking fees related to the Initial Escrow Account and the investment of the Settlement Amount pursuant to the terms of the Initial Escrow Agreement, and Compliance Costs (the "Balance"), shall be transferred to the Final Escrow Account within four (4) business days after the Initial Escrow Agent has been provided with an instruction letter from designated representatives identified in the Initial Escrow Agreement, which attaches copies of both the Judgment or Alternative Judgment entered by the Court and the advance ruling from the AAR regarding the withholding of Transfer Taxes.

(g) The Balance shall be transferred to the Final Escrow Account as and when described in clause (iv) of the ¶ 6(f) above.

(h) Lead Plaintiffs shall, within fourteen (14) days of the execution of this Stipulation seek an advance ruling from the AAR regarding any Transfer Taxes. To the extent of their funding of the Settlement Amount, the Settling Defendants shall within seven (7) business days of the filing of said AAR application file an independent application or applications in support of Lead Plaintiffs' application before the AAR. The Settling Parties, and their counsel shall cooperate in good faith to reach agreement regarding the content of such application prior to their filing. The Settling Parties hereby agree to each take the position before the AAR that no Transfer Taxes are required to be withheld, and shall cooperate in provision of information and the taking of actions that may be necessary to support such position. The Settling Parties will take the position in their AAR application(s) that no Transfer Taxes are required to be withheld, and the

Lead Plaintiffs agree that they will not take the position that the Settling Defendants have conceded in any way that the Settlement Funds may be released to the Final Escrow Account without a ruling by the AAR on the application(s) filed by the Settling Defendants or, in the alternative, receipt of the appropriate tax certificate from the India Tax Department. Should the AAR rule that Transfer Taxes are required to be withheld, Lead Plaintiffs, in their sole discretion, shall have the right to determine whether to challenge the AAR ruling or to have the Transfer Taxes withheld and remitted pursuant to the AAR ruling and then seek a refund. During the pendency of any such challenge, at Lead Plaintiffs' option, either (i) no funds shall move from the Initial Escrow Account to the Final Escrow Account or (ii) any funds transferred from the Initial Escrow Account to the Final Escrow Account shall be subject to Transfer Taxes required to be withheld and remitted pursuant to the AAR ruling. The Settling Defendants agree to reasonably cooperate with Lead Plaintiffs, as necessary, at no cost to the Settling Defendants, whether Lead Plaintiffs decide to challenge the AAR ruling or to make an application to seek a refund of such Transfer Taxes. Similarly, to the extent that the AAR rejects the applications, fails to act in a timely fashion, or provides a ruling that fails to address the appropriate withholding tax rate or is otherwise a partial ruling, the Settling Defendants agree to reasonably cooperate if Lead Plaintiffs elect to request and obtain a withholding certificate from the India Tax Department in favor of the payors under Section 195 or 197 of the Income Tax Act of 1961 or under such other law as may be in force at the time. To the extent applicable, the Settling Parties shall request of the relevant taxing authorities that any such refund be deposited into the Settlement Fund or as otherwise provided in written instructions by Lead Counsel on behalf of Lead Plaintiffs.

7. With the sole exception of depositing the Settlement Amount into the Segregated Account and the Initial Escrow Account (for ultimate transfer to the Final Escrow Account upon

entry by the Court of the Judgment or Alternative Judgment subject to the terms of this Stipulation and an advance ruling regarding Transfer Taxes by the AAR pursuant to the terms of this Settlement), or as otherwise provided for in ¶ 6, the Released Settling Defendants Parties and Settling Defendants' Counsel shall have no responsibility or liability with respect to the Final Escrow Account, or the monies maintained in the Final Escrow Account, including, without limitation, any responsibility or liability related to any fees or Taxes owed with respect to the amounts on deposit in the Final Escrow Account, investment decisions, maintenance, supervision or distributions of any portion of the Settlement Amount from the Final Escrow Account. If Taxes are owed by the Settling Defendants on income in respect of the amounts on deposit in the Initial Escrow Account, those Taxes may, in such Settling Defendants' discretion, be paid from any earnings on the Settlement Amount while such amount was deposited in the Initial Escrow Account. The Initial Escrow Agreement shall specify the Settling Defendants which shall be jointly responsible with Lead Counsel for the investment decisions, maintenance, supervision or distributions of any portion of the Initial Escrow Account.

8. Lead Plaintiffs agree to file a motion with the Court seeking preliminary approval of the Settlement within five (5) days of the execution of this Stipulation and the Settling Parties agree to cooperate in expeditiously seeking preliminary approval of the Settlement.

9. The PwC Entities will reasonably cooperate with Lead Plaintiffs in connection with Court review and approval of this Settlement.

