

## **SECOND AMENDED SETTLEMENT AGREEMENT**

This Second Amended Settlement Agreement (the “Agreement”) is made and entered into as of December 2, 2021, between Plaintiffs Bradley J. DeRuiter, Kimiya L. DeRuiter, Patrick D. Butcher, Karin Y. Butcher, Alexander Berger, Edward Yin Lee, and Helen Han-Lee, both individually and on behalf of the Settlement Class defined below (collectively “Plaintiffs”), and Defendants Southern California Gas Company and Sempra Energy (collectively “Defendants”) (Plaintiffs and Defendants shall be referred to as the “Settling Parties” or “Parties”).

### **RECITALS**

WHEREAS, certain litigation involving an incident related to a natural gas storage well known as “SS-25” at Defendants’ Aliso Canyon natural gas storage facility (“Aliso Canyon”) was coordinated in the Los Angeles County Superior Court, Judicial Council Coordination Proceeding No. 4861, and referred to as the “Southern California Gas Leak Cases;”

WHEREAS, on January 25, 2017, Plaintiffs filed a “Second Amended Consolidated Master Class Action Property Complaint and Request for Jury Trial” against Defendants in the Southern California Gas Leak Cases (the “Property Class Action”);

WHEREAS, on May 17, 2017, Defendants responded to the complaint in the Property Class Action, denying any and all liability to Plaintiffs and the putative class and asserting various affirmative defenses;

WHEREAS Defendant Sempra Energy has denied and continues to deny that it should be a party to the Property Class Action;

WHEREAS, the Settling Parties have conducted an extensive investigation into the facts and law underlying Plaintiffs’ claims in the Property Class Action, including extensive fact and expert discovery relating to the Property Class Action;

WHEREAS, since the filing of the Property Class Action, the Settling Parties

have engaged in motion practice on class certification and other issues;

WHEREAS, the Settling Parties have engaged in extensive settlement negotiations with Hon. Louis M. Meisinger (Ret.) and Hon. Scott Gordon (Ret.) of Signature Resolutions, LLC, including two full-day mediation sessions;

WHEREAS, Plaintiffs, individually and on behalf of the Settlement Class, desire to settle the Property Class Action and all matters within the scope of the Release set forth herein and upon the terms and conditions of this Agreement (the “Settlement”), having taken into account the risks, delay, and difficulties involved in maintaining class certification, establishing liability, the likelihood of recovery in excess of that offered by this Agreement, the desirability of payment now, and the likelihood that the Property Class Action could be protracted and expensive; and

WHEREAS, based upon their investigation and consideration of the risks of continuing to litigate the Property Class Action, the Settling Parties believe that it is desirable and in their best interests to enter into this Agreement in order to avoid the further expense, inconvenience, and distraction of litigation.

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged herein, the Settling Parties agree, subject to the approval by the Court, as follows:

## **I. SETTLEMENT PROCEDURES**

**A. Reasonable Best Efforts to Effectuate This Settlement.** The Settling Parties: (a) acknowledge that it is their intent to consummate this Agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement the terms and conditions of this Agreement and to exercise their best efforts to accomplish the terms and conditions of this Agreement.

**B. Certification of Class and Appointment of Class Counsel.** For settlement purposes only, the Settling Parties agree to class certification, pursuant to

C.C.P. sections 382 et seq. and all applicable law, of a settlement class defined as: All persons and businesses who own or lease real property within a 5 mile radius from the incident site (well SS-25) at Defendants' Aliso Canyon storage facility at any time between October 23, 2015 and February 18, 2016 ("Settlement Class Time Period"). Excluded from the class are persons, businesses or entities who have filed an individual action that has been coordinated with JCCP 4861 (collectively the "Settlement Class," and individually "Class Member"). Additionally, the Settling Parties agree to appointment of Baron & Budd, P.C., Boucher LLP, Lieff Cabraser Heimann & Bernstein LLP, Keller Rohrback L.L.P. and The Kick Law Firm, APC as class counsel for the Settlement Class ("Class Counsel"). Defendants do not consent to certification of the Settlement Class for any purpose other than to effectuate settlement of the Property Class Action and reserve their rights set forth in Section V(B) below.

