

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

ROBERT STENGL, DANIEL WILL,
GARY K. COLLEY, LESLIE D. DIAZ,
AMAYA JOHNSON, WILLIAM A.
MCKINLEY, AND JOHN KARIPAS,
INDIVIDUALLY AND ON BEHALF OF ALL
OTHERS SIMILARLY SITUATED,

Plaintiffs,

v.

L3HARRIS TECHNOLOGIES, INC.,
THE BOARD OF DIRECTORS OF
L3HARRIS TECHNOLOGIES, INC.,
AND THE INVESTMENT
COMMITTEE OF L3HARRIS
TECHNOLOGIES, INC.,

Defendants.

Case No.: 6:22-cv-00572-PGB-LHP

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

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This Settlement Agreement and Release (“Agreement”) is entered into on March 1, 2024 by and among Plaintiffs (as defined below), on the one hand, and Defendants (as defined below) on the other, in consideration of the promises, covenants, and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate.

I. DEFINITIONS

1.1 “Action” shall mean the case captioned *Robert Stengl, et al. v. L3Harris Technologies, Inc, the Board of Directors of L3Harris Technologies, Inc., and the Investment Committee of L3Harris Technologies, Inc.*, No. 6:22-cv-00572-PGB-LHP, pending in the United States District Court for the Middle District of Florida.

1.2 “Administration Costs” shall mean any costs or expenses by any person in connection with the Settlement, including but not limited to (i) fees or costs from the current or any former service provider; (ii) the costs and expenses associated with the production and dissemination of the Notices (as defined in Section 1.31 below); (iii) all reasonable costs and expenses incurred by the Settlement Administrator (as defined in Section 1.41 below) in administering and effectuating this Settlement, which costs and expenses are necessitated by performance and implementation of this Agreement and any Court orders relating thereto; (iv) all reasonable fees charged by the Settlement Administrator; (v) all reasonable fees charged by the current recordkeeper for the Plan in connection with implementation of this Agreement; and (vi) Independent Fiduciary Fees (as defined in Section 1.28 below).

1.3 “Amended Complaint” shall mean the Amended Complaint in *Robert*

Stengl, et al. v. L3Harris Technologies, Inc, the Board of Directors of L3Harris Technologies, Inc., and the Investment Committee of L3Harris Technologies, Inc., No. 6:22-cv-00572-PGB-LHP, Dkt. 40, pending in the United States District Court for the Middle District of Florida.

1.4 “Attorneys’ Fees and Expenses” shall mean the reasonable attorneys’ fees, costs (including expert costs), and expenses of Class Counsel (as defined in Section 1.6 below) for their past, present, and future work, efforts, and expenditures in connection with this Action and resulting Settlement.

1.5 “Claims” shall have the meaning ascribed to it in Section 1.39 below.

1.6 “Class Counsel” shall mean Capozzi Adler P.C.

1.7 “Class Period” shall mean November 23, 2015 through December 31, 2019.

1.8 “Court” shall mean the United States District Court for the Middle District of Florida.

1.9 “Current Participant” shall mean a “Settlement Class Member” (as defined below) who, as of the time of the distributions contemplated in Section 3.2 below, has an account balance greater than zero in the Current Plan (as defined below).

1.10 “Current Participants” shall mean all persons who are a “Current Participant” (as defined in Section 1.9 above).

1.11 “Current Plan” shall mean the L3Harris Retirement Savings Plan.

1.12 “Defendant Released Parties” shall mean L3Harris Technologies, Inc.,

the Board of Directors of L3Harris Technologies, Inc., the Investment Committee of L3Harris Technologies, Inc., the L3Harris Retirement Savings Plan, L3 Technologies, Inc., the Board of Directors of L3 Technologies, Inc., the Investment Committee of L3 Technologies, Inc., the L3 Technologies Master Savings Plan, L-3 Communications Corporation, the Board of Directors of L-3 Communications Corporation, the Investment Committee of L-3 Communications Corporation, and the L-3 Communications Master Savings Plan, and all of their respective past and present predecessors, successors, insurers, members, officers, directors, employees, fiduciaries, trustees, and affiliates (including any of the foregoing who have acted as a fiduciary or provided services to the Plan during the Class Period).

1.13 “Defendants” shall mean L3Harris Technologies, Inc., the Board of Directors of L3Harris Technologies, Inc., and the Investment Committee of L3Harris Technologies, Inc. and their corporate predecessors.

1.14 “Defendants’ Counsel” shall mean (a) Sidley Austin LLP and (b) King, Blackwell, Zehnder & Wermuth, P.A.

1.15 “Distributable Settlement Amount” shall have the meaning ascribed to it in Section 3.2(a) below.

1.16 “Effective Date” shall mean (a) the date upon which the applicable period to appeal the Final Approval Order and Judgment has expired, if no appeal on any issue is taken during such period; or (b) if, during the aforesaid appeals period, an appeal is taken in this Action, the date upon which all appeals, including petitions for review, rehearing, or certiorari, and any proceedings resulting therefrom, have

been finally disposed of, or the date of the expiration of the time to initiate such petitions or proceedings. The Parties shall agree by written communication when the Effective Date has occurred; any dispute shall be resolved by the Court. It is expressly agreed by the Parties and their counsel that no Party intends that this provision nor any other part of this Agreement establishes or acknowledges that anyone is entitled to or has the right to appeal from any such orders which may be entered in connection herewith.

1.17 “Escrow Account” shall mean an account at an established Financial Institution (as defined in Section 1.23 below), selected by Class Counsel with Defendants’ consent (which consent shall not be unreasonably withheld) that is established for the deposit of certain amounts relating to the Settlement.

