

IN THE UNITED STATES COURT OF FEDERAL CLAIMS

_____	)	
STEPHEN S. ADAMS, <u>et al.</u> ,	)	
	)	
Plaintiffs,	)	Case No. 90-162C
	)	and consolidated cases
v.	)	(Judge Lynn J. Bush)
	)	
UNITED STATES OF AMERICA,	)	
	)	
Defendant.	)	
_____	)	

**PARTIAL SETTLEMENT AGREEMENT**

Solely for the purpose of settling the claims covered by this Partial Settlement Agreement ("Agreement"), and to avoid further judicial proceedings and the adjudication of certain issues of law and/or fact, and for no other purpose, the parties hereby stipulate and agree as follows:

1. For the purposes of this Agreement the term "plaintiff" or "plaintiffs" shall mean the plaintiffs identified in Exhibit A attached to and made a part of this Agreement, except that, with respect to the provisions of this Agreement concerning attorneys fees, costs and expenses, the term "plaintiffs" shall mean all plaintiffs in these consolidated actions.

2. The term "defendant" as used herein shall refer to the United States of America.

3. Plaintiffs filed these consolidated actions against defendant to assert claims, inter alia, for overtime pay and liquidated damages under the Fair Labor Standards Act ("FLSA"),

that plaintiffs asserted they were entitled to receive in connection with defendant having treated them as employees exempt from the overtime provisions of FLSA. The claims of some plaintiffs have been settled in part, pursuant to partial settlement agreements previously executed in these consolidated actions.

4. The parties herein agree to settle all of their claims that remain pending in these consolidated actions.

5. The plaintiffs have offered to settle the above-referenced claims upon the terms set forth herein, and these terms have been accepted on behalf of the Attorney General.

A. Defendant shall pay to each plaintiff back pay and liquidated damages in the amounts set forth for each such plaintiff in Exhibit A under the columns titled "back pay" and "liquidated damages," subject to withholding of Federal income tax, social security, and Medicare, in the amounts set forth for each plaintiff in Exhibit A under the columns referencing such withholding. This provision does not preclude any party from claiming error in such withholding and seeking correction thereof under applicable law to the same extent and in the same manner as if the payment and withholding were not a result of this litigation and this Agreement. However, payment and withholding in accordance with this paragraph constitutes compliance with this Agreement notwithstanding any such error or correction.

B. Defendant shall pay the appropriate employer share of social security and Medicare taxes as may be due under applicable law as a result of the above-described payments.

C. The amounts to be paid to plaintiffs minus any amounts withheld for Federal income taxes, social security and Medicare, shall be paid by the defendant in lump sum(s) by check or electronic transfer jointly to the order of Jules Bernstein and Linda Lipsett as attorneys-at-law (B&L), to be held by them in trust for the plaintiffs. B&L forthwith shall deposit said check(s) or amounts in a trust account and shall distribute, within 45 days of receipt, to each plaintiff (or, if he/she is deceased at that time, to the appropriate successor or representative), such plaintiff's share of the recovery in accordance with the Consent Agreement previously executed and filed herein on behalf of such plaintiff.

D. Defendant shall issue to each plaintiff (1) an IRS Form W-2 Wage and Tax Statement for the back pay that is paid to such plaintiff pursuant to this Agreement; and (2) an IRS Form 1099-MISC for the liquidated damages that are paid to such plaintiff pursuant to this Agreement.

E. Defendant shall not bear any of the costs of distribution by said attorneys of each plaintiff's respective share of his or her recovery.

F. At the expiration of a period of 24 months after the defendant has made the payments described in subparagraphs A and C of this paragraph, any amounts that have not been distributed to plaintiffs under this Agreement and the Consent Agreements executed by plaintiffs, shall revert back to the United States, and shall be paid forthwith by check to the United States Treasury by said attorneys, who shall provide an accounting for the disbursements they have made pursuant to this Agreement.

G. In addition, defendant shall pay plaintiffs the sum of \$4,500,000.00, consisting of \$4,000,000.00 in attorney fees and \$500,000.00 in costs and expenses incurred in this litigation to date. This amount shall be paid by the defendant by check or electronic transfer jointly to the order of Jules Bernstein and Linda Lipsett as attorneys-at-law.

H. Payment by defendant in accordance with subparagraphs A, C, and G of this paragraph will fully discharge defendant of all claims and demands made by the plaintiffs identified in Exhibit A in connection with the subject of this action, including demands for interest, costs, attorney fees, and expenses, regardless of whether they are set out in the complaints. In consideration of the amounts paid pursuant to this Agreement to plaintiffs identified in Exhibit A, such plaintiffs release and forever discharge the United States, its agents, employees, representatives or persons who are liable or might be

claimed to be liable from any and all manner of action, causes of action, judgments, damages, claims or demands of every kind and nature whatsoever such plaintiffs have or ever had against the United States with respect to their employment by defendant on or before March 2, 1996, or the date upon which such plaintiffs began receiving Law Enforcement Availability Pay pursuant to 5 U.S.C. § 5545a, whichever date occurred first, it being understood that plaintiffs' claims in this action do not pertain to employment by defendant subsequent to that date. Further, in consideration of the amounts paid pursuant to Paragraph 5.G of this Agreement, all other plaintiffs in these consolidated actions release and forever discharge defendant of all claims and demands for attorney fees, costs and expenses incurred in these consolidated actions to date. This release shall not, however, preclude plaintiffs from seeking attorney fees and expenses in the future in connection with claims that have not yet been resolved.

I. Upon execution of this Agreement, the parties shall file with the Court a stipulation of partial dismissal which shall incorporate this Agreement by reference.

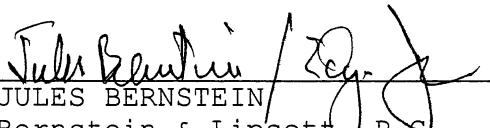
J. This Agreement is made solely for the purpose of settling the claims that it covers and for no other purpose except as provided for otherwise herein. The parties agree that this Agreement shall not be cited as precedent or referred to in this or

any other proceeding for any purpose except to enforce the terms of this Agreement.

K. This Agreement shall become effective on the date it has been signed by counsel for the parties.

6. Undersigned counsel represent that they are authorized to enter into this Settlement Agreement on behalf of the persons identified in Exhibit A, and, with respect to attorney fees, costs and expenses, on behalf of all plaintiffs in these consolidated actions.

7. This document constitutes a complete integration of the agreement between the parties with respect to the full and final resolution of plaintiffs' claims in this action and supersedes any and all prior oral or written representations, understandings, or agreements among or between them with respect to the full and final resolution of these claims.

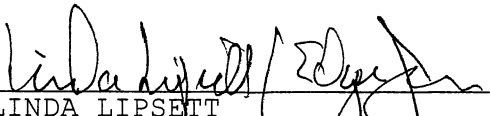
  
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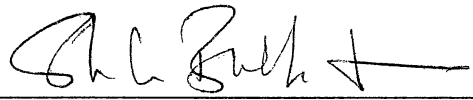
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Dated: 6/1/2011

  
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Dated: June 1, 2011