

1 Attorney General, Brady R. Johnson, Senior Counsel, and Jonathan A. Mark, Assistant
2 Attorney General.

3 2.2. Defendant, appearing by and through its attorney Joel S. Sanders, Gibson, Dunn
4 & Crutcher LLP, accepted service of the Summons and Complaint, pursuant to and for the
5 limited purpose of effectuating the settlement agreement described below.

6 2.3. Plaintiff is investigating allegations of price fixing and other anticompetitive
7 conduct against Defendant. Plaintiff's complaint, which has been filed together with this
8 Consent Decree, alleges that Chunghwa participated in an unlawful conspiracy to raise, fix,
9 maintain, or stabilize the price of LCD products at artificially high levels and to maintain the
10 quantities of LCD products at artificially low levels, in violation of Chapter 19.86 RCW, the
11 Unfair Business Practices-Consumer Protection Act.

12 2.4. Plaintiff and Defendant have engaged in extended arms-length negotiations
13 regarding possible resolution of the allegations in Plaintiff's complaint. Plaintiff and
14 Defendant have now agreed on a basis for the settlement of the matters alleged in the
15 complaint filed in this matter, and to the entry of this Consent Decree without trial or
16 adjudication of any issue of fact or law.

17 2.5. Defendant does not admit the allegations of the complaint. Neither the
18 complaint nor anything in this Consent Decree constitutes evidence or an admission regarding
19 the existence or non-existence of any issue, fact, or violation of any law alleged by Plaintiff.

20 2.6. Defendant recognizes and states that this Consent Decree is entered into
21 voluntarily and that no promises or threats have been made by the Attorney General's Office or
22 any member, officer, agent or representative thereof to induce Defendant to enter into this
23 Consent Decree.

24 2.7. Defendant waives any right it may have to appeal from this Consent Decree and
25 from any Order adopting it, provided that no substantive changes are made to the Consent
26 Decree after it has been presented to the Court.

1 assigns, and all other employees who can bind the Defendant with respect to the sale of LCD
2 Products.

3 3.4. Review. Defendant has read and understands this Judgment and enters into it
4 voluntarily, having been advised by its undersigned counsel of the meaning and effect of each
5 provision of this Judgment.

6 3.5. Signatures. For purposes of this document, a signature page sent via fax or
7 electronic mail shall be treated the same as an original signature, and signatures may be affixed
8 through counterparts.

9 IV. DEFINITIONS

10 **THE COURT ORDERS** that the following definitions shall be used in interpreting the
11 terms of this Consent Decree:

12 4.1. "Defendant" or "Chunghwa" shall refer to Chunghwa Picture Tubes, Ltd.,
13 headquartered at 1127 Heping Rd., Bade City, Taoyuan, Taiwan, 334 R.O.C.

14 4.2. "LCD Products" shall refer to liquid crystal display ("LCD") panels and
15 products containing LCD panels.

16 4.3. "LCD Panel Maker" refers to a manufacturer of LCD Products.

17 4.4. "Plaintiff" shall mean the State of Washington.

18 4.5. "Relevant Period" means the period beginning January 1, 1998, and continuing
19 through December 1, 2006.

20 4.6. "Settlement Agreement" shall mean and refers to the document entitled
21 "Settlement Agreement Between Chunghwa Picture Tubes, Ltd. and the State of Washington
22 Regarding LCD Antitrust Investigations." The Settlement Agreement is incorporated herein
23 by reference and is attached to this Consent Decree as Exhibit A.

24 4.7. "The Settlement Fund" shall be \$350,502 (three hundred fifty thousand five
25 hundred and two dollars) in United States funds.

*From the Effective Date of
the Settlement Agreement*

V. INJUNCTIONS

1
2 5.1 **IT IS FURTHER ORDERED** that Defendant shall be enjoined for a period of
3 ten (10) years from engaging in price fixing, market allocation, and bid rigging with respect to
4 the sale of any LCD product for delivery in the United States, which constitute horizontal
5 conduct that are per se violations of Section 1 of the Sherman Act (which, for purposes of this
6 action, the parties understand to be the same standard as that under RCW 19.86.030), including
7 participating in meetings, conversations, and communications with other LCD product
8 manufacturers (other than among affiliated entities) in the United States and elsewhere to
9 discuss the prices of LCD products to be sold to any other person or entity and exchanging
10 information on sales of LCD products to LCD product customers, for the purpose of
11 monitoring and enforcing adherence to unlawfully agreed-upon prices.

12 5.2 Nothing in this section or Consent Decree shall be interpreted as limiting in any
13 way Defendant's obligation to comply to the fullest extent with federal and state antitrust laws
14 as they currently exist or may be amended in the future. Nothing herein shall relieve
15 Defendant of its duty of compliance with any law.