1.18 “Escrow Agent” shall mean Analytics Consulting, LLC, or whatever other person or entity is selected by Class Counsel with Defendants’ consent (which consent shall not be unreasonably withheld) to act as escrow agent for any portion of the Settlement Amount (as defined in 1.42 below) deposited in or accruing in the Escrow Account pursuant to this Agreement.

1.19 “Fee and Expense Application” shall mean the motion, to be filed by Class Counsel, seeking approval of an award of Attorneys’ Fees and Expenses.

1.20 “Final Approval” shall mean the entry of the Final Approval Order and Judgment.

1.21 “Final Approval Hearing” shall mean the hearing to be held before the Court pursuant to Federal Rule of Civil Procedure 23(e) prior to the entry of any

Final Approval Order (as defined in Section 1.22) by the Court. The Parties will request that the Final Approval Hearing be scheduled for a date no earlier than 110 days after the entry of the Preliminary Approval Order (as defined in Section 1.38).

1.22 “Final Approval Order and Judgment” or “Final Approval Order” shall mean a final order entered by the Court after the Final Approval Hearing, substantially the same in all material respects to the order attached hereto as Exhibit A, granting its approval of the Settlement, provided that the Parties may agree to additions or modifications to the form of the Final Approval Order and Judgment as they agree are appropriate at the time that it is submitted to the Court for final approval of the Settlement.

1.23 “Financial Institution” shall mean the institution at which the Escrow Account is established.

1.24 “Former Participant” shall mean a “Settlement Class Member” (as defined below) who, as of the time of the distributions contemplated in Section 3.2 below, does not have a positive account balance in the Current Plan.

1.25 “Former Participants” shall mean all persons who are a “Former Participant” (as defined in Section 1.24 above).

1.26 “Former Plan” shall mean the L3 Technologies Master Savings Plan, which was formerly known as the L-3 Communications Master Savings Plan.

1.27 “Independent Fiduciary” shall mean Fiduciary Counselors Inc. or such other qualified and experienced independent fiduciary that L3Harris selects to independently review the Settlement (as defined in Section 1.40) on behalf of the

Plan.

1.28 “Independent Fiduciary Fees” shall mean the fees and costs of the Independent Fiduciary. All Independent Fiduciary Fees shall be considered Administrative Costs and shall be payable from the Settlement Amount after such funds are deposited with the Escrow Agent and upon receipt of any invoice from the Independent Fiduciary.

1.29 “L3Harris Releasees” shall mean, collectively, the Defendant Released Parties (as defined in Section 1.12 above) and Other Released Parties (as defined in Section 1.32 below).

1.30 “Long Form Settlement Notice” shall mean the notice, identical in all material respects to that attached hereto as Exhibit B, to be made available on the Settlement Website (as defined in Section 1.47).

1.31 “Notices” shall collectively refer to the Long Form and Short Form Postcard Settlement Notices.

1.32 “Other Released Parties” shall mean all third parties that provided services to the Plan during the Class Period, including the Plan’s recordkeepers (including Fidelity), investment advisors (including Mercer), trustees, auditors, lawyers, and consultants.

1.33 “Parties” shall mean Plaintiffs, the Settlement Class, and the Defendants.

1.34 “Plaintiffs” shall mean, collectively, Robert Stengl, Daniel Will, Gary K. Colley, Leslie D. Diaz, Amaya Johnson, William A. McKinley, and John

Karipas, individually and as representatives of the Settlement Class and on behalf of the Former Plan.

1.35 “Plaintiffs’ Counsel” shall mean (a) Capozzi Adler P.C. and (b) Matthew Fornaro, P.A.

1.36 “Plan” shall mean both the Current Plan and the Former Plan.

1.37 “Plan of Allocation” shall mean the formula for allocation of the Distributable Settlement Amount as approved by the Court, which formula shall govern the distribution of the Distributable Settlement Amount, in the form attached hereto as Exhibit C. Notwithstanding any other provision of this Agreement, any revisions by the Court or any appellate court or otherwise relating solely to the Plan of Allocation shall not operate to terminate or cancel or otherwise affect this Agreement; provided that any such revisions do not require Defendants, Defendants’ insurers, or the Plan’s current or former service providers to increase the Settlement Amount or incur additional expenses and costs.

1.38 “Preliminary Approval Order” shall mean an order that is entered by the Court preliminarily approving the Settlement and that is substantially the same in all material respects to that attached hereto as Exhibit D.

1.39 “Released Claims” shall mean any and all actual or potential claims (including Unknown Claims), actions, causes of action, demands, rights, obligations, damages, and liabilities (including claims for attorneys’ fees, expenses, or costs), arising under federal, state, or local law, whether by statute, contract, tort, equity, or otherwise, whether brought in an individual or representative capacity, whether

known or unknown, suspected or unsuspected, for monetary, injunctive, equitable, and any other relief (collectively, “Claims”) against the L3Harris Releasees (as defined in Section 1.29 above) through the date the Court enters the Final Approval Order and Judgment that were asserted in the Action; or that arise out of, relate to, are based on, or have any connection with any of the allegations, acts, omissions, facts, events, matters, transactions, occurrences, or conduct alleged or asserted in the Action, whether or not pleaded in the Amended Complaint; or that arise out of, relate to, are based on, or have any connection with: (1) the selection, monitoring, oversight, retention, fees, expenses, or performance of the Former Plan’s investments, investment options, or service providers, including without limitation its administrative and/or recordkeeping service providers, investment advisors, auditors, trustees, and L3Harris Releasees in their role as service provider to the Former Plan; (2) the selection, nomination, appointment, retention, monitoring, and removal of the Former Plan’s fiduciaries; (3) fees, costs, or expenses charged to, paid, or reimbursed by the Former Plan or participants of the Former Plan; (4) the services provided to the Former Plan or the cost of those services; (5) any alleged breach of the duty of loyalty, care, prudence, diversification, or any other fiduciary duties relating to the Former Plan’s investments, investment options, or service providers; (6) any amounts charged to participants of the Former Plan, including but not limited to recordkeeping and administrative fees; (7) any use of the Former Plan’s forfeiture account; and/or (8) any assertions with respect to any fiduciaries or service providers of the Former Plan (or the selection or monitoring of those fiduciaries) in connection

with the foregoing.

