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 12 Office of the Solicitor, United States Department of Labor  
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 14 San Francisco, California 94103  
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 16 Attorneys for Plaintiff Thomas E. Perez  
 17 Secretary of Labor, United States Department of Labor

18 UNITED STATES DISTRICT COURT  
 19 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
 20 SAN FRANCISCO DIVISION

<b>THOMAS E. PEREZ,</b>	)	<b>Civil Action No. C 12-2055 EMC</b>
Acting Secretary of the United States	)	
Department of Labor,	)	<b>SETTLEMENT AGREEMENT</b>
.	)	<b>AND [PROPOSED] CONSENT</b>
	)	<b>ORDER AND JUDGMENT</b>
Plaintiff,	)	
v.	)	
<b>DENNIS WEBB, MATHIEU FIDIAM,</b>	)	
<b>J. ROBERT GALLUCCI, CONSULTING</b>	)	<b>ERISA 29 U.S.C. § 1001, et seq.</b>
<b>FIDUCIARIES, INC., and THE PARROT</b>	)	
<b>CELLULAR EMPLOYEE STOCK</b>	)	
<b>OWNERSHIP PLAN,</b>	)	
Defendants.	)	
	)	

21 Settlement Agreement and [Proposed] Consent Order and Judgment  
 22 Case No. C 12-2055 EMC

1 Plaintiff Thomas E. Perez, Secretary of the United States Department of Labor  
2 ("Secretary"), and Defendants Dennis Webb ("Webb"), Mathieu Fidiem ("Fidiem"), J.  
3 Robert Gallucci ("Gallucci"), Consulting Fiduciaries, Inc. ("CFI") and the Parrot Cellular  
4 Employee Stock Ownership Plan<sup>1</sup> (the "ESOP" or "Plan") (collectively, "Defendants"), by  
5 and through their respective attorneys, have negotiated an agreement to settle all civil  
6 claims and issues between them in the above-captioned action (the "Action") as set forth  
7 below. The Secretary and Defendants are hereinafter referred to collectively as the  
8 "Parties". The Parties each consent to the entry of this Consent Order and Judgment  
9 ("Order") by the United States District Court for the Northern District of California (the  
10 "Court") as the sole and complete memorialization of the terms of such agreement.

11 1. The Action was filed by the Secretary pursuant to the Secretary's authority under  
12 Title I of the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. §  
13 1001, et seq., as amended.

14 2. The Secretary's Complaint alleges, among other things, that Defendants violated  
15 ERISA in connection with the ESOP's purchase of stock of Entrepreneurial Ventures, Inc.  
16 ("EVI") on November 21, 2002 for more than its fair market value.

17 3. The Defendants each filed Answers in which they deny liability.

18 4. The Parties admit that the Court has jurisdiction over the Parties to and the  
19 subject matter of this Action.

20 5. Defendants waive the notice of assessment of a penalty under ERISA § 502(l),  
21 29 U.S.C. § 1132(l), in connection with the settlement and waive the service requirement of  
22 29 C.F.R. § 2570.83.

23 6. Defendant CFI represents, and the Secretary has confirmed, that CFI was  
24 dissolved as of December 2011 and has no assets.

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28 <sup>1</sup> The Parrot Cellular Employee Stock Ownership Plan is named in the Secretary's complaint solely as  
a party necessary for complete relief.



1 courier, they agree to contact Soroosh Nikouei at the Department of Labor and follow his  
2 instructions.

3 E. No Defendant and no insurer acting on behalf of any Defendant shall seek or  
4 receive indemnification from EVI or from the ESOP for any payment required by Section II  
5 of this Order.

6 F. If one or more of the Defendants do not make the payments required by section  
7 II., paragraphs A. through C. of this Order: (a) the paying Defendants shall remain settled  
8 and released in accordance with the terms of this Order; (b) all non-paying Defendants  
9 waive any and all rights they may have against the paying Defendants for contribution and  
10 indemnity; and (c) the Secretary may proceed in this Action against the non-paying  
11 Defendant or Defendants as if those Defendant(s) and the Secretary had never executed this  
12 document. In addition, the Secretary shall not seek contribution and indemnity for any  
13 non-payments under this Order from the paying Defendant or Defendants who have  
14 complied with the terms of this Order. If the Court does not enter this Order, this  
15 Agreement will become void and the Parties may proceed with litigation of the Action as if  
16 they had never executed this document.

### 17 III. RELEASES

18 A. The present Order and Judgment represents a full, final and complete judicial  
19 resolution of all of the civil claims alleged in the Secretary's Complaint in this Action  
20 against Defendants. The Secretary hereby expressly waives, releases and forever  
21 discharges any and all actions, claims, and demands he has or may have against Defendants  
22 that arise out of, or relate to, the transactions, events, acts or omissions and occurrences  
23 alleged in the Secretary's Complaint, as well as any and all other actions, claims and  
24 demands that he has or may have against Defendants arising out of, or in connection with,  
25 any other proceedings or investigations arising out of the facts, claims, transactions, events  
26 and/or allegations in the Action, through the date of execution of this Settlement  
27 Agreement. After a settling Defendant makes the payments required under this Order and  
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1 provides sufficient proof of payment to the Secretary, all such actions, claims and demands  
2 will be released, settled and dismissed with prejudice as to that Defendant. Released claims  
3 include any and all legal or beneficial claims, rights, demands, obligations, actions,  
4 controversies, debts, damages, losses, costs, expenses (including attorneys' fees and costs),  
5 causes of action or liabilities of any kind or nature whatsoever in law or in equity, known or  
6 unknown, asserted, unasserted, or which could have been asserted, against any of the  
7 released persons, under federal or state law, arising out of the facts, claims, transactions,  
8 events and/or allegations in the Action. Release of claims by the Secretary extend to  
9 Defendants and all related entities, family members, employees, successors, benefits plans,  
10 fiduciaries, heirs, assigns, trustees, insurers, attorneys and representatives.

11 B. Defendants and, as applicable, and all related entities, family members,  
12 employees, successors, benefits plans, fiduciaries, heirs, assigns, trustees, insurers,  
13 attorneys and representatives, assigns and successors in interest, do hereby release the  
14 Secretary and his officers, agents, attorneys, employees, and representatives, both in their  
15 individual and governmental capacities, from all actions, claims and demands of  
16 whatsoever nature, including those arising under the Equal Access to Justice Act or any  
17 statute, rule or regulation, that relate in any manner to the filing, prosecution, and  
18 maintenance of this matter and any other proceeding or investigation incident thereto.

19 C. The Secretary and each Defendant shall each bear his or its own costs, expenses,  
20 and attorneys' fees in connection with this Action.

21 D. Within forty-five (45) days of entry of this Order, each Defendant will provide,  
22 or cause its insurer to provide, proof to the Secretary of the Defendant's payment to the  
23 ESOP or any payment made on the Defendant's behalf to the ESOP. Such proof will  
24 include wire transfer confirmations of the payments or such other proof as may be  
25 reasonably requested by the Secretary. Any proof provided under this paragraph will be  
26 sent to the Secretary's representative at the following address:  
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Jean Ackerman, Regional Director  
San Francisco Regional Office  
U.S. Department of Labor  
Employee Benefits Security Administration  
90 7th Street, Suite 11-300  
San Francisco, CA 94103

The Secretary will notify each Defendant of his receipt of satisfactory proof, in writing, within ten (10) days of receipt thereof.

**IV. RETENTION OF JURISDICTION**

This Court shall retain jurisdiction over the parties and subject matter of this Action for the purpose of enforcing and/or interpreting the terms of this Order. The Parties agree that their agreement memorialized in this order will be governed by California law, to the extent it is not governed by ERISA.

**V. PARTIES BOUND**

By entering into this Order, the Parties hereto represent that they have been informed by Counsel of the effect and purpose of this Order and agree to be bound by its terms. This Order is not binding on, or enforceable by, any governmental agency other than the United States Department of Labor.

**VI. SIGNATORIES**

The Parties hereto expressly acknowledge and represent that they have read this Order and understand its provisions.

**VII. MULTIPLE ORIGINALS**

This Order may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same instrument.

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It is hereby **ORDERED** that once the payments required herein are made and satisfactory proof of payment has been received by the Secretary, but no later than the fifty-fifth (55th) day after entry of this Order, all of the claims stated by the Secretary in his Complaint are dismissed with prejudice, Judgment will then be entered and this case shall be closed.