**C. Preliminary Approval.** Within twenty (20) days after the execution of this Agreement, Class Counsel shall move the Court for entry of an order granting preliminary approval of this Agreement substantially in the form of Exhibit A hereto (the "Preliminary Approval Order"), which order shall (a) preliminarily approve the settlement memorialized in this Agreement as fair, reasonable, and adequate; (b) approve the proposed class notice in the form attached hereto as Exhibit B (the "Class Notice") and authorize its dissemination to the Class; (c) approve the publication notice in a form to be agreed upon by the Parties that is consistent with the terms of the Agreement (the "Publication Notice") and authorize its publication pursuant to the terms of this Agreement (Class Notice and Publication Notice collectively referred to as the "Notice Plan"); (d) set a date for a final approval hearing (the "Final Approval Hearing"); (e) set deadlines consistent with this Agreement for mailing of the Class Notice, the publication of the Publication Notice, the filing of objections, the filing of motions, and the filing of papers in connection with the Final Approval Hearing; and

(f) appoint and approve the Settlement Administrator (as defined below). The Defendants will not oppose the entry of the Preliminary Approval Order, provided it is substantially in the form of Exhibit A hereto and consistent with the material terms of this Agreement.

**D. Settlement Fund.** The Defendants shall pay a total of \$40 million in settlement if the Agreement gains final approval and all other contingencies pursuant to Paragraph H below (the “Final Order and Final Judgment”) are met (the “Settlement Amount”). This Settlement Amount includes all sums to be paid under this Agreement for (1) costs associated with class notice and settlement administration; (2) consideration to eligible Class Members who do not opt out, (3) the class representative service awards; and (4) attorneys’ fees and costs awarded by the Court to Class Counsel. In the event of preliminary approval, the Defendants shall, within fourteen (14) days of entry of the Preliminary Approval Order, disburse to the mutually agreeable, Court-appointed settlement administrator BrownGreer PLC (the “Settlement Administrator”) a sum sufficient to cover the costs of class notice and settlement administration and not to exceed \$250,000. In the event of final approval, the Defendants shall, within fourteen (14) days after the settlement becomes “Final,” disburse the remainder of the Settlement Amount to the Settlement Administrator for distribution in accordance with the terms of this Agreement. The Settlement shall be deemed “Final” one (1) business day after all of the following conditions have been satisfied: (a) the Final Order and Final Judgment have been entered; and (b)(i) if reconsideration and/or appellate review is not sought from the Final Order and Final Judgment, the expiration of the time for the filing or noticing of any motion for reconsideration, appeal, and/or petition; or (b)(ii) if reconsideration and/or appellate review is sought from the Final Order and/or Final Judgment: (A) the date on which the Final Order and/or Final Judgment are affirmed and are no longer subject to judicial review, or (B) the date on which the motion for reconsideration, appeal, or petition is dismissed or denied and the Final Order and/or Final Judgment are no

longer subject to judicial review. The Settlement Administrator will establish and administer a customary qualified settlement fund within the meaning of Treasury Regulation section 1.468B-1 (the “QSF Account”). The Settlement Administrator shall file any required tax documentation and taxes will be paid out of the interest earned.

**E. Class Notice.** The Notice Plan shall, at a minimum, include direct notice by first class mail and email, to the extent such email information is available, and by publication notice. In addition, a settlement website will be established and administered by the Settlement Administrator. The Parties shall ask the Court to find that the proposed form of and method for dissemination of notice to the Class as specified in this Agreement constitutes valid, due, and sufficient notice to the Class; constitutes the best notice practicable under the circumstances; and complies fully with the requirements of applicable law and constitutional due process.

**F. Class Member List.** Defendants contend that they are required by law to maintain the privacy of customer information; however, and only if the court so orders, Defendants shall provide the name and address for each customer who may be a potential Class Member during the Settlement Class Time Period. Defendants shall not oppose Plaintiffs’ efforts to have the Court issue such an order. If the Court issues such an order, then within ten (10) business days of entry of the Preliminary Approval Order, Defendants’ counsel shall provide to the Settlement Administrator all names and address necessary to identify and locate Class Members. Within ten (10) business days, Class Counsel shall provide to the Settlement Administrator all available records, data and information necessary to identify and locate Class Members. After delivery of such records, data and information, the Settlement Administrator shall obtain updates, if any, to the addresses contained therein using (a) information reasonably available from a Lexis-Nexis persons search performed as to each Class Member; (b) information reasonably available from the National Change of Address (“NCOA”) database maintained by the United States Postal Service (“Postal

Service”); and (c) such additional efforts as the Settlement Administrator reasonably believes are appropriate to identify updated addresses, if any, for each Class Member and/or as the Court may direct. The resulting list shall be the “Initial Class Member List.”