#### **USE AND TAX TREATMENT OF SETTLEMENT FUND**

10. The Settlement Fund shall be used: (i) to pay any and all Taxes on the earnings of the Settlement Fund, any and all Transfer Taxes, and any and all Taxes after transfer to the Final Escrow Account; (ii) to pay any banking transaction costs and banking fees related to the Initial and Final Escrow Accounts and the investment of the Settlement Amount pursuant to the terms of

the Initial and Final Escrow Agreements; (iii) to pay any and all Compliance Costs with respect to the Settlement Fund; (iv) to pay Notice and Administration Expenses; and (v) to pay any attorneys' fees and any other fees and expenses awarded or approved by the Court (including any costs and expenses allowed by the Private Securities Litigation Reform Act of 1995 ("PSLRA"), 15 U.S.C. §78u-4, and awarded to the Lead Plaintiffs and/or Class Representatives by the Court). The balance of the Settlement Fund after the above payments shall be the "Net Settlement Fund", which shall be distributed to Authorized Claimants as provided in ¶¶ 24 through 35 herein.

11. Except in the event of a termination (as described in ¶¶ 39 through 45 herein), the Settlement Fund (less provided for payments of Notice and Administration Expenses, Taxes on the earnings on the Settlement Fund, any Transfer Taxes, Compliance Costs, and any banking transaction costs and banking fees related to the Initial Escrow Account and the investment of the Settlement Amount pursuant to the terms of the Initial Escrow Agreement) shall remain in the Initial Escrow Account until entry by the Court of the Judgment or the Alternative Judgment, at which point in time, if an advance ruling from the AAR has yet to be provided to the Initial Escrow Agent in accordance with the instructions set forth above in ¶ 6, an amount equal to any award of attorney's fees and expenses as set forth below in ¶ 16, shall be transferred into the Final Escrow Account net of Transfer Taxes, if any. Thereafter, once the Initial Escrow Agent has been provided with a copy of the advance ruling from the AAR, the balance remaining in the Initial Escrow Account, net of any applicable Transfer Taxes, shall be transferred to the Final Escrow Account as provided in ¶ 6 of this Stipulation. All funds held in the Initial Escrow Account or the Final Escrow Account, as the case may be, shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall be distributed pursuant to this Stipulation and/or Orders of the Court, or returned to the Settling Defendants pursuant to ¶ 45

of this Stipulation and/or further order of the Court. The Initial Escrow Agent and the Final Escrow Agent shall invest the funds held in the respective escrow accounts as per the terms of the respective escrow agreements each of which shall provide that the Settlement Amount shall be invested in United States Treasury Bills and shall collect and reinvest all interest accrued thereon. The Final Escrow Agreement may also provide that the Settlement Amount may be invested in a mutual fund invested solely in United States Treasury Bills. All funds held in the Initial and Final Escrow Accounts in an amount of less than \$100,000.00 may be invested in cash, or, only with respect to the Final Escrow Account, money market mutual funds comprised exclusively of instruments secured by the full faith and credit of the United States Government. Prior to final approval of the Settlement by the Court, all investments of the Settlement Amount by the Initial Escrow Agent or the Final Escrow Agent, as the case may be, must comport with the Settling Defendants' independence requirements. The Released Settling Defendants Parties and Settling Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to investment decisions or the actions of the Fund Administrator, or any transaction executed by the Fund Administrator with respect to the Final Escrow Account.

12. The Settling Parties agree that:

(a) In the event that the Settling Defendants funding the Initial Escrow Account or the Initial Escrow Agent are required to withhold Transfer Taxes pursuant to an advance ruling by the AAR, the amount of the Settlement Fund or any portion thereof required to be paid or transferred by such Settling Defendant or the Initial Escrow Agent pursuant to the terms of this Stipulation, as applicable, shall be reduced by the amount of such Transfer Taxes, subject to the continuing obligation of the Settling Defendants to cooperate with Lead Plaintiffs (but at no cost to the Settling Defendants) in seeking a refund of such Transfer Taxes.

(b) Upon transfer of the Settlement Fund to the Final Escrow Account, the Settlement Fund is intended to be a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1 et seq.; the funding Settling Defendants shall be “transferors” within the meaning of Treas. Reg. § 1.468B-1(d)(1) to the Settlement Fund including, without limitation, with respect to the Settlement Amount or their respective contributions thereto; and the Fund Administrator shall be the “administrator” of the Settlement Fund within the meaning of Treas. Reg. § 1.468B-2(k)(3) and shall be responsible for causing the filing of all tax returns required to be filed by or with respect to the Settlement Fund, paying from the Settlement Fund any Taxes and Compliance Costs owed by or with respect to the Settlement Fund, and complying with any applicable information reporting or Tax withholding requirements imposed by applicable law on or with respect to the Settlement Fund. Settling Defendants agree to reasonably cooperate with the Fund Administrator to provide information reasonably available to the Settling Defendants that is needed for filing tax returns for the Settlement Fund and will give their consent to the Settlement Fund’s filing of any relation-back election, provided that any reasonable costs incurred by the Settling Defendants with respect thereto shall be reimbursed by the Settlement Fund.

(c) Upon transfer of the Settlement Fund to the Final Escrow Account, all Taxes and Compliance Costs owed by or with respect to the Settlement Fund shall be paid solely out of the Settlement Fund. In all events, the Released Settling Defendants Parties and Settling Defendants’ Counsel shall have no liability or responsibility whatsoever for Taxes or Compliance Costs of the Settlement Fund or the filing of any tax returns, information reports or other documents with the Internal Revenue Service or any other taxing authority with respect thereto, except as provided under the terms of this Stipulation.

(d) Upon transfer of the Settlement Fund to the Final Escrow Account, Taxes and Compliance Costs owed by or with respect to the Settlement Fund shall be treated as, and considered to be, a cost of administration of the Settlement and shall be timely paid, or caused to be paid, by the Fund Administrator out of the Settlement Fund without prior order from the Court or further consent of the Settling Defendants and the Fund Administrator shall be obligated (notwithstanding anything herein to the contrary) to withhold from distributions to Authorized Claimants any funds necessary to pay applicable Taxes (as well as any amounts that may be required to be withheld under Treas. Reg. § 1.468B-2(1)(2) or any other applicable law). The Settling Defendants agree to reasonably cooperate with the Fund Administrator, their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph, provided that any reasonable costs incurred by the Settling Defendants with respect thereto shall be reimbursed by the Settlement Fund.

13. This is not a claims-made settlement. As of the Effective Date, neither the Settling Defendants nor any other Person who or which paid any portion of the Settlement Amount on their behalf shall have any right to the return of the Settlement Fund or any portion thereof for any reason.

#### **ATTORNEYS' FEES AND EXPENSES**

14. Lead Counsel will apply to the Court for an award from the Settlement Fund of: (i) attorneys' fees, plus interest on such amounts at the same rate and for the same periods as earned by the Settlement Fund; and (ii) reimbursement of litigation expenses incurred in prosecuting the Action, plus any interest on such amounts at the same rate and for the same periods as earned by the Settlement Fund ("Fee and Expense Application"). Lead Plaintiffs and/or proposed Class Representatives may also seek reimbursement for their reasonable costs and expenses (including lost wages) directly relating to their representation of the Class, which, subject to Court approval,

shall also be paid from the Settlement Fund. The Settling Defendants will not oppose the Fee and Expense Application or the request for reimbursement to the Lead Plaintiffs and/or the proposed Class Representatives. Any rejection of the Fee and Expense Application or any reduction of the award of attorneys' fees and expenses shall not provide a basis to terminate or modify this Stipulation or the Settlement and the Court's approval of the Settlement shall not be conditioned in any way on the Court's approval of the Fee and Expense Application.

15. Lead Counsel shall determine and distribute the attorneys' fees among plaintiffs' counsel in a manner in which, in their sole discretion, they believe reflects the contributions of such counsel to the prosecution and settlement of the Action with the Settling Defendants and the benefits conferred on the Class.

16. The amount of attorneys' fees and expenses awarded by the Court and any interest thereon is within the sole discretion of the Court. Any amount awarded by the Court as attorneys' fees and expenses and interest thereon shall be paid from either: (i) a transfer from the Initial Escrow Account to the Final Escrow Account net of any Transfer Taxes, and then from the Final Escrow Account to Lead Counsel (if an advance ruling by the AAR with respect to Transfer Taxes has not yet been received) or (ii) the Final Escrow Account (if the Settlement Fund has already been transferred from the Initial Escrow Account to the Final Escrow Account in accordance with the provisions of ¶ 6 above) to Lead Counsel, immediately after the Court enters an Order awarding such attorneys' fees and expenses, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof. Such copies of the Judgment or Alternative Judgment and the order awarding attorneys' fees shall be provided to the Initial Escrow Agent, and the Final Escrow Agent, as applicable, by the Settling

Defendants' designated signatories to the Initial Escrow Agreement and Lead Counsel, within four (4) business days of the entry of such judgments and/or order by the Court.