VI. RESTITUTION AND PAYMENT

16
17 6.1. Pursuant to RCW 19.86.080 and .090, and in accordance with paragraph III of
18 the Settlement Agreement, Defendant shall pay \$350,502 in United States Dollars to the State
19 of Washington as payment for damages, restitution, costs, and reasonable attorney fees. Such
20 payment will constitute The Settlement Fund.

21 6.2. The Settlement Fund shall only be used for any of the following purposes:

22 6.2.1. Reimbursement of the State's attorneys' fees and expenses;

23 6.2.2. Deposit into the State's antitrust revolving fund for use in accordance
24 with the laws governing the account;

1 paragraph 26(c) of the settlement previously entered on July 14, 2010, are triggered by another
2 state or states that is a party to that settlement. If Chunghwa's obligations under paragraph
3 26(c) of the settlement previously entered on July 14, 2010 are triggered, Chunghwa shall
4 provide adequate notice to the State so that it may exercise its rights pursuant to this
5 subsection.

6 7.1.4. Making available other appropriate employees in the United States in
7 person as reasonably practicable, by video conference, or by such other means as the Parties
8 may agree to, for such interviews, affidavits, and depositions as are reasonably required by the
9 State. Chunghwa's obligation under this subsection exist regardless of whether Chunghwa's
10 obligations under paragraph 26(d) of the settlement previously entered on July 14,2010 are
11 triggered by another state or states that is a party to that settlement. If Chunghwa's obligations
12 under paragraph 26(d) of the settlement previously entered on July 14,2010 are triggered,
13 Chunghwa shall provide adequate notice to the State so that it may exercise its rights pursuant
14 to this subsection; and

15 7.1.5. Producing at trial in person, by deposition, or affidavit, whichever is
16 legally necessary and reasonably possible, representatives to testify as reasonably required by
17 the State. Chunghwa's obligation under this subsection exists regardless of whether
18 Chunghwa's obligations under paragraph 26(e) of the settlement previously entered on July 14,
19 2010 are triggered by another state or states that is a party to that settlement.

20 7.1.6. Any cooperation by Chunghwa pursuant to paragraph 7.1.1 and
21 subsections 7.1.1 through 7.1.5 will be consistent with its continuing obligations to the United
22 States Department of Justice.

23 **VIII. INCORPORATION BY REFERENCE OF CERTAIN PARAGRAPHS OF THE**
24 **SETTLEMENT AGREEMENT BETWEEN PLAINTIFF AND DEFENDANT**

25 8.1. The terms of this agreement between Plaintiff and Defendant have also been
26 memorialized and executed in a document entitled "Settlement Agreement Between Chunghwa

1 Picture Tubes, Ltd. and The State of Washington Regarding LCD Antitrust Investigations" (the
2 "Settlement Agreement"). Plaintiff and Defendant executed this agreement on April 24, 2012
3 and May 1, 2012, respectively. The Settlement Agreement is attached hereto as Exhibit A.

4 8.2. The parties acknowledge that it is their intent and that they have consented to
5 incorporate by reference Section VIII and Section IX as well as their respective subparts, of the
6 Settlement Agreement into this Consent Order and that such terms and provisions are
7 reasonably clear and of ascertainable meaning. The terms and provisions of the Settlement
8 Agreement being incorporated by reference into this Consent Decree shall be enforceable
9 pursuant to section 9 of this Consent Decree.

10 8.3. The parties further acknowledge that it is not their intent for any of the
11 injunctive or cooperation provisions of this Consent Decree to conflict with the terms and
12 provisions of the Settlement Agreement, and that to the extent such a conflict exists, it is the
13 intent of the parties that such conflicting provisions be interpreted and harmonized in such a
14 manner that will effectuate the Settlement Agreement.

15 **IX. ENFORCEMENT AND RETENTION OF JURISDICTION**

16 9.1 Jurisdiction is retained by this Court for the purpose of enabling any of the parties
17 to this Consent Decree to apply to this Court at any time for such further orders and directions as
18 may be necessary or appropriate for the construction, implementation, or modification of any of
19 the provisions of this Consent Decree, for the enforcement of compliance, and for the punishment
20 of any violations.

21 9.2 In any contempt of court proceeding initiated to enforce this Consent Decree due
22 to a violation of Section VIII or Section IX of the Settlement Agreement, the Plaintiff may seek,
23 and the Court shall have the authority to grant, all remedies available in such a proceeding. The
24 parties agree that such proceedings constitute the sole remedy for any violation of Section VIII or
25 Section IX of the Settlement Agreement.

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JUDGE/COURT COMMISSIONER

Presented By:

ROBERT M. MCKENNA
Attorney General

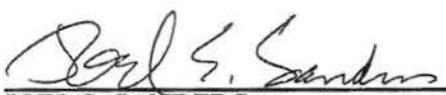
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Agreed to, Approved for Entry, and
Notice of Presentation Waived:



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DEFENDANT:



Chunghwa Picture Tubes