**G. Dissemination of Class Notice.** Within ten (10) business days after compiling the Initial Class Member List, the Settlement Administrator shall begin the process of mailing, and where available also emailing, the Class Notice to each Class Member using the Initial Class Member List and shall complete that process as soon as practicable. The Settlement Administrator shall format the Class Notice and otherwise administer the notice process in a reasonable manner so as to reach as many Class Members as reasonably possible while also minimizing costs.

Within ten (10) business days after entry of the Preliminary Approval Order, the Settlement Administrator shall also cause any other notices, including Publication Notice, to be disseminated and published according to the Notice Plan. In addition, prior to the date of the mailing of the Class Notice, the Settlement Administrator shall cause the Class Notice and this Agreement to be made available on the dedicated settlement website. The Publication Notice and settlement website shall give Class Members who are not otherwise identified through public records, Class Counsel’s records or Defendants’ records (*e.g.*, renters who may have moved) an opportunity to complete a Class Member eligibility form online and/or through another non-burdensome process. The Class Member eligibility form will provide the Settlement Administrator information sufficient to determine the Class Member’s eligibility, including, but not limited to, the Class Member’s address, possessory interest, and time-period of the possessory interest. This Class Member eligibility form will be prepared by the Settlement Administrator and will be subject to approval by both Class Counsel and Defendants.

If any Class Notice sent is returned by the Postal Service as undeliverable, the Settlement Administrator shall re-mail the Class Notice immediately to the forwarding

address, if any, provided by the Postal Service on the face of the returned mail. If the returned mail does not reflect a forwarding address, the Settlement Administrator shall provide Class Counsel with the names and addresses of the affected Class Members. Class Counsel may, in their discretion and at their own expense, attempt to obtain additional address information for such Class Members and provide it to the Settlement Administrator. In the event Class Counsel does so, the Settlement Administrator shall re-mail the Class Notice to the Class Member at the address provided by Class Counsel. The Settlement Administrator shall complete all re-mailings of the Class Notice within sixty (60) business days of entry of the Preliminary Approval Order.

The Settlement Administrator shall update the Initial Class Member List, as the Settlement Administrator deems appropriate, based on information received by the Settlement Administrator following dissemination of the Class Notice and the Publication Notice. The resulting list of Class Members shall be the “Updated Class Member List.”

**H. Final Approval.** Not fewer than twenty-eight (28) days prior to the date set by the Court to consider whether this Settlement should be finally approved, Class Counsel shall submit a motion for final approval (“Final Approval Motion”) of this Agreement by the Court. Class Counsel shall seek entry of the final approval order (“Final Approval Order”) and Final Judgment, which shall be approved as to form and content by Defendants prior to submission by Class Counsel. The Final Approval Order shall (a) finally approve the Settlement as fair, reasonable, and adequate; (b) give the terms of this Agreement final and complete effect; (c) find that all requirements necessary to effectuate this Settlement have been met and satisfied; and (d) otherwise enter final judgment in the Property Class Action. The Defendants will not oppose the entry of the Final Approval Order, provided it is substantially in compliance with this Agreement. The Settlement Administrator shall publish the Final Approval Order and Final Judgment on the settlement website.

Class Counsel, by separate order(s), also will request that the Court approve an application for Plaintiffs' class representative service awards and Class Counsel's attorneys' fees and reimbursement of expenses, as described herein.

Class Counsel and counsel for the Defendants agree to exchange drafts of any motions, memoranda or other materials to be filed with the Court in connection with this Settlement at least two (2) days prior to the date any such motion, memoranda or other materials are to be filed with the Court.

## II. SETTLEMENT COMPENSATION

In full, complete, and final settlement of the Settlement Class' released claims, Defendants agree to pay compensation to the Settlement Class as follows:

### A. Settlement Benefits.

Each Class Member shall be mailed a settlement check calculated as a *pro rata* share per property of the net Settlement Amount, as described below, after deduction of all notice and administration costs, all class representative service awards and all Court-approved attorneys' fees and costs.

All settlement checks shall be drawn on the QSF Account established by the Settlement Administrator and mailed to the address provided for the Class Member or, if applicable, to any updated address provided to and/or obtained by the Settlement Administrator and/or Class Counsel prior to the final approval date.

All settlement checks issued shall be void if not negotiated within 180 calendar days of their date of issue and shall contain a legend to that effect. The Settlement Administrator shall mail a reminder postcard to each Class Member who has not negotiated a settlement check after 60 calendar days from the mailing of such settlement check.

The Settlement Administrator shall provide periodic reports to Class Counsel and counsel for Defendants reflecting the status of all payments to the Class Members.

To the extent the total payment to Class Members, as provided herein, is less than the amounts available for distribution to Class Members, any remaining portion



shall not revert to Defendants. Rather, any remaining portion shall be distributed pro rata to Class Members who cashed checks, unless it is administratively infeasible to do so, and, in such instance, to a mutually agreeable and Court-approved *cy pres* recipient(s).

Within twenty (20) days before the Final Approval hearing date, the Settlement Administrator shall provide Class Counsel and counsel for the Defendants with a calculation of the consideration to be paid to each Class Member. The Parties shall state any objections to the calculation no later than ten (10) days after receipt from the Settlement Administrator. In the event of any such objection(s), Class Counsel and counsel for the Defendants shall meet and confer in a good faith effort to resolve the objection(s) and, if such efforts are not successful, promptly submit the matter to Hon. Lou Meisinger (Ret.) or Hon. Scott Gordon (Ret.) for resolution prior to the Final Approval hearing date.

No settlement check or settlement consideration shall be provided to any Class Member (a) whose Class Notice is returned by the Postal Service as undeliverable without a forwarding address on the face of the returned mail; (b) who was not successfully located by the Settlement Administrator, Class Counsel or counsel for the Defendants prior to the Final Approval hearing date; or (c) who does not otherwise make himself, herself or themselves known to Class Counsel, the Settlement Administrator, and/or the Court and provide a current address prior to the Final Approval hearing date. The Class Members not eligible to receive settlement consideration, or who otherwise are ineligible under the terms of this Agreement, or by agreement of the Settling Parties or order of the Court, shall be removed from the Updated Class Member List and the resulting list shall be the "Payment List."

Notwithstanding any other provision in this Agreement, the Parties agree that, if any person(s) not on the Initial Class Member List or Updated Class Member List (a) identifies himself, herself or themselves to Class Counsel or counsel for the Defendants as a Class Member or potential Class Member prior to the Final Approval

hearing date and (b) the Parties agree that he, she or they are or shall be treated as a Class Member, then the person(s) shall be treated as a Class Member under this Agreement and be bound by its terms, including without limitation the Release provisions.

Subject to the terms and conditions of the Agreement, within twenty (20) days after the Settlement becomes Final, as defined in Section I(D) above, the Settlement Administrator shall mail or otherwise provide settlement consideration to each Class Member on the Payment List.

Neither the Settling Parties nor their counsel shall have any responsibility for, or liability whatsoever with respect to, the distribution of payments by the Settlement Administrator to Class Members; the Settlement Administrator's determination, administration, or calculation of the payments to Class Members; or any losses incurred in connection with any such matters. In addition to the releases set forth herein, the Settlement Class Releasers hereby fully, finally, and forever release, relinquish, and discharge the Settling Parties and their counsel from any and all such liability.

### **III. RELEASES**

Subject to the Court's entry of the Final Approval Order and Final Judgment, the Settling Parties provide the following releases:

**A. Release.** Upon the Settlement Administrator's distribution of payments to Class Members, which shall be no later than 20 days after the Settlement Agreement becomes Final, Plaintiffs and each and every Class Member, on behalf of himself or herself and on behalf of his or her respective heirs, assigns, beneficiaries, successors, agents, administrators, servants, employees, representatives, executors, trustees, joint venturers, partners, predecessors, and attorneys (the "Settlement Class Releasers") release and fully discharge Defendants, and each of their future, present and former direct and indirect parents, subsidiaries, divisions, affiliates, predecessors, successors and assigns, and the future, present and former directors, officers,

employees, managers, servants, principals, agents, insurers, reinsurers, shareholders, attorneys, advisors, consultants, representatives, partners, joint venturers, contractors, vendors, wholesalers, resellers, distributors, retailers, divisions, predecessors, successors, assigns, and agents thereof (“Settlement Class Releasees”) from any and all claims, causes of action, damages, and/or losses, known or unknown, related to or arising from the allegations in the Property Class Action, including those related to or arising out of the alleged incident and natural gas leak at well SS-25 at the Aliso Canyon gas storage facility that was discovered on or about October 23, 2015 and any related out-of-pocket costs (“Settlement Class Released Claims”). For avoidance of doubt, this Release does not extend to any claims, causes of action, damages and/or losses relating to personal injuries or wrongful death.

**B. Waiver of California Civil Code § 1542 and Similar Laws.** In addition, the class representative Plaintiffs expressly acknowledge that they are familiar with and, upon Final Approval of this Settlement, waive and release with respect to the Settlement Class Released Claims any and all provisions, rights, and benefits conferred (a) by Section 1542 of the Civil Code of the State of California, which reads:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

(b) by any law of any and all equivalent, similar, or comparable federal or state rules, regulations, laws, or principles of law of any other jurisdiction that may be applicable herein; and/or (c) by any law or principle of law of any jurisdiction that would limit or

restrict the effect or scope of the provisions of the release set forth in the Agreement.

#### **IV. SERVICE AWARDS, ATTORNEYS' FEES, AND REIMBURSEMENT OF EXPENSES**

**A. Representative Plaintiffs Service Award Application.** At the time appointed by the Court, and no later than fourteen (14) days before the deadline for the submission of objections to this settlement set by the Court, Class Counsel and the class representative Plaintiffs may submit application(s) to the Court for a service award (the "Service Award Applications"). Class Counsel and the class representative Plaintiffs agree that the Service Award Applications shall not exceed \$12,500 for each class representative Plaintiff. Any amount that is awarded by the Court (the "Service Awards") shall be paid by the Settlement Administrator from the Settlement Amount consistent with the provisions of this Agreement. The Settlement Administrator shall pay such Service Awards within twenty (20) business days after the Settlement becomes Final as defined above in Section I(D), and the Settlement Administrator's receipt of a satisfactory W-9 for the payee(s), subject to such supervision and direction of the Court and/or the Settling Parties as may be necessary or as circumstances may require.

The class representative Plaintiffs understand and agree that the Court may deny the application for a Service Award or award an amount less than \$12,500 to all or any of them. The class representative Plaintiffs further agree that each of their agreements to this Settlement is not conditioned upon the possibility of receiving a Service Award in any amount, and each represents and warrants that they support this Settlement even in the absence of a Service Award. The class representative Plaintiffs further agree and represent that the filing of an application for a Service Award is not a condition of the class representative Plaintiffs' decision to support this Settlement.

**B. Attorneys' Fees and Expense Applications.** At the time appointed by the Court, and no later than fourteen (14) days before the deadline for the submission of objections to the Settlement set by the Court, Class Counsel may submit an

application to the Court for payment of: (a) an award of attorneys' fees; plus (b) reimbursement of reasonable expenses incurred in connection with prosecuting the Property Class Action (the "Fee and Expense Application"). Class Counsel agree that the Fee and Expense Application will not seek attorneys' fees in excess of 33% of the gross Settlement Amount (*i.e.* \$13,200,000.00), and will seek reimbursement of reasonable litigation expenses actually incurred (not to exceed \$250,000) in the prosecution of the Property Class Action. Any attorney fee and litigation cost award made by the Court upon application pursuant to this paragraph (the "Attorney Fee/Litigation Cost Award") shall be paid exclusively from, and not in addition to, the Settlement Amount.

Subject to the terms and conditions of this Agreement, within twenty (20) days after the settlement becomes Final as defined above in Section I(D), the Settlement Administrator shall transfer the Attorney Fee/Litigation Cost Award ordered by the Court to Class Counsel by wire transfer to Baron & Budd, P.C., for further allocation and distribution to Class Counsel. Baron & Budd, P.C. shall provide the Settlement Administrator with written wiring instructions for such transfer.

## **V. CONDITIONS OF SETTLEMENT AND EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION**

**A. Class Member Exclusions.** Any Class Member who wishes to opt out of the Settlement Class (an "Opt-Out") must serve a timely, signed request for exclusion upon the Settlement Administrator no later than 120 days from the Court's entry of the Preliminary Approval Order (the "Exclusion Deadline"). The request for exclusion must include all information specified in the Class Notice. Opt-Outs may opt out of the Class only on an individual basis; so-called "mass" or "class" opt-outs shall not be allowed and shall be of no force or effect. No later than five (5) days after the Exclusion Deadline, the Settlement Administrator shall provide Class Counsel and counsel for Defendants a complete and final list of Opt-Outs. Class Counsel will file with the Court a complete list of Opt-Outs, including the name and address of the

person(s) requesting exclusion (the “Opt-Out List”).

The Court shall have jurisdiction to resolve any disputes regarding the validity of Opt-Outs.

**B. Class Member Objections.** Any Class Member who wishes to object to the Settlement can serve a timely, signed written objection (“Objection”) upon the Settlement Administrator no later than 120 days from the Court’s entry of the Preliminary Approval Order (the “Objection Deadline”). Class Members who wish to object to the Settlement can also appear at the Final Approval Hearing and orally object to the Settlement without first submitting any written objection to the Settlement Administrator. Each written Objection must (a) set forth the Class Member’s full name, current address, and telephone number; (b) contain the address of the property bringing the Class Member within the scope of the Class; (c) state that the Class Member objects to the Settlement, in whole or in part; (d) state whether the objection applies only to the objector or to the entire Settlement Class; (e) state with specificity the grounds for the objection; (f) provide copies of any documents that the Class Member wishes to submit in support of his or her position; (g) state whether the Class Member intends to appear at the Final Approval hearing; and (h) state whether the Class Member will be represented by separate counsel.

Objections may be served and filed by counsel for a Class Member. Lawyers asserting objections on behalf of Class Members shall: (1) file a notice of appearance with the Court before the Objection Deadline; and (2) file a sworn declaration (a) attesting to his or her representation of each Class Member on whose behalf the objection is being filed, (b) stating whether the objection applies only to the objector(s) or to the entire Settlement Class; (c) stating with specificity the grounds for the objection; and (d) specifying the number of times during the prior five-year period they have objected to a class action settlement on their own behalf or on behalf of a class member. Any Class Member who does not submit a timely Objection in complete accordance with this Agreement, the Class Notice, and any order of the

Court shall not be treated as having filed a valid Objection to the Settlement unless the Court otherwise directs.

The Settlement Administrator will retain copies of all communications from the Settlement Class, including all objections to the Settlement. The Claims Administrator will provide copies of these documents to Class Counsel and counsel for Defendants.

**C. Termination.** Plaintiffs, through Class Counsel, and Defendants shall have the right, but not the obligation, to terminate this Agreement if: (1) the total number of timely and valid requests for opts outs exceeds 1,000 Class Members; (2) the Court rejects, modifies, or denies approval of any material portion of this Agreement or the proposed settlement that results in a substantial modification to a material term of the proposed settlement; or (3) the Court, or any appellate court(s), does not enter or completely affirm, or alters, narrows or expands, any portion of the Final Approval Order, that results in a substantial modification to a material term of the proposed settlement. However, the Settling Parties agree to act in good faith to secure Final Approval of this Settlement and to attempt to address in good faith concerns regarding the settlement identified by the Court and any appellate court. The terminating party must exercise the option to withdraw from and terminate this Agreement, as provided in this Agreement, by a signed writing served on the Settling Parties no later than ten (10) days after receiving notice of the event prompting the termination. If, but only if, this Agreement is terminated pursuant to this section then:

1. The Parties will be returned to their positions *status quo ante* and this Agreement shall be null and void and shall have no force or effect and all of its provisions, and all negotiations, statements, and proceedings relating to it shall be without prejudice to the rights of Plaintiffs, Defendants or any Settlement Class Member, all of whom shall be restored to their respective positions existing immediately before the execution of this Agreement, except that the Parties shall cooperate in

requesting that the Court set a new scheduling order such that no Party's substantive or procedural rights are prejudiced by the settlement negotiations and proceedings;

2. Neither this Agreement, the fact of its having been made, nor the negotiations leading to it, shall be admissible or entered into evidence for any purpose whatsoever; and
3. Any settlement-related order(s) or judgment(s) entered in this Action after the date of execution of this Agreement shall be deemed vacated and shall be without any force or effect.

## **VI. MISCELLANEOUS PROVISIONS**

**A. Voluntary Settlement.** The Settling Parties agree that the terms of the Settlement as described herein were negotiated in good faith by the Settling Parties, and reflect a settlement that was reached voluntarily after consultation with competent legal counsel.

**B. No Admission of Liability.** Defendants dispute the claims alleged in the Property Class Action and do not by this Agreement or otherwise admit any liability or wrongdoing of any kind. Defendants have agreed to enter into this Agreement to avoid further expense, inconvenience, and distraction of burdensome and protracted litigation, and to be completely free of any further claims that were asserted or could have been asserted in the Property Class Action. Neither the Agreement, nor any act performed or document executed pursuant to or in furtherance of the Agreement: (a) is or may be deemed to be, or may be used as, an admission of, or evidence of, the validity of any claim made by Plaintiffs or Class Members, or of any wrongdoing or liability of the Settlement Class Releasees; or (b) is or may be deemed to be, or may be used as, an admission of, or evidence of, any fault or omission of any of the Settlement Class Releasees, in the Property Class Action or in any proceeding in any court, administrative agency, or other tribunal. In addition to any other defenses Defendants may have at law, in equity, or otherwise, to the extent permitted by law,



this Agreement may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Agreement or the releases contained herein.

**C. Subsequent Events Impacting Administration.** In the event that there are any developments in the effectuation and administration of this Agreement that are not dealt with by the terms of this Agreement, then such matters shall be dealt with as agreed upon by the Settling Parties, and failing agreement, as shall be ordered by the Court.

**D. Claims in Connection with Administration.** No Person shall have any claim against the Plaintiffs, Defendants, counsel for Defendants, Class Counsel, the Settlement Administrator, or the Settlement Class Releasees or their agents based on administration of the Settlement substantially in accordance with the terms of the Agreement or any order of the Court or any appellate court.

**E. Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties hereto. Without limiting the generality of the foregoing, each and every covenant and agreement herein by Plaintiffs shall be binding upon all Settlement Class Members.

**F. Notices.** All notices and responses to notices under this Agreement shall be in writing. Each such notice or response shall be given either by email unless otherwise specified herein or in the notice to the Class; and, if directed to any Settlement Class Member, shall be addressed to Class Counsel at the email addresses set forth below, and if directed to Defendants, shall be addressed to counsel for Defendants at the email addresses set forth below or such other email addresses as Class Counsel or Defendants may designate, from time to time, by giving notice to all Settling Parties hereto in the manner described in this paragraph.

If directed to Plaintiffs or any Class Member, email address notice to:

Roland Tellis, Baron & Budd, P.C., co-lead counsel at  
rtellis@baronbudd.com; and

Ray Boucher, Boucher LLP, co-lead counsel, at ray@boucher.la

If directed to Defendants, email address notice to:

James Dragna, Morgan, Lewis & Bockius LLP, co-lead counsel at  
[jim.dragna@morganlewis.com](mailto:jim.dragna@morganlewis.com)

David Schrader, Morgan, Lewis & Bockius LLP, co-lead counsel at  
david.schrader@morganlewis.com

Joseph Duffy, Morgan, Lewis & Bockius LLP, co-lead counsel at  
joseph.duffy@morganlewis.com

**G. No Party Deemed to Be the Drafter.** None of the Settling Parties hereto shall be deemed to be the drafter of this Agreement or any provision hereof for the purpose of any statute, case law, rule of interpretation, or construction that would or might cause any provision to be construed against the drafter hereof.

**H. Choice of Law.** This Agreement shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of California, and the rights and obligations of the Settling Parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of California without giving effect to that state's choice of law principles.

**I. Amendment; Waiver.** This Agreement shall not be modified in any respect except by a writing executed by Defendants and Plaintiffs, by and through Class Counsel, and the waiver of any rights conferred hereunder shall be effective only if made by written instrument of the waiving party. The waiver by any party of any breach of this Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.

**J. Execution in Counterparts.** This Agreement 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. Counsel for the Settling Parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Court.

**K. Integrated Agreement.** This Agreement constitutes the entire agreement between the Settling Parties with respect to the settlement. This Agreement supersedes all prior negotiations and agreements, and may not be modified or amended except by a writing signed by the Settling Parties and their respective counsel. The Settling Parties acknowledge, stipulate, and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation, or understanding concerning any part of the subject matter of this Agreement has been made or relied on except as expressly set forth in this Agreement.

**L. Attorneys' Fees and Costs.** Except as otherwise expressly provided in this Agreement, each party shall bear its own costs and attorneys' fees.

**M. Tax Consequences.** No representations or advice regarding the tax consequences of this Agreement have been made by any Settling Party. The Settling Parties further understand and agree that each Settling Party, each Settlement Class Member, each of Class Counsel, and Plaintiffs shall be responsible for his, her, its, or their own taxes, if any, resulting from this Agreement and any payments made pursuant to this Agreement.

**N. Bankruptcy Proceedings.** The Settling Parties agree that any Settlement Class Member who is in active bankruptcy proceedings or previously was a party to bankruptcy proceedings during the period of time covered in the definition of the Settlement Class may only participate in the Settlement subject to applicable bankruptcy law and procedures. The Settling Parties agree that any disputes concerning the rights of the bankruptcy estate to the proceeds of any payment under the Settlement or the Class Representative Service Award shall be adjudicated by the Bankruptcy Court. The Settlement Administrator shall follow any direction of the Bankruptcy Court with respect to the proceeds of any payment or service award.

**A. Confidentiality.** The Settling Parties and their counsel shall keep strictly confidential and not disclose to any third party any non-public information regarding the Settling Parties' negotiation of this Settlement and/or Agreement, unless ordered by the Court to do so. Nothing in this Agreement shall prevent the Settling Parties from disclosing information related to the Settlement (i) to their financial and/or tax advisors; (ii) upon the Parties' prior written consent; (iii) as may be related to Defendants' disclosures in connection with the applicable securities laws and the rules of any exchange in which Defendants' securities are listed; (iv) to Defendants' insurers; (v) and in the case of Defendants, to any rating agencies such as S&P, Moody's and Fitch. The Settling Parties further agree that the Settlement Administrator will be bound by an agreed upon protective order requiring it to keep information related to the class members confidential, to not share it with third parties other than for purposes of effectuating Class Notice, to not use the information for any purposes other than to administer the settlement, and to destroy the information following completion of its duties. Plaintiffs' Counsel acknowledge that they continue to be bound by the obligations set forth in Case Management Order Number 4 in the Southern California Gas Leak Cases.

**O. No Conflict Intended; Headings.** Any inconsistency between this Agreement and the exhibits attached hereto shall be resolved in favor of this Agreement. The headings used in this Agreement are intended for the convenience of the reader only and shall not affect the meaning or interpretation of this Agreement.

**P. Mediator's Declaration.** The parties agree that the mediators may file a declaration in support of any approval motions.

**Q. Further disputes:** If any disputes arise out of the finalization of the settlement documentation, said disputes are to be resolved by Hon. Louis M. Meisinger (Ret.) and/or Hon. Scott Gordon (Ret.) of Signature Resolutions, LLC first by way of expedited telephonic mediation and, if mediation is unsuccessful, then by way of final, binding, non-appealable determination.

IN WITNESS WHEREOF, the Settling Parties hereto, through their fully authorized representatives, have entered into this Agreement as of the date first below written, and have executed this Settlement Agreement on the date indicated below each respective signature.

On behalf of Plaintiffs:

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Bradley J. DeRuiter

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Kimiya L. DeRuiter

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Patrick D. Butcher

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Karin Y. Butcher

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Alexander Berger

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Edward Yin Lee

DATED: December \_\_\_\_, 2021

\_\_\_\_\_  
Helen Han-Lee

On behalf of Defendants:

DATED: December \_\_\_, 2021

Southern California Gas Company

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Name:

Title:

DATED: December \_\_\_, 2021

Sempra Energy

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Name:

Title:

Approved as to form:

DATED: December \_\_\_, 2021

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James Dragna, Morgan, Lewis & Bockius LLP  
Counsel for Defendants

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Roland Tellis, Baron & Budd, P.C.  
Counsel for Plaintiffs