1.40 “Settlement” shall mean the compromise and Settlement embodied in this Agreement.

1.41 “Settlement Administrator” shall mean Analytics Consulting, LLC.

1.42 “Settlement Amount” shall mean six hundred fifty thousand dollars (\$650,000).

1.43 “Settlement Class” shall mean the class composed of Settlement Class Members (as defined in Section 1.45 below) and certified (as defined in Sections 2.2-2.4 below).

1.44 “Settlement Class Member” shall mean a member of the Settlement Class, including his, her, or its successors-in-interest.

1.45 “Settlement Class Members” shall mean all persons, except Defendants and their immediate family members, who were participants in or beneficiaries of the Former Plan from November 23, 2015 through December 31, 2019.

1.46 “Settlement Fund” shall have the meaning set forth in Section 3.1(h).

1.47 “Settlement Website” shall have the meaning ascribed to it in Section 2.12.

1.48 “Short Form Postcard Settlement Notice” shall mean the notice, identical in all material respects to that attached hereto as Exhibit E, to be delivered to Settlement Class Members (as defined in Section 1.45 above) pursuant to Section 2.10 and made available on the Settlement Website (as defined in Section 1.47).

1.49 “Taxes” shall have the meaning ascribed to it in Section 3.1(i).

1.50 “Tax-Related Costs” shall have the meaning ascribed to it in Section 3.1(i).

1.51 “Unknown Claims” shall mean any Released Claims which Plaintiffs, any Member of the Settlement Class, and/or any of the other Parties do not know or suspect to exist in their favor at the time of the release of the L3Harris Releasees. Without admitting that California law in any way applies to this Agreement, with respect to any and all Released Claims, the Parties agree that, upon the Effective Date, Plaintiffs, each Settlement Class Member, and all other Parties shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressly waived the provisions, rights and benefits of California Civil 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.

Plaintiffs, each Settlement Class Member, and all other Parties shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressly waived 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 California Civil Code § 1542. Plaintiffs, any Settlement Class Member, and any of the other Parties may later discover facts in addition to or different from those which they now know or believe to be true with respect to the

subject matter of the Released Claims, but Plaintiffs, any Settlement Class Member, and all of the other Parties, upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs, any Settlement Class Member, and all of the other Parties shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, acknowledged that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

II. PROCEDURES IN CONNECTION WITH THE SETTLEMENT

The procedures set forth in Sections 2.1 through 2.15 shall apply in connection with this Settlement.

2.1 ***Court Approval.*** The Settlement shall have been approved by the Court, as provided for in this Section II. The Parties shall cooperate in good faith to allow Plaintiffs to seek Court approval.

2.2 ***Motion for Preliminary Approval and Certification of Settlement Class.*** No later than March 4, 2024, or some other deadline approved by the Court, and after execution of this Agreement, Plaintiffs shall file a motion with the Court (to which Defendants will not object) seeking (i) preliminary approval of the Settlement,

including entry of a Preliminary Approval Order identical in all material respects to the form of the order attached hereto as Exhibit D, and (ii) for purposes of this Settlement only, modification (as indicated in this Settlement agreement) of the class certification definition approved by the Court on June 5, 2023 (ECF No. 92).

2.3 *Basis for Certification of Settlement Class.* Plaintiffs will seek certification of the Settlement Class under Federal Rule of Civil Procedure 23(b)(1) and pursuant to the Court's class certification order of June 5, 2023 (ECF No. 92).

2.4 *Certification for Settlement Purposes Only.* Defendants shall not take any position with respect to certification of the Settlement Class only for the limited purpose of effectuating this Agreement. The certification of the Settlement Class shall be binding only with respect to the Settlement of the Action. If this Agreement is terminated, or is reversed, vacated, or modified in any material respect by the Court or any other court, the certification of the Settlement Class shall be vacated, and the prior certified class definition of June 5, 2023 (ECF No. 92) will control.

2.5 *The Final Approval Hearing.* On or after the date set by the Court for the Final Approval Hearing pursuant to Federal Rule of Civil Procedure 23(e)(2), the Court will determine (i) whether to enter a judgment finally approving the Settlement; and (ii) what, if any, legal fees and expenses should be awarded to Class Counsel as contemplated by Section 7.1 of this Agreement.

2.6 *Entry of Judgment.* The Court shall have judgment entered substantially in the form attached hereto as Exhibit A.

2.7 ***Funding of the Settlement Amount.*** Defendants and their insurers shall cause the Settlement Amount to be deposited to the Settlement Fund and/or allocated to the Settlement Class Members at the time(s) set forth in Sections 3.1 and 3.2.

2.8 ***Motion for Final Approval of Settlement.*** No later than thirty (30) calendar days before the date for filing Objections set in the Preliminary Approval Order, Class Counsel shall submit to the Court a motion for entry of the Final Approval Order (Exhibit A) in the form approved by Class Counsel and Defendants, which shall request approval by the Court of the terms of this Agreement and entry of the Final Approval Order in accordance with this Agreement.

2.9 ***Settlement Authorized by Independent Fiduciary***

(a) L3Harris will, in its sole discretion, select the Independent Fiduciary to provide the authorization required by Prohibited Transaction Exception 2003-39, 68 FR 75632 (Dec. 31, 2003), as amended 75 FR 33830 (June 15, 2010).