ENTERED: 10/17/13 \_\_\_\_\_

EDWARD M. CHEN  
UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA



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The undersigned hereby consent to the entry of this Order:

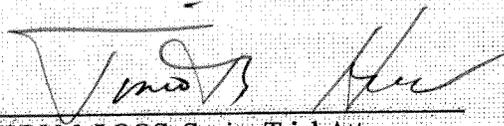
FOR THE SECRETARY:

Date: October 9, 2013

M. PATRICIA SMITH.  
Solicitor of Labor

TIMOTHY D. HAUSER  
Associate Solicitor

RISA D. SANDLER  
Counsel for Fiduciary Litigation  
Plan Benefits Security Division



GLENN M. LOOS, Senior Trial Attorney  
ERIC C. LUND, Trial Attorney  
Office of the Solicitor  
U.S. Department of Labor

FOR INDIVIDUAL DEFENDANTS:

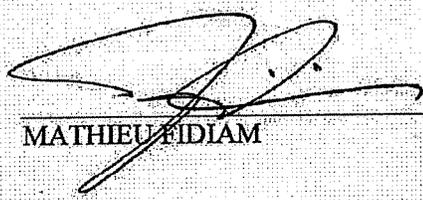
Date: October 8, 2013

Donald P. Sullivan as atty for  
CFI

Date: \_\_\_\_\_, 2013

DENNIS WEBB

Date: Sept. 23, 2013, 2013



MATHIEU FIDIHAM

Date: \_\_\_\_\_, 2013

J. ROBERT GALLUCCI

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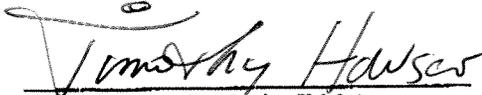
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Date: October 9, 2013

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TIMOTHY D. HAUSER  
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RISA D. SANDLER  
Counsel for Fiduciary Litigation  
Plan Benefits Security Division



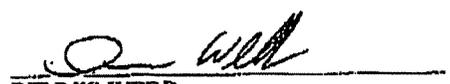
GLENN M. LOOS, Senior Trial Attorney  
ERIC C. LUND, Trial Attorney  
Office of the Solicitor  
U.S. Department of Labor

FOR INDIVIDUAL DEFENDANTS:

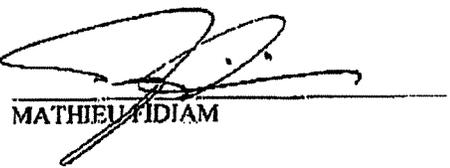
Date: \_\_\_\_\_, 2013

CFI

Date: SEPT 26, 2013

  
DENNIS WEBB

Date: Sept. 23, 2013, 2013

  
MATHIEU FIDIEM

Date: \_\_\_\_\_, 2013

J. ROBERT GALLUCCI

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FOR THE SECRETARY:

Date: \_\_\_\_\_, 2013 M. PATRICIA SMITH  
Solicitor of Labor

TIMOTHY D. HAUSER  
Associate Solicitor

RISA D. SANDLER  
Counsel for Fiduciary Litigation  
Plan Benefits Security Division

\_\_\_\_\_  
GLENN M. LOOS, Senior Trial Attorney  
ERIC C. LUND, Trial Attorney  
Office of the Solicitor  
U.S. Department of Labor

FOR INDIVIDUAL DEFENDANTS:

Date: \_\_\_\_\_, 2013 \_\_\_\_\_  
CFI

Date: \_\_\_\_\_, 2013 \_\_\_\_\_  
DENNIS WEBB

Date: \_\_\_\_\_, 2013 \_\_\_\_\_  
MATHIEU FIDIAM

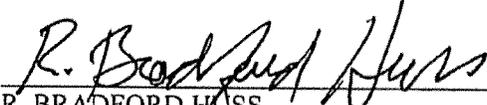
Date: Sept 25, 2013 J. Robert Gallucci  
J. ROBERT GALLUCCI

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Approved as to Form:

FOR DENNIS WEBB:

Date: September 26, 2013

  
R. BRADFORD HUSS  
TRUCKER HUSS

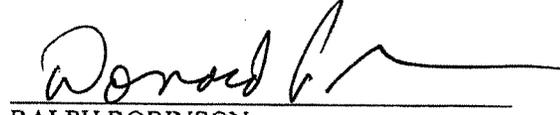
FOR MATHIEU FIDIAM, J. ROBERT  
GALLUCCI, and the PARROT CELLULAR  
EMPLOYEE STOCK OWNERSHIP PLAN:

Date: September 25, 2013

  
JAMES P. BAKER  
BAKER & MCKENZIE LLP

FOR CONSULTING FIDUCIARIES INC.:

Date: October 8, 2013

  
RALPH ROBINSON  
WILSON ELSER MOSKOWITZ  
EDELMAN & DICKER LLP