17. In connection with any payment of attorneys' fees and expenses and any interest thereon pursuant to ¶ 16 above made prior to the Effective Date, Lead Counsel who seek to be paid their share of the attorney fee and expense award prior to the Effective Date shall be jointly and severally obligated to make appropriate refunds or repayments of attorneys' fees and expenses and any interest thereon paid to them pursuant to ¶ 16 above, to the Settlement Fund or to the Settling Defendants, as applicable, plus accrued interest at the same net rate as is earned by the Settlement Fund, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the award of attorneys' fees and/or litigation expenses is reduced or reversed by final non-appealable court order. Lead Counsel agree to incorporate their obligation under the preceding sentence into any proposed order awarding attorneys' fees and expenses filed with the Court. Lead Counsel shall make the appropriate refund or repayment in full no later than fifteen (15) business days after receiving from Settling Defendants' Counsel notice of the termination of the Settlement or notice of any reduction of the award of attorneys' fees and/or litigation expenses by final non-appealable court order. Should Lead Counsel fail to make the appropriate refund and/or repayment in accordance with this ¶ 17, then the Settling Defendants shall be entitled to seek from Lead Counsel (also on a joint and several liability basis) their reasonable costs, attorneys' fees and litigation expenses in connection with recovering the amount of refund and/or repayment owed to them pursuant to this ¶ 17, in addition to the amount of refund and/or repayment owed.

18. With the sole exception of the Settling Defendants' making payments into the Segregated Account and the Initial Escrow Account for transfer to the Final Escrow Account as

provided for in ¶ 6 and effecting the transfer from the Initial Escrow Account to the Final Escrow Account as provided for herein, the Released Settling Defendants Parties shall have no responsibility for, and no liability whatsoever with respect to, any payment to Lead Counsel or any plaintiffs' counsel that may occur at any time.

19. The Released Settling Defendants Parties shall have no responsibility for, and no liability whatsoever with respect to, the allocation of any attorneys' fees or expenses among any plaintiffs' counsel, or any other Person that may assert some claim thereto, or any fee or expense awards the Court may make in the Action.

20. The Released Settling Defendants Parties shall have no responsibility for, and no liability whatsoever with respect to, any attorneys' fees, costs, or expenses incurred by or on behalf of the Class Members, whether or not paid from the escrow accounts.

21. The procedure for and the allowance or disallowance by the Court of any Fee and Expense Application are not part of the Settlement set forth in this Stipulation, and are separate from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement set forth in the Stipulation, and any order or proceeding relating to any Fee and Expense Application, including an award of attorneys' fees in an amount less than the amount requested by Lead Counsel, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement set forth herein, including, but not limited to, the release, discharge, and relinquishment of the Released Plaintiffs' Claims against the Released Settling Defendants Parties, or any other orders entered pursuant to the Stipulation.

**THE SETTLEMENT AMOUNT AND THE ESCROW ACCOUNTS**

22. Except as otherwise provided herein, and subject to the provisions of ¶ 45 below, the Settlement Amount shall remain escrowed pending: (i) final approval of the Settlement by the

Court; (ii) an advance ruling on Transfer Taxes by the AAR; (iii) the expiration of all rights of appeal of the Judgment, and (iv) the final denial of any and all appeals or objections or collateral attacks or challenges to the Settlement.

**NOTICE AND ADMINISTRATION EXPENSES**

23. At any time subsequent to the funding of the Initial Escrow Account and the preliminary approval of the Settlement by the Court, without further order of the Court, the relevant escrow agent shall, upon request from Lead Counsel, pay up to \$250,000 from the relevant escrow account established pursuant to this Stipulation to pay the Notice and Administration Expenses, for notice and administration expenses actually incurred in excess of the initial \$250,000, which shall be paid out of the settlement fund established in connection with the Satyam Settlement. Lead Counsel shall provide the Settling Defendants' Counsel an itemized accounting of the Notice and Administration Expenses actually incurred.

**DISTRIBUTION TO AUTHORIZED CLAIMANTS**

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

25. Lead Counsel shall be solely responsible for designating the Claims Administrator, subject to approval by the Court. The Claims Administrator shall administer the Settlement under Lead Counsel's supervision and subject to the jurisdiction of the Court. Except as stated in ¶¶ 24, 30 and 45 hereof, the Released Settling Defendants Parties and Settling Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to the administration of

the Settlement or the actions or decisions of the Claims Administrator, and shall have no liability to the Class in connection with such administration.

26. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim, as defined in the Plan of Allocation of Net Settlement Fund included in the Notice, or in such other plan of allocation as the Court may approve.

27. The Settling Defendants will take no position with respect to the Plan of Allocation. The Plan of Allocation is a matter separate and apart from the proposed Settlement between Lead Plaintiffs and the Settling Defendants, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Plan of Allocation is not a necessary term of this Stipulation and it is not a condition of this Stipulation that any particular plan of allocation be approved by the Court. Lead Plaintiffs and Lead Counsel may not cancel or terminate the Stipulation or the Settlement in accordance with ¶ 39 or otherwise based on the Court's or any appellate court's ruling with respect to the Plan of Allocation or any plan of allocation in the Action. The Released Settling Defendants Parties and Settling Defendants' Counsel shall have no responsibility or liability for reviewing or challenging claims, the allocation of the Net Settlement Fund, or the distribution of the Net Settlement Fund.

#### **ADMINISTRATION OF THE SETTLEMENT**

28. Any member of the Class who fails to timely submit a valid Proof of Claim (substantially in the form of Exhibit 2 to Exhibit A hereto) will not be entitled to receive any of the proceeds from the Net Settlement Fund, except as otherwise ordered by the Court, but will otherwise be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment or Alternative Judgment to be entered in the Action and the releases provided for

therein, and will be barred from bringing any action against the Released Settling Defendants Parties concerning the Released Plaintiffs' Claims.

29. Lead Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Settlement Fund by the Claims Administrator. Neither the PwC Entities nor any other Released Settling Defendants Party shall be permitted to review, contest, or object to any Claim Form or any decision of the Claims Administrator or Lead Counsel with respect to accepting or rejecting any Claim Form or claim for payment by a Class Member. Lead Counsel shall have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Claim Form in the interests of achieving substantial justice.

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

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

(b) All Claim Forms must be submitted by the date set by the Court in the Preliminary Approval Order and specified in the Notice, unless such deadline is extended by Order of the Court. Any Class Member who fails to submit a Claim Form by such date shall be barred from receiving any distribution from the Net Settlement Fund or payment pursuant to this Stipulation (unless, by Order of the Court, late-filed Claim Forms are accepted), but shall in all other respects be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment or Alternative Judgment and the releases provided for therein, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind

against any Released Settling Defendants Party concerning any Released Plaintiffs' Claims.

Provided that it is received before the motion for the Distribution Order is filed, a Claim Form shall be deemed to be submitted when mailed, if received with a postmark indicated on the envelope and if mailed by first-class or overnight U.S. Mail and addressed in accordance with the instructions thereon. In all other cases, the Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator;

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

(d) Claim Forms that do not meet the submission requirements may be rejected. Prior to rejecting a Claim in whole or in part, the Claims Administrator shall communicate with the Claimant in writing to give the Claimant the chance to remedy any curable deficiencies in the Claim Form submitted. The Claims Administrator, under supervision of Lead Counsel, shall notify, in a timely fashion and in writing, all Claimants whose claims the Claims Administrator proposes to reject in whole or in part, setting forth the reasons therefor, and shall indicate in such notice that the Claimant whose claim is to be rejected has the right to a review by the Court if the Claimant so desires and complies with the requirements of subparagraph (e) below;

(e) If any Claimant whose claim has been rejected in whole or in part desires to contest such rejection, the Claimant must, within twenty (20) calendar days after the date of mailing of the notice required in subparagraph (d) above, serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's grounds for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If a

dispute concerning a claim cannot be otherwise resolved, Lead Counsel shall thereafter present the request for review to the Court; and

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

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

32. Payment pursuant to the Distribution Order shall be deemed final and conclusive against all Class Members. All Class Members whose claims are not approved by the Court shall be barred from participating in distributions from the Net Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement, including the terms of the Judgment or Alternative Judgment to be entered in the Action and the releases provided for herein, and will be barred from bringing any action against the Released Settling Defendants Parties concerning the Released Plaintiffs' Claims.

33. All proceedings with respect to the administration, processing and determination of claims described by ¶¶ 24 through 35 of this Stipulation and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court, but shall not in any event delay or affect the finality of the Judgment.

34. No Person shall have any claim of any kind against the Released Settling Defendants Parties or their counsel with respect to the matters set forth in this Section or any of its subsections.

35. No Person shall have any claim against the Lead Plaintiffs or their counsel (including Lead Counsel), or the Claims Administrator, or other agent designated by Lead Counsel, based on the distributions made substantially in accordance with this Stipulation and the Settlement contained herein, the Plan of Allocation (or such other plan of allocation as may be approved by the Court), or further order(s) of the Court.

**TERMS OF THE PRELIMINARY APPROVAL ORDER**

36. Concurrently with their application for preliminary Court approval of the Settlement contemplated by this Stipulation, Lead Counsel and Settling Defendants' Counsel shall jointly apply to the Court for entry of the Preliminary Approval Order, which shall be substantially in the form attached hereto as Exhibit A. The Preliminary Approval Order will, *inter alia*, set the date for the Settlement Hearing and prescribe the method for giving notice of the Settlement to the Class.

**TERMS OF THE JUDGMENT**

37. If the Settlement contemplated by this Stipulation is approved by the Court, Lead Counsel and Settling Defendants' Counsel shall jointly request that the Court enter a Judgment substantially in the form attached hereto as Exhibit B, including without limitation, a PSLRA "bar order" as specified in ¶ 12 of the Judgment attached hereto as Exhibit B.

**EFFECTIVE DATE OF SETTLEMENT, WAIVER OR TERMINATION**

38. The Effective Date of this Settlement shall be the date when all of the following shall have occurred:

- (a) entry of the Preliminary Approval Order, which shall be in all material respects substantially in the form set forth in Exhibit A attached hereto;
- (b) payment into the Initial Escrow Account of \$25,500,000.00 in cash and transfer of the Settlement Fund in the Initial Escrow Account into the Final Escrow Account in accordance with the provisions of ¶ 6;
- (c) an advance ruling regarding Transfer Taxes by the AAR, to the extent such a ruling is sought;
- (d) approval by the Court of the Settlement, following notice to the Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure; and
- (e) a Judgment, which shall be in all material respects substantially in the form set forth in Exhibit B attached hereto, has been entered by the Court and has become Final; or in the event that an Alternative Judgment has been entered, that judgment has become Final.

39. Except as set forth in the Supplemental Agreement (defined below), the Settling Defendants and Lead Plaintiffs shall have the right to terminate the Settlement and this Stipulation by providing written notice of their election to do so (“Termination Notice”), through counsel, to the other Settling Party hereto within thirty (30) calendar days of: (a) the Court’s final refusal to enter the Preliminary Approval Order in any material respect; (b) the Court’s final refusal to approve this Stipulation or any material part of it; (c) the Court’s final refusal to enter the Judgment in any material respect or an Alternative Judgment; or (d) the date upon which the Judgment or Alternative Judgment is modified or reversed in any material respect by the United States Court of Appeals or the Supreme Court of the United States.

40. Simultaneously herewith, Settling Defendants’ Counsel and Lead Counsel are executing a Supplemental Agreement (“Supplemental Agreement”). The Supplemental

Agreement sets forth, among other things, certain additional conditions under which the Settling Parties shall or shall not have the option to terminate the Settlement and render this Stipulation null and void. The Settling Parties agree to maintain the confidentiality of the terms of the Supplemental Agreement, which shall not be filed with the Court unless a dispute arises as to its terms, or as otherwise ordered by the Court. Except as provided in this Stipulation or the Supplemental Agreement, the terms of the Supplemental Agreement shall not be disclosed unless required by the Court. If submission of the Supplemental Agreement is required for resolution of a dispute or is otherwise ordered by the Court, the Settling Parties will undertake to have the Supplemental Agreement submitted to the Court *in camera*.

41. In the event of a termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect, with the exception of the provisions of ¶¶ 43-46 which shall continue to apply.

42. In addition to all of the rights and remedies that the Lead Plaintiffs and Lead Counsel have under the terms of this Stipulation, Lead Plaintiffs shall also have the right to terminate the Settlement in the event that the Settling Defendants do not pay the \$25,500,000.00 as provided in ¶ 6 above or the Settlement Fund is not transferred from the Initial Escrow Account to the Final Escrow Account in accordance with the terms of this Stipulation by providing written notice of their election to terminate to the PwC Entities.

43. If an option to withdraw from and terminate this Stipulation and Settlement arises under any of ¶¶ 39, 40 or 42 above: (i) neither the Settling Defendants nor Lead Plaintiffs will be required for any reason or under any circumstance to exercise that option; and (ii) any exercise of that option shall be made in good faith, but in the sole and unfettered discretion of the Settling Defendants or Lead Plaintiffs, as applicable.

44. Except as otherwise provided herein, in the event the Settlement is terminated or fails to become effective for any reason, then: the Settlement shall be without prejudice, and none of its terms, including, but not limited to, the certification of the Class as against the Settling Defendants, shall be effective or enforceable except as specifically provided herein; the Settling Parties to this Stipulation shall be deemed to have reverted to their respective litigation positions in the Action immediately prior to March 8, 2011; and, except as otherwise expressly provided, the Settling Parties in the Action shall proceed in all respects as if this Stipulation and any related orders had not been entered. In such event, the fact and terms of this Stipulation or any aspect of the negotiations leading to this Stipulation, shall not be admissible in this Action and shall not be used by Lead Plaintiffs against the Settling Defendants or by the Settling Defendants against Lead Plaintiffs in any court filings, depositions, at trial or otherwise.

45. If the Settlement fails to become effective as defined herein or is terminated pursuant to the provisions of ¶¶ 39, 40 or 42 above, any portion of the Settlement Amount previously paid by the Settling Defendants, together with any earnings earned thereon, less any Taxes and Compliance Costs paid or due from the Settlement Fund and less Notice and Administration Expenses actually incurred and paid or payable from the Settlement Fund, shall be returned to the Settling Defendants pro rata to the Settling Defendants' proportionate contributions of the Settlement Amount within fifteen (15) calendar days after written notification of such event, or the receipt by Lead Counsel of written instructions from Settling Defendants' Counsel which shall contain both wiring instructions and the amount contributed by each Settling Defendant to the Settlement Amount, whichever is later. At the request of Settling Defendants' Counsel, the Initial Escrow Agent, Final Escrow Agent, Lead Counsel or their designee, as applicable, shall apply for any Tax refund owed on the then relevant escrow account and pay the proceeds, after any

deduction of any fees or expenses incurred in connection with such application(s), for refund to the Settling Defendants, as applicable.

**NO ADMISSION OF WRONGDOING**

46. Except as set forth in ¶ 47 below, this Stipulation, whether or not consummated, and any negotiations, proceedings or agreements relating to the Stipulation, the Settlement, and any matters arising in connection with settlement negotiations, proceedings, or agreements, shall not be offered or received against the Settling Defendants or Lead Plaintiffs for any purpose, and in particular:

(a) do not constitute, and shall not be offered or received against the Settling Defendants as evidence of, or construed as, or deemed to be evidence of any presumption, concession or admission by the Settling Defendants with respect to the truth of any fact alleged by Lead Plaintiffs and the Class or the validity of any claim that has been or could have been asserted in the Action or in any litigation, including but not limited to the Released Plaintiffs' Claims, or of any liability, damages, negligence, fault or wrongdoing of the Settling Defendants;

(b) do not constitute, and shall not be offered or received against the Settling Defendants as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by the Settling Defendants, or against Lead Plaintiffs or any other members of the Class as evidence of any infirmity in the claims of Lead Plaintiffs or the other members of the Class;

(c) do not constitute, and shall not be offered or received against the Settling Defendants or against Lead Plaintiffs or any other members of the Class, as evidence of a presumption, concession or admission with respect to any liability, damages, negligence, fault, infirmity or wrongdoing, or in any way referred to for any other reason as against any of the Settling Parties to this Stipulation, in any other civil, criminal or administrative action or

proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(d) do not constitute, and shall not be construed against the Settling Defendants, Lead Plaintiffs or any other members of the Class, as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial;

(e) do not constitute, and shall not be construed as or received in evidence as, an admission, concession or presumption against the Settling Defendants that they have waived any claims or defenses available to them against any Person who is not a member of, or is excluded from, the Class; and

(f) do not constitute, and shall not be construed as or received in evidence as, an admission, concession or presumption against Lead Plaintiffs or any other members of the Class or any of them that any of their claims are without merit or infirm or that damages recoverable under the Complaint would not have exceeded the Settlement Amount.

47. The Settling Defendants may file this Stipulation and/or the Judgment in any action that may be brought against them or by them, as applicable, in order to support a defense or counterclaim based on principles of *res judicata*, *collateral estoppel*, release, good-faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim, or to effectuate the liability protection granted them under any applicable insurance policies. The Settling Parties may file this Stipulation and/or the Judgment in any action that may be brought to enforce the terms of this Stipulation and/or the Judgment. All Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

**MISCELLANEOUS PROVISIONS**

48. All of the exhibits to the Stipulation (except any Plan of Allocation to the extent incorporated in those exhibits), are material and integral parts hereof and are fully incorporated herein by this reference.

49. Other than the obligations to provide the monetary consideration specified in ¶ 6 above, this Stipulation does not impose any additional monetary consideration or payment obligations on any of the PwC Entities.

50. If any determination is made pursuant to any law or regulation that the transfer of money or any portion thereof to the Settlement Fund by any of the Settling Defendants is required to be returned, and such amount is not promptly deposited to the Settlement Fund by others, then, at the election of Lead Plaintiffs, the Settling Parties shall jointly move the Court to vacate and set aside the releases given and the Judgment entered in favor of the Settling Defendants and the other Released Settling Defendants Parties pursuant to this Stipulation, which releases and Judgment shall be null and void, and the Settling Parties shall be restored to their respective positions in the litigation immediately prior to March 8, 2011, and any cash amounts in the Settlement Fund shall be returned as provided in ¶ 45 above.