(b) At least thirty (30) days prior to the Final Approval Hearing, the Independent Fiduciary shall have approved and authorized in writing the Settlement, and given a release in its capacity as fiduciary of the Plan for and on behalf of the Plan, on the terms set forth in Section 5.1, in accordance with Prohibited Transaction Class Exemption 2003-39. If the Independent Fiduciary disapproves or otherwise does not authorize the Settlement or refuses to execute the release on behalf of the Plan, then L3Harris shall have the option to waive this condition if so stipulated by

the Parties. Such option is to be exercised in writing within seven (7) days after the Parties' receipt of the Independent Fiduciary's written determination, unless otherwise agreed by the Parties. The Parties shall comply with reasonable requests made by the Independent Fiduciary.

2.10 *Class Notice.* Within forty-five (45) days after the entry of the Preliminary Approval Order, the Settlement Administrator shall send the Short Form Postcard Settlement Notice by first-class mail to the Settlement Class Members. The Short Form Postcard Settlement Notice will be sent to the last known mailing address of each of the Settlement Class Members, which mailing address will be supplied in a timely fashion by Defendants and/or the current recordkeeper for the Plan and updated through the National Change of Address database by the Settlement Administrator before mailing (with all returned mail skip-traced and promptly re-mailed), and will be in the form attached hereto as Exhibit E. The Long Form Settlement Notice shall be made available on the Settlement Website within 14 days after the entry of the Preliminary Approval Order.

(a) *Payments to Class Members.* The Settlement Administrator will make payments from the Distributable Settlement Amount on behalf of each Settlement Class Member. For each Former Participant, the Settlement Administrator shall make payment in accord with Section 3.2(d) and (e) below. For each Current Participant, the Settlement Administrator shall direct the current recordkeeper for the

Plan to credit the appropriate portion of the Distributable Settlement Fund to the account of each Current Participant pursuant to the Plan of Allocation.

2.11 ***Class Action Fairness Act Notice.*** Defendants shall within ten (10) days of the filing of the Settlement Agreement, comply with the notice requirements of 28 U.S.C. § 1715 and shall file a notice confirming compliance at any time prior to the Final Approval Hearing.

2.12 ***Settlement Website.*** Within ten (10) days of the entry of the Preliminary Approval Order, the Settlement Administrator shall establish the Settlement Website, which will contain both the Long and Short Form Settlement Notices, this Agreement and its exhibits, the Preliminary Approval Order, any other orders related to the Settlement, the Amended Complaint, and any other documents or information agreed upon by the Parties. Class Counsel shall be responsible for causing the Settlement Administrator to post on the Settlement Website the Fee and Expense Application filed by Class Counsel, as soon as possible after its filing. The Short Form Settlement Notice, attached hereto as Exhibit E, will identify the web address of the Settlement Website.

2.13 ***Settlement Line.*** Within ten (10) days of the entry of the Preliminary Approval Order, the Settlement Administrator shall establish a toll-free telephone number (the “Settlement Information Line”) to which Settlement Class Members can direct questions about the Settlement. The Settlement Line shall employ an interactive voice response system to answer calls, and shall provide callers with the option of speaking with a live operator, if necessary.

2.14 *Rights of Exclusion.* Settlement Class Members shall not be permitted to exclude themselves from the Settlement Class.

2.15 *Right to Object.* Members of the Settlement Class shall be permitted to object to the Settlement. Requirements for filing an objection shall be as set forth in the Preliminary Approval Order and in the Notices.

III. PAYMENTS TO THE SETTLEMENT CLASS.

3.1 The Settlement Amount.

(a) In consideration of all of the promises and agreements set forth in this Agreement, L3Harris or its insurers will cause a monetary payment to be made in the amount of the Settlement Amount (defined above in Section 1.42 to mean six hundred fifty thousand dollars (\$650,000)) to the Escrow Account. None of the other of the L3Harris Releasees shall have any obligation to contribute financially to this Settlement.

(b) L3Harris or its insurers shall cause one hundred thousand dollars (\$100,000) of the Settlement Amount to be deposited into the Escrow Account within twenty-one (21) business days of the later of (i) entry of the Preliminary Approval Order or (ii) the insurance carrier's receipt of the payee information (W-9, complete wire instructions, and verbal confirmation of the wire instructions), to fund any Administrative Costs that arise before the Effective Date, including but not limited to the Independent Fiduciary Fees. L3Harris or its insurers shall cause the remaining five hundred fifty thousand dollars (\$550,000) of the Settlement Amount

to be deposited into the Escrow Account within fifteen (15) business days of the Effective Date.

(c) The Settlement Amount shall be used solely for the purposes set forth in Section 3.1(j) below.

(d) Subject to Court approval and oversight, the Escrow Account will be controlled by the Settlement Administrator and the Escrow Agent. Neither Defendants nor Plaintiffs shall have any liability whatsoever for the acts or omissions of the Settlement Administrator or Escrow Agent. The Settlement Administrator and Escrow Agent shall not disburse the Settlement Amount or any portion thereof except as provided for in this Agreement, by an order of the Court, or with prior written agreement of Class Counsel and Defendants' Counsel.

(e) The Settlement Administrator is authorized to execute transactions on behalf of the Settlement Class Members that are consistent with the terms of this Agreement and with orders of the Court.

(f) All funds held in the Escrow Account shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until the funds are distributed in accordance with this Agreement.

(g) The Settlement Administrator shall, to the extent necessary and practicable, invest the Settlement Amount in discrete and identifiable instruments backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof and shall reinvest the proceeds of these instruments as they mature in similar instruments at their

then-current market rates. The Settlement Administrator shall maintain records identifying in detail each instrument in which the Settlement Amount or any portion thereof has been invested, and identifying the precise location (including safe deposit box number) of each such instrument. Neither the Settlement Amount nor any portion thereof shall be commingled with any other monies in any instruments. Any cash portion of the Settlement Amount not invested in instruments of the type described in the first sentence of this Section 3.1(g) shall be maintained by the Settlement Administrator, and not commingled with any other monies, in a bank account that shall promptly be identified to the Parties. The Settlement Administrator and Settlement Class Members shall bear all risks related to investment of the Settlement Amount.

(h) The Escrow Account is intended to be a “Qualified Settlement Fund” within the meaning of Treasury Regulation § 1.468B-1 (the “Settlement Fund”). The Settlement Administrator, as administrator of the Qualified Settlement Fund within the meaning of Treasury Regulation §1.468B-2(k)(3), shall be solely responsible for filing tax returns for the Escrow Account and paying from the Escrow Account any Taxes owed with respect to the Escrow Account. L3Harris agrees to provide the Settlement Administrator with the statement described in Treasury Regulation §1.468B-3(e). Neither Defendants, Defendants’ Counsel, Plaintiffs, nor Class Counsel shall have any liability or responsibility of any sort for filing any tax returns or paying any taxes with respect to the Escrow Account.

(i) All (i) taxes on the income of the Escrow Account (“Taxes”) and (ii) expenses and costs incurred in connection with the taxation of the Escrow Account (including, without limitation, expenses of tax attorneys and accountants) (“Tax-Related Costs”) shall be timely paid by the Settlement Administrator out of the Escrow Account.

(j) The Settlement Amount, together with any interest accrued thereon, will be used to pay the following amounts associated with the Settlement:

- (1) Compensation to Settlement Class Members determined in accordance with Section 3.2;
- (2) All Attorneys’ Fees and Expenses approved by the Court;
- (3) Administration Costs; and
- (4) Taxes and Tax-Related Costs.

3.2 *Distribution to Settlement Class Members.*

(a) The money remaining from the Settlement Amount, including any accrued interest thereon, after the payment of approved Attorneys’ Fees and Expenses, Administration Costs, and Taxes and Tax-Related Costs (or any estimate of those amounts to be incurred in the future), shall constitute the funds available for distribution to Settlement Class Members (the “Distributable Settlement Amount”).

(b) The Distributable Settlement Amount shall be divided among Settlement Class Members in accordance with the Plan of Allocation (attached hereto as Exhibit C) or such other allocation plan as may be ordered by the Court. It is understood and agreed by the Parties that the proposed Plan of Allocation is not

part of this Agreement and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel this Agreement or affect the finality of the Court's Final Approval Order and Judgment approving the Settlement or any other Orders entered pursuant to the Agreement. Notwithstanding the foregoing, or anything else in this Agreement, any revisions to the Plan of Allocation that would require the L3Harris Releasees to pay more than the Settlement Amount or incur additional expenses or costs or to provide data not already readily available shall be deemed a material alteration of this Agreement and entitle Defendants, at their election, to terminate the Agreement.

(c) The Settlement Administrator shall disburse the Distributable Settlement Amount as promptly as reasonably possible after the Effective Date, and, in any event, shall use reasonable best efforts to disburse the Distributable Settlement Amount no later than two hundred-seventy (270) days after the Effective Date.

(d) No Former Participant whose entitlement to payment pursuant to the Plan of Allocation would otherwise be less than five dollars (\$5.00) shall receive any payment from the Distributable Settlement Amount.

(e) Settlement Class Members who are paid by check must cash those checks within ninety (90) days of issuance. If they do not do so, the checks will be void. This limitation shall be printed on the face of each check. The voidance of checks shall have no effect on the Settlement Class Members' release of claims,

obligations, representations, or warranties as provided herein, which shall remain in full effect.

3.3 Each Settlement Class Member who receives a payment under this Agreement shall be fully and ultimately responsible for payment of any and all federal, state, or local taxes resulting from or attributable to the payment received by such person. Each Settlement Class Member shall hold Defendants, Defendants' Counsel, the L3Harris Releasees, Plaintiffs, Class Counsel, and the Settlement Administrator harmless from any tax liability, including penalties and interest, related in any way to payments or credits under the Agreement, and shall hold Defendants, the L3Harris Releasees, Defendants' Counsel, Plaintiffs, Class Counsel, and the Settlement Administrator harmless from the costs (including attorneys' fees and disbursements) of any proceedings (including investigation and suit), related to such tax liability.

3.4 *Treatment of Undistributed Funds and Uncashed Checks.* Any funds associated with checks that are not cashed within ninety (90) days of issuance, and for which no request for reissuance is made by the Settlement Class Member within ninety (90) days of issuance, and any funds that cannot be distributed to Settlement Class Members for any other reason, together with any interest earned on them, and after the payment of any applicable taxes by the Escrow Agent, shall be delivered to the Plan for purposes of defraying administrative fees and expenses of the Current Plan that would otherwise be charged to the participants of the Current Plan. Any funds that cannot be distributed to Settlement Class Members for any other reason

may not be used to reimburse any Defendant or otherwise offset costs, including Settlement-related costs, incurred by any Defendant. There shall be no cy pres payment.

3.5 ***Administrative Costs.*** The Administration Costs shall be paid from the Settlement Amount. Beginning thirty (30) days after the entry of the Preliminary Approval Order, and on every thirty (30) days thereafter, the Settlement Administrator shall provide the Parties with an accounting of any Administration Costs expended to date and an invoice for the amount of such Administration Costs. Any disputes as to whether amounts billed by the Settlement Administrator are reasonable and necessary under this Agreement shall be resolved by the Court. Costs not approved by the Court shall be borne by Class Counsel.

3.6 ***Entire Monetary Obligation.*** In no event, and notwithstanding anything else in this Agreement, shall the Defendants or their insurers be required to pay any amounts other than the Settlement Amount. It is understood and agreed that the Defendants' and its insurers' monetary obligations under this Settlement Agreement will be fully discharged by paying the amount specified in Section 3.1(a) above, and that the Defendants and its insurers shall have no other monetary obligations, or obligations to make any other payments under this Agreement or otherwise.

IV. SETTLEMENT ADMINISTRATION

4.1 As soon as practicable, L3Harris shall cause the current recordkeeper for the Plan to provide the Settlement Administrator with reasonably obtainable participant data sufficient to effectuate class notice and to calculate each Settlement

Class Member's allocable portion of the Distributable Settlement Amount (the Plan of Allocation data). With respect to the Plan of Allocation data, the Plan's Recordkeeper shall take commercially reasonable steps to ensure the data provided is complete as it exists in the Recordkeeper's systems. Neither Plaintiffs, Plaintiffs' Counsel, Defendants, or Defense Counsel will be responsible or liable in any way for ensuring the completeness or accuracy of the information provided by the Recordkeeper pursuant to this section.

4.2 The Settlement Administrator shall administer the Settlement subject to the supervision of Class Counsel, Defendants' Counsel, and the Court as circumstances may require.

4.3 Defendants, Defendants' insurers, and Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever, with respect to:

(a) any act, omission, or determination of the Settlement Administrator, Class Counsel, or designees or agents of Class Counsel or the Settlement Administrator;

(b) any act, omission, or determination of Class Counsel or their designees or agents in connection with the administration of the Settlement;

(c) the management, investment, or distribution of the Settlement Amount or the Distributable Settlement Amount; or

(d) the determination, administration, calculation, or payment of any claims asserted against the Settlement Amount or the Distributable Settlement Amount.

4.4 The Settlement Administrator shall provide to Class Counsel and Defendants' Counsel, no less than monthly, a full accounting of all expenditures made in connection with the Settlement, including Administration Costs, and any distributions from the Settlement Amount.

4.5 The Settlement Administrator shall provide such information as may be reasonably requested by the Parties relating to administration of this Agreement.

V. RELEASES, COVENANTS, AND JUDICIAL FINDINGS

5.1 *Releases of the L3Harris Releasees.* Subject to Section VIII below, upon the Effective Date, Plaintiffs, each Settlement Class Member (on behalf of themselves, their current and former beneficiaries, their representatives, and successors-in-interest), and the Plan (by and through the Independent Fiduciary pursuant to Section 2.9), absolutely and unconditionally release and forever discharge the L3Harris Releasees from each and every Released Claim that Plaintiffs, the Settlement Class, or the Plan directly, indirectly, derivatively, or in any other capacity ever had, now have or hereafter may have, except that the release under this Section 5.1 shall not include claims relating to the covenants or obligations set forth in this Agreement.

5.2 *Taxation of Class Settlement Amount.* Plaintiffs, each Settlement Class Member (on behalf of themselves, their current and former beneficiaries, their representatives, and successors-in-interest), and the Plan acknowledge that the L3Harris Releasees have no responsibility for any taxes due on funds deposited in or

distributed from the Settlement Amount or that Plaintiffs or Class Counsel receive from the Settlement Amount.

VI. REPRESENTATIONS AND WARRANTIES

6.1 *Parties' Representations and Warrants.* Each Party represents and warrants as follows, and each Party acknowledges that each other Party is relying on these representations and warranties in entering into this Settlement Agreement:

(a) That they have diligently investigated the claims in this Action; that they are voluntarily entering into this Agreement as a result of arm's-length negotiations among their counsel; that in executing this Agreement they are relying solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own, independently selected counsel, concerning the nature, extent, and duration of their rights and Claims hereunder and regarding all matters which relate in any way to the subject matter hereof; and that, except as provided in this Agreement, they have not been influenced to any extent whatsoever in executing this Agreement by any representations, statements, or omissions pertaining to any of the foregoing matters by any Party or by any person representing any Party. Each Party assumes the risk of mistake as to facts or law.

(b) That they have carefully read the contents of this Agreement and this Agreement is signed freely by each person executing the Agreement on behalf of each of the Parties. Each Party further represents and warrants to each other that he, she, or it has made such investigation of the facts pertaining to this Settlement, this

Agreement, and all of the matters pertaining thereto, as he, she, or it deems necessary or advisable.

6.2 *Signatories' Representations and Warrants.* Each person executing this Agreement on behalf of any other person or Party does hereby personally represent and warrant that he or she has the authority to execute this Agreement on behalf of, and fully bind, each principal whom such individual represents or purports to represent and that no right or Claim relating to this Agreement has been assigned or hypothecated to any third party.

VII. OTHER MONETARY PAYMENTS

7.1 Attorneys' Fees and Expenses

(a) Class Counsel intends to submit a Fee and Expense Application, seeking an award of attorneys' fees based on the value of the Settlement and the work performed not to exceed one-third of the Settlement Amount, plus reasonable expenses. At the same time, Class Counsel shall seek the Court's approval of all Administrative Costs in connection with the Settlement.

(b) Defendants shall take no position on the propriety of the Fee and Expense Application provided the fees requested do not exceed one-third of the Settlement Amount. Any amount awarded by the Court in response to such Fee and Expense Application shall be paid by the Settlement Administrator solely out of the Settlement Amount and shall be deducted (to the extent approved by the Court) from the Settlement Amount. The Settlement Administrator shall use reasonable best efforts to pay any attorneys' fees and expenses amount awarded to Class Counsel as

soon as practicable following the full funding of the Settlement Fund per Section 3.1(b).

(c) Notwithstanding any other provision of this Agreement to the contrary, the procedure for and the allowance or disallowance (in whole or in part) by the Court of the Fee and Expense Application to be paid out of the Settlement Amount shall be considered by the Court separately from its consideration of the fairness, reasonableness, and adequacy of the Settlement, and any Order or proceedings relating to the award of Attorneys' Fees, or any appeal of any Order relating thereto, shall not operate to terminate or cancel this Agreement or be deemed material thereto.

(d) Defendants and their insurers shall have no obligations whatsoever with respect to any attorneys' fees or expenses incurred by Class Counsel, which shall be payable solely out of the Settlement Amount.

VIII. CONTINGENCIES, EFFECT OF DISAPPROVAL OR TERMINATION OF SETTLEMENT

8.1 If the Court or, in the event of an appeal, any appellate court refuses to approve, or modifies any material aspect of this Agreement or the proposed Preliminary Approval Order or Final Approval Order and Judgment, Defendants may terminate this Agreement and the Settlement as set forth below.

8.2 This Agreement and the Settlement shall terminate and be cancelled if, within ten (10) business days after any of the following events, L3Harris or

Plaintiffs provide written notification of an election to terminate the Settlement because:

(a) The Court declines to provide preliminary approval of this Agreement, or declines to enter or materially modifies the contents of the Preliminary Approval Order attached hereto as Exhibit D, or the Preliminary Approval Order is vacated, reversed, or modified in any material respect on any appeal or other review or in a collateral proceeding occurring prior to the Effective Date; or

(b) The Court declines to provide final approval of this Agreement, or declines to enter or materially modifies the contents of the Final Approval Order and Judgment attached hereto as Exhibit A; or

(c) The Court's Final Approval Order and Judgment is vacated, reversed, or modified in any material respect on any appeal or other review or in a collateral proceeding occurring prior to the Effective Date; or

(d) The Effective Date does not occur for some other reason.

8.3 For purposes of this Agreement and this Section 8.3, an order of the Court, or modification or reversal on appeal of any order of the Court, solely concerning the Plan of Allocation, the administration of the Settlement or the persons performing such administrative functions, or the amount of any award of Attorneys' Fees and Expenses, shall not constitute grounds for cancellation or termination of the Agreement.

8.4 This Agreement shall terminate if and when any of the conditions specified in Sections 2.1 to 2.7, 2.9 to 2.11 and/or 2.14 to 2.15 is not satisfied, and

the Parties do not mutually agree to waive the condition, in writing, within ten (10) business days of its non-occurrence.

8.5 This Agreement and the Settlement shall terminate and be cancelled if (a) any federal or state authorities object to or request material modifications to the Agreement; and (b) within the later of ten (10) business days after (i) the deadline set in the Preliminary Approval Order for such objections or requests, or (ii) receiving any such objection or request, Defendants' Counsel provides written notice of its election to terminate the Settlement.

8.6 If for any reason this Agreement is terminated or fails to become effective, then:

(a) The Settling Parties shall be deemed to have reverted to their respective status in the Action as of December 21, 2023, which shall then resume proceedings in the Court, and, except as otherwise expressly provided in this Agreement, the Parties shall proceed in all respects as if this Agreement and any related orders had not been entered.

(b) Class Counsel and Defendants' Counsel shall, within ten (10) days after the date of termination of the Agreement, jointly notify the Financial Institution (either directly or through the Settlement Administrator) in writing to return to the Defendants the full amount contained in the Settlement Fund, with all net income earned thereon, after deduction of any amounts earlier disbursed for purposes of administering the Settlement and/or incurred by the Settlement Fund as of the termination, and direct the Financial Institution to effect such return within fourteen

(14) days after such notification. Prior to the return of amounts contemplated by this Section 8.6(b), the Financial Institution shall fully and finally fulfill and set aside for any and all tax obligations of the Settlement Fund as set forth in Section 3.1(i) and Defendants and their insurers shall have no past, present, or future liability whatsoever for any such tax obligations.

(c) In addition to this Section VIII and its provisions, Section 8.5 shall survive any termination of this Settlement.

IX. NO ADMISSION OF WRONGDOING

9.1 The Parties understand and agree that this Agreement embodies a compromise settlement of disputed claims, and that nothing in this Agreement, including the furnishing of consideration for this Agreement, shall be deemed to constitute any finding or admission of any wrongdoing or liability by the Defendants, or give rise to any inference of wrongdoing or liability in the Action or any other proceeding. This Agreement and the consideration provided hereunder are made in compromise of disputed claims and are not admissions of any liability of any kind, whether legal or factual. Defendants specifically deny any such liability or wrongdoing and state that they are entering into the Agreement solely to eliminate the burden and expense of further litigation. Further, Plaintiffs, while believing that all Claims brought in the Action have merit, has concluded that the terms of this Agreement are fair, reasonable, and adequate to the Plan, themselves, and the Settlement Class Members given, among other things, the inherent risks, difficulties and delays in complex ERISA litigation such as the Action. Neither the fact nor the

terms of this Agreement shall be used or offered or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this Agreement or arising out of or relating to the Judgment.

