

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

ROBERT WRIGHT, MARK MICHALEC,
and SCOTT SHIPMAN, individually and on
behalf of all others similarly situated,

Plaintiffs,

v.

CITY OF CHARLOTTE,

Defendant.

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
21-CVS-4063

MEMORANDUM OF SETTLEMENT

The parties to this action participated in a mediated settlement conference on September 7, 2022 and at that settlement conference resolved in principle all disputes between the putative class and the Defendant by agreement as follows:

1. This is a putative class action related to payroll deductions for the Charlotte-Mecklenburg Voluntary Police Pledge Fund. The parties agree, for the sake of resolving disputed claims, that for this settlement to take effect, the Court must certify the class and approve such settlement.
2. The parties agree, for purposes of resolving these disputed claims in this disputed class, that the class to be certified shall be specified by mutual agreement of counsel at a later date, but that for purposes of this Memorandum of Settlement, the general class qualifications are thus:
 - a. Any Charlotte-Mecklenburg Police Department employee who had a payroll deduction from their paycheck to participate in the Charlotte-Mecklenburg Voluntary Police Pledge Fund ("Pledge Fund") on or after March 16, 2011; and
 - b. Who did not receive a payout from the Pledge Fund upon a qualifying separating event from the Pledge Fund.

3. Any individual who meets the class qualifications shall be entitled to a *pro rata* share of the net settlement proceeds, less attorneys' fees and expenses, based on all payroll deductions to the Pledge Fund, including any taken prior to March 16, 2011.
4. The parties contemplate that the class, if certified by the Court, shall be an "opt-out" class such to provide certainty in the finality of resolving these and related disputed claims.
5. Counsel for Defendant shall recommend to the Defendant's City Council a payment to establish a settlement fund for the putative class in the sum of one million nine-hundred ninety-nine thousand and 00/100 dollars (1,999,000.00). For the sake of clarity, the Defendant's City Council must approve this settlement before it binds the Defendant in any way.
6. If the City Council approves the settlement amount for the settlement fund called for in Paragraph 5, the Defendant agrees to cooperate with the third-party administrator to be appointed to administer the putative class payments from the settlement fund, including identifying for the administrator contact information for individuals who meet the class qualifications described in this Memorandum of Settlement.
7. The net settlement fund agreed herein includes funds to be paid to the class members, as well as attorneys' fees and expenses, and class administrative costs. For the sake of clarity, subject to the City Council's approval, Defendant shall not in any circumstances be obligated to pay any more than the net settlement fund identified in Paragraph 5 of this Memorandum of Settlement.
8. The Defendant makes no claim to the funds in the account maintained by the receiver, Lane Williamson, and the Defendant shall not oppose the Plaintiffs and Class Members seeking disbursement of said funds in this action.
9. The parties, through their attorneys, shall negotiate a mutually acceptable Settlement Agreement which will bring into effect the above-negotiated terms and any terms which, within reason, effectuate the purposes of this Memorandum of Settlement, including but not limited to a full and final release of all claims related

to the Charlotte-Mecklenburg Police Pledge Fund by class plaintiffs and class members.

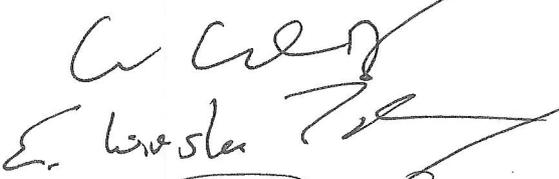
10. None of the parties shall be bound by this Memorandum of Settlement in the event that (i) the Charlotte City Council does not approve the settlement fund for the amount identified herein; and (ii) the Court declines to approve the settlement of this class action lawsuit. In either event, this Memorandum of Settlement shall be of no force or effect, shall be without prejudice to the rights of any party hereto, shall not be deemed or construed to be an admission by any party of any fact or matter and shall not be used in any way in this action or in any other action or proceeding.
11. This Memorandum of Settlement has been negotiated and entered into for settlement purposes only and does not constitute any evidence against or admission of liability by the Defendant with respect to any claim that has been or could have been asserted against the Defendant.
12. All parties have entered into this Memorandum of Settlement in good faith and with a desire to bring the dispute underlying this action to finality. Each attorney represents that he has the authority, subject to the limitations described herein, to enter into this Memorandum of Settlement.

This, the 7th day of September, 2022.

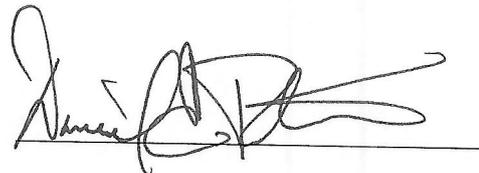
FOR THE PLAINTIFFS AND
PUTATIVE CLASS MEMBERS:



Daniel R. Taylor, Jr.



FOR THE DEFENDANT:



Daniel E. Peterson