51. The Settling Parties to this Stipulation intend the Settlement of the Action to be a full, final and complete resolution of all claims asserted or which could have been asserted by the Settling Parties with respect to the Released Plaintiffs' Claims and the Released Settling Defendants' Claims. Accordingly, Lead Plaintiffs and the Settling Defendants agree not to assert in any forum that the Action was brought, prosecuted or defended in bad faith or without a reasonable basis. The Settling Parties agree that each has complied fully with Rule 11 of the Federal Rules of Civil Procedure in connection with the maintenance, prosecution, defense and settlement of the Action. The PwC Entities and Lead Plaintiffs agree that the amount paid and the

other terms of the Settlement were negotiated at arm's-length in good faith by the PwC Entities and Lead Plaintiffs, and their respective counsel, and reflect a settlement that was reached voluntarily based upon adequate information and after consultation with experienced legal counsel.

52. This Stipulation may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all Settling Parties hereto or their successors or assigns.

53. The headings herein are used for the purpose of convenience only and are not meant to have legal effect.

54. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and any expenses and implementing and enforcing the terms of this Stipulation.

55. Unless ordered by a Court, no Settling Party or counsel shall disseminate, refer to, or otherwise distribute to any third party any information regarding the negotiation of the Settlement between the Settling Parties, or any information or documents they obtained from the other Settling Party in connection with reaching the Settlement, except as necessary in connection with this Stipulation or Court approval of the Settlement, or as the Settling Parties may otherwise agree, or as may be required by applicable securities or other law, or as may be required by any governmental or regulatory agency. Notwithstanding the foregoing sentence, disclosure of this Stipulation and the documents referred to and incorporated herein by reference in ¶¶ 2-67 may be filed with the Court and shall only be restricted subject to and in accordance with the provisions of this Stipulation.

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

57. This Stipulation, its exhibits and the Supplemental Agreement constitute the entire agreement among the Settling Parties hereto concerning the Settlement of the Action as against the Settling Defendants, and no representations, warranties, or inducements have been made by any party hereto concerning this Stipulation, its exhibits and the Supplemental Agreement other than those contained and memorialized in such documents.

58. Nothing in the Stipulation, or the negotiations relating thereto, is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, attorney-client privilege, joint defense privilege, or work product protection.

59. This Stipulation may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Settling Parties to this Stipulation shall exchange among themselves original signed counterparts. Signatures sent by facsimile or as a PDF file via e-mail shall be deemed originals.

60. This Stipulation shall be binding when signed, but the Settlement shall be effective only on the condition that the Effective Date occurs.

61. This Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties hereto.

62. The construction, interpretation, operation, effect and validity of this Stipulation, and all documents necessary to effectuate it, shall be governed by the internal laws of the State of New York without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.

63. This Stipulation shall not be construed more strictly against one Settling Party than the other merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations

among the Settling Parties, and all Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

64. All counsel and any other person executing this Stipulation and any of the exhibits hereto, or any related settlement documents, warrant and represent that they have the full authority to do so, and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Stipulation to effectuate its terms.

65. Lead Counsel and Settling Defendants' Counsel agree to cooperate fully with one another in seeking Court approval of the Preliminary Approval Order, the Stipulation and the Settlement and in consummating the Settlement in accordance with its terms, and to promptly agree upon and execute all such other documentation as reasonably may be required to obtain final approval by the Court of the Settlement.

66. If any party is required to give notice to any other party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery, facsimile or electronic transmission with confirmation receipt. Notice shall be provided to counsel for the respective parties as indicated below.

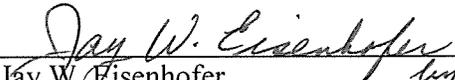
67. Except as otherwise provided herein, each party shall bear its own costs.

**IN WITNESS WHEREOF**, the Settling Parties hereto have caused this Stipulation to be executed, by their duly authorized attorneys, as of April 27, 2011.

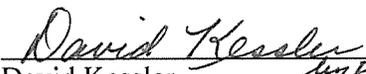
**BERNSTEIN LITOWITZ BERGER &  
GROSSMANN LLP**

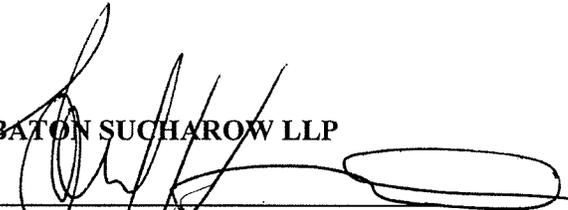
  
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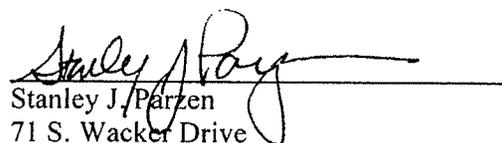


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