X. MISCELLANEOUS

10.1 *No Disparaging Statements.* Plaintiffs and Plaintiffs' Counsel shall make no disparaging statements or accusations of wrongdoing related to this Settlement Agreement, the Action, the L3Harris Releasees, Defendants, or Defendants' Counsel, whether written or oral, including but not limited to any statements to the press or on any website or social media platform. Defendants' counsel shall make no disparaging statements or accusations of wrongdoing related to this Settlement Agreement, the Action, Plaintiffs, or Plaintiffs' Counsel, whether written or oral, including but not limited to any statements to the press or on any website or social media platform. L3Harris will not issue any official statements disparaging any Plaintiffs or Plaintiffs' Counsel or accusing any Plaintiffs or Plaintiffs' Counsel of wrongdoing. Plaintiffs and Plaintiffs' Counsel agree that they will not make any statement to the press related to this Settlement Agreement, the Action, the L3Harris Releasees, Defendants, or Defendants' Counsel (whether affirmatively or in response to an inquiry) without the consent of L3Harris or Defendants' Counsel. The Parties will agree upon a joint statement to utilize in response to any inquiries from the press or otherwise regarding this Settlement.

10.2 *Adequate Discovery.* The Parties agree that Defendants have provided sufficient information to allow Plaintiffs and Class Counsel to evaluate their

position and the strength of Plaintiffs' Claims prior to the mediation in this case and prior to deciding to settle this case.

10.3 **Waiver.** The provisions of this Agreement may be waived only by an instrument in writing executed by the waiving Party. The waiver by any Party of any breach of this Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Agreement.

10.4 **Dispute Resolution.** If a dispute arises regarding compliance with any of the provisions of this Agreement after it has been approved and executed, the dispute will be mediated by Jay Cohen, or, if unavailable, another neutral party (to be agreed upon by the Parties), who will make a non-binding decision regarding the dispute. The cost of any mediation shall be split equally between Plaintiffs and Defendants.

10.5 **Entire Agreement.** This Agreement is the entire agreement among the Parties and it supersedes any prior representations and agreements, written or oral, between the Parties. This Agreement cannot be altered, modified or amended except through a writing executed by all Parties.

10.6 **Construction of Agreement.** This Agreement shall be construed to effectuate the intent of the Parties to resolve all disputes encompassed by the Agreement. All Parties have participated in the drafting of this Agreement, and any ambiguity shall not be resolved by virtue of a presumption in favor of any Party. The Agreement was reached at arm's-length by the Parties represented by counsel. None of the Settling Parties shall be considered to be the drafter of this Agreement or any

provision hereof for the purposes of any statute, case law, or rule of interpretation or construction.

10.7 *Principles of Interpretation.* The following principles of interpretation apply to this Agreement:

(a) The headings of this Agreement are for reference only and do not affect in any way the meaning or interpretation of this Agreement.

(b) Definitions apply to the singular and plural forms of each term defined.

(c) References to a person are also to the person's permitted successors and assignees.

(d) Whenever the words "include," "includes," or "including" are used in this Agreement, they shall not be limiting but rather shall be deemed to be followed by the words "without limitation."

10.8 *Executed in Counterparts.* This Agreement may be executed in counterparts, all of which shall be considered one and the same document, as if a single document had been executed, and shall become effective when such counterparts have been signed by each of the Parties and delivered to the other Party. Counterpart copies of signature pages, whether delivered in original, by email in PDF format and/or by facsimile, taken together shall all be treated as originals and binding signatures.

10.9 *Notices.* Unless otherwise provided herein, any notice, request, instruction, application for Court approval, or application for Court order sought in connection with the Agreement, shall be in writing and delivered personally or sent

by certified mail or overnight delivery service, postage prepaid, with copies by email to the attention of Class Counsel or Defendants' Counsel (as well as to any other recipients that a court may specify). Parties may change the person(s) to whom such notices should be directed by giving notice pursuant to this Section. As of the date hereof, the respective representatives are as follows:

For Defendants:

Mark B. Blocker
Sidley Austin LLP
One South Dearborn Street
Chicago, IL 60603
Telephone: (312) 853-7000
Facsimile: (312) 853-7036
mblocker@sidley.com

For Plaintiff:

Mark K. Gyandoh
Capozzi Adler P.C.
312 Old Lancaster Road
Merion Station, PA 19066
Telephone: (610) 890-0200
Facsimile: (717) 233-4103
markg@capozziadler.com

10.10 *Extensions of Time*. The Parties may agree, subject to the approval of the Court where required, to reasonable extensions of time to carry out the provisions of the Agreement.

10.11 *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of Florida without giving effect to any conflict of law

provisions that would cause the application of the laws of any jurisdiction other than Florida.


10.12 *Fees and Expenses.* Except as otherwise expressly set forth herein, each Party hereto shall pay their own fees, costs, and expenses incurred in connection with the Action, including fees, costs, and expenses incident to his, her, or its negotiation, preparation or compliance with this Agreement, and including any fees, expenses, and disbursements of his, her, or its counsel, accountants, and other advisors. Nothing in this Agreement shall require Defendants or their insurers to pay any monies other than as expressly provided herein.

10.13 *Communication With Participants.* Nothing in this Agreement or the Settlement shall prevent or inhibit Defendants' ability to communicate with current or former participants of the Plan.

10.14 *Retention of Jurisdiction.* The Parties shall request that the Court retain jurisdiction of this matter after the Effective Date and enter such orders as are necessary or appropriate to effectuate the terms of this Agreement.

Agreed to on behalf of Robert Stengl, Daniel Will, Gary K. Colley, Leslie D. Diaz, Amaya Johnson, William A. McKinley and John Karipas, and on behalf of the Settlement Class.

Dated: March 1, 2024

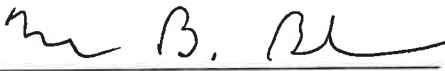
By: 

Mark K. Gyandoh
CAPOZZI ADLER P.C.
312 Old Lancaster Road

Merion Station, PA 19066
Telephone: (610) 890-0200
Facsimile: (717) 233-4103
markg@capozziadler.com

Agreed to on behalf of Defendants.

Dated: March 1, 2024

By: 
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