

IN THE
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No: 05-20644-Civ-Cooke/Brown

MARIYA STOYCHEVA,)
OCTAVIAN MIRON, PIOTR DUDEK,)
IONEL NICA & DARLO FONSECA,)
)
)
Plaintiffs,)
)
vs.)
)
CARNIVAL CORPORATION, d/b/a)
CARNIVAL CRUISE LINES, INC.,)
)
Defendant.)
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Class Action Settlement Agreement

This Class Action Settlement Agreement (hereinafter the “Settlement Agreement”) is made by and among (1) defendant Carnival Corporation d/b/a Carnival Cruise Lines and its employees, officers, directors, agents, representatives, subsidiaries, parents, successors, predecessors and vessels (collectively “Carnival”); and (2) representative class plaintiffs Mariya Stoycheva, Octavian Miron, Piotr Dudek, Ionel Nica and Darlo Fonseca (collectively “Representative Plaintiffs”), individually and on behalf of the “Settlement Class” and the “Settlement Class Members” (as those terms are defined herein).

Throughout this Settlement Agreement, Carnival, “Representative Plaintiffs,” and “Settlement Class Members” may be referred to individually as a “Party,” or collectively as the “Parties.”

Background and Context

A. On March 7, 2005, former Carnival employees filed a class action suit against Carnival styled *Stoycheva v. Carnival Corporation*, 05-20644-Civ-Cooke, (S.D. Fla.) (the *Stoycheva* Action). The complaint alleged that Carnival failed to pay the plaintiffs adequate

wages in violation of their respective employment agreements, the foreign laws upon which those agreements are based (Bahamian or Panamanian) and the Seaman's Wage Act, 46 U.S.C. § 10313(f) & (g). The *Stoycheva* Action seeks, among other things, compensatory damages in the amount of the allegedly unpaid wages, attorney's fees and costs, penalty wages, and injunctive relief. On August 3, 2005, this Court dismissed the *Stoycheva* Action with prejudice. Plaintiffs appealed the dismissal of their complaint, and that appeal is currently pending in the United States Court of Appeals for the Eleventh Circuit under case number: 05-14546-H (11th Cir.) ("the *Stoycheva* Appeal").

B. On November 16, 2006, four former Carnival employees filed a class action suit against Carnival styled *Borcea et. al. v. Carnival Corporation d/b/a Carnival Cruise Lines Inc.*, Case No. 05-22968-Civ-Cooke, (S.D. Fla.) (the "*Borcea* Action"). The *Borcea* Plaintiffs allege in their complaint that Carnival failed to pay the plaintiffs adequate wages in violation of their respective employment agreements, the foreign laws upon which those agreements are based (Bahamian or Panamanian) and the Seaman's Wage Act, 46 U.S.C. § 10313(f) & (g). The *Borcea* Action seeks, among other things, compensatory damages in the amount of the allegedly unpaid wages, attorneys' fees and costs, penalty wages, and injunctive relief. On November 29, 2005, the district court *sua sponte* dismissed the initial complaint and directed the filing of an Amended Complaint that complies with Federal Rule of Civil Procedure 8. The *Borcea* Plaintiffs re-filed their complaint and Carnival moved to dismiss that complaint in its entirety. In addition to seeking dismissal of all the claims, Carnival has asserted that the *Borcea* Action is not suitable for class certification. The *Borcea* action was transferred to the court handling the *Stoycheva* case as a related case. The Court has stayed the *Borcea* action pending resolution of the *Stoycheva* Appeal.

C. The Parties acknowledge that the *Borcea* Action is directly related to the *Stoycheva* Action and that the named plaintiffs in both actions are members of the "Settlement Class", as that term is defined in this Settlement Agreement.

D. Carnival disputes the claims asserted in the *Borcea* Action, the *Stoycheva* Action and the *Stoycheva* Appeal and denies any wrongdoing in connection with the alleged failure to pay wages of any kind to the Representative Plaintiffs or the Settlement Class.

E. "Class Counsel" have conducted an extensive investigation and evaluation of the

facts and law relating to the claims asserted by the Representative Plaintiffs to determine how to best to serve the interest of the Representative Plaintiffs and the Settlement Class Members. The Representative Plaintiffs and their counsel have, at all times, contended and continue to contend that the claims asserted herein are strong and meritorious and that the Representative Plaintiffs have a reasonable likelihood of prevailing on the merits of their claims. The investigation has included a study of publicly available information as well as review of experts' analysis, interviews of class members who were and are employed by Carnival, and a review of pertinent documents provided by Carnival in the litigation as well as documentation provided by Representative Plaintiffs. Counsel for the Representative Plaintiffs are aware of the possibility that the Court's order dismissing the *Stoycheva* case may be upheld by the Eleventh Circuit and that the district court may grant Carnival's pending motion to dismiss the complaint of the *Borcea* Action and/or deny class certification. Class Counsel are also mindful of Carnival's strong defenses to the claims and that Carnival could prevail at trial or on appeal

F. Carnival, on the one hand, and the Representative Plaintiffs, individually and on behalf of the Settlement Class and the Settlement Class members, on the other hand, wish to amicably end and bring to rest the protracted litigation, disputes and claims between them in their respective best interests. The Parties wish to settle the *Borcea* Action and the *Stoycheva* Appeal, on the terms and conditions set forth in this Agreement, in order to avoid the burden, expense, and uncertainty of continuing the litigation, to avoid the diversion of resources and personnel required by continuing the litigation, and to put to rest all claims that have been, or could have been, brought or asserted in the litigation, the appeal or any similar litigation involving Carnival, in this or any other court or jurisdiction, which are based upon any of the facts, circumstances or conduct alleged in the *Borcea* Action or the *Stoycheva* Action.

G. Counsel for the Parties have engaged in extensive arms' length negotiations prior to entering into this Settlement Agreement, including negotiation sessions before the Honorable Joe Unger, Mediator of the United States Court of Appeals for the Eleventh Circuit, who acted as an independent and neutral mediator.

H. This Settlement Agreement sets forth the terms and conditions for a proposed settlement of the claims described more fully below.

I. To achieve the benefits and finality contemplated by this Settlement Agreement

as more fully described below, the Parties wish to expressly recognize and include all current and former employees of Carnival who have or have had any claim whatsoever relating to Carnival's failure to pay adequate wages. The "failure to pay adequate wages" for the purposes of this Settlement Agreement includes, without limitation, the failing to pay adequate base wages, overtime wages, extra overtime wages, tips or gratuities, time keeping errors or miscalculations, claims of inadequate or fraudulent time keeping records and any claim of any kind that relates to wages and/or any component of wages that a Carnival employee might be entitled to as a result of working for Carnival during the Class Period.

J. Representative Plaintiffs and Class Counsel believe that this Settlement Agreement, including its class notification procedures, is fair, reasonable and adequate; and agree to settle the action, pursuant to the provision of this Settlement Agreement, after considering such factors as the substantial benefits to Representative Plaintiffs and the Settlement Class Members under the terms of this Settlement Agreement and the attendant risks and uncertainties of litigation, including (a) the uncertainty inherent in establishing any liability of Carnival, (b) the uncertainty inherent in obtaining certification of the Class, (c) the uncertainty inherent in the various theories of damages, even if Representative Plaintiffs prevailed in establishing the liability of Carnival, (d) the uncertainty of prevailing on the appeal that is pending in the *Stoycheva* case, and (e) the uncertainty of prevailing at the motion to dismiss and/or class certification stages in the *Borcea* Action.

K. By reaching this Settlement, Carnival does not admit or concede any wrongdoing, liability or improper conduct of any nature in connection with any facts or claims that have been or could have been raised against it in the *Borcea* Action, the *Stoycheva* Action or the *Stoycheva* Appeal, or any other forum. Carnival considers it desirable for the *Borcea* Action and the *Stoycheva* Appeal to be settled and dismissed because the Settlement will: (a) provide benefits to Representative Plaintiffs and the Settlement Class Members; (b) make unnecessary the resolution of the issues presented in the *Borcea* Action and the *Stoycheva* Appeal; (c) finally put Representative Plaintiffs' claims and the underlying matters to rest without undue expense to the Parties, while reducing the burdens and uncertainties associated with protracted litigation of those claims.

Definitions

L. Rules of Definition. Unless otherwise indicated, defined terms include the plural as well as the singular. Any term herein defined by reference to a section of this Settlement Agreement shall have such meaning as set forth in this Settlement Agreement as of the Execution Date (as defined herein) and unless such meaning is expressly amended subsequently, such meaning shall remain in effect whether or not such document is subsequently amended or modified. Unless the context otherwise requires, a reference to any Law or governmental regulation includes any amendment, modification or successor thereto; a reference to any Person (as defined herein) includes its successors and assigns; the words “include,” “includes” and “including” are not limiting and shall be deemed to be followed by the words “without limitation” whether or not in fact followed by such words or words of like import; and the terms “hereof,” “herein,” “hereunder” and comparable terms refer to this entire Settlement Agreement with respect to which such terms are used and not to any particular article, section or other subsection or subdivision thereof.

M. Defined Terms. As used in this Settlement Agreement, the following terms have the meaning specified below.

1. “Second Amended Complaint” means the Second Amended Complaint that will be filed that encompasses the terms of the Settlement Agreement. A copy of the Second Amended Complaint is attached as Ex. A.

2. “Attorney Fee and Expense Award” means that order from the court of last resort awarding Class Counsel their attorneys’ fees and expenses.

3. “*Borcea* Action” means that lawsuit currently pending in the United States District Court for the Southern District of Florida styled *Borcea et. al. v. Carnival Corporation d/b/a Carnival Cruise Lines Inc.*, Case No. 05-22968-Civ-Cooke, (S. D. Fla.).

4. “Carnival” means Carnival Corporation d/b/a Carnival Cruise Lines and all of its employees, officers, directors, agents, representatives, subsidiaries, parents, predecessors, successors and vessels.

5. “Carnival’s Counsel” means Hunton & Williams LLP, 1111 Brickell Ave. 25th Floor, Miami, FL, 33131, (305) 810-2500.

6. “Claims Administrator” means the entity or person responsible for: (a) ensuring the proper identification and qualification of Settlement Class Members; (b) distributing Class Notice to the Settlement Class Members; (c) processing claims pursuant to and consistent with to this Settlement Agreement; and (d) distributing appropriate settlement funds to Settlement Class Members in conformity with this Settlement Agreement.

7. “Class Counsel” means Kozyak Tropin & Throckmorton, P.A., 2525 Ponce de Leon Boulevard, Coral Gables, FL 33134, (305) 372-1800; Julio Ayala, Esq., Crewmember and Maritime Advocacy Center, 169 E. Flagler Street, Suite 1620, Miami, Florida 33131, (305) 374-9099; and David W. Brill, Esq. Downs Brill Whitehead & Sage, One Southwest 129th Avenue, Suite 305, Pembroke Pines, Florida 33027, (954) 447-3556.

8. “Class Notice” or “Notice” means the Court-approved method for notifying the Settlement Class Members of the Settlement reached in this case in the manner set forth in this Agreement.

9. "Class Period Work Months" means the total number of months worked by all crewmembers combined during the Settlement Class Period, as determined by Carnival position headcounts.

10. “Court” means the United States District Court for the Southern District of Florida which has presided over the *Stoycheva* and *Borcea* Actions.

11. “Escrow Agent” means the _____ Bank.

12. “Failure to Pay Adequate Wages” for the purposes of this Settlement Agreement includes, without limitation, the failing to pay adequate base wages, overtime wages, extra overtime wages, tips or gratuities, time keeping errors or miscalculations, claims of inadequate or fraudulent time keeping records and any claim of any kind that relates to wages and/or any component of wages that a Carnival employee might be entitled to as a result of working at any given period for Carnival.

13. “Final Judgment” means the final judgment to be entered by the Court, giving final approval to this Settlement Agreement, and providing for the performance and enforcement of the terms and conditions of this Settlement Agreement, which shall be in substantially the same form as is attached hereto as Exhibit B.

14. “Final Approval” means the Court’s entry of Final Judgment, as defined above and the date in which the Final Judgment becomes “Final.”

15. “Final” in reference to the Final Judgment means the date when all appellate remedies have been exhausted as to the Final Judgment, including the date for filing rehearing and reconsideration of appellate review; or if no appeal is filed, expiration date of the time for the filing or noticing of any appeal from the Final Judgment or notice for rehearing or reconsideration of the Court’s entry of Final Judgment, all as determined under the Federal Rules of Civil Procedures. An appeal or other appellate proceedings relating solely to any application by Plaintiffs’ Counsel for an award of attorneys’ fees or expenses consistent with the terms of this Settlement Agreement shall have no effect on the finality of the entry of Final Judgment.

16. “Net Settlement Fund” means the Settlement Fund, as defined below, less expenses, including but not limited to the Notice and Administration Costs, and attorneys’ fees and costs to the extent allowed by the Court.

17. “Notice and Administration Costs” mean the reasonable costs and expenses incurred in connection with providing notice to the Settlement Class Members, distributing the settlement consideration and in administering the Settlement Fund.

18. “Order Granting Preliminary Approval” means the order entered by the Court granting preliminary approval of this Settlement. The Order Granting Preliminary Approval shall be in substantially the same form as attached hereto as Exhibit C.

19. “Person” means an individual, corporation, partnership, limited partnership, limited liability company, association, joint stock company, estate, legal representative, trust, incorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives or assigns.

20. “Parties” mean and refer to Carnival, Representative Plaintiffs, the Settlement Class and the Settlement Class Members and includes Carnival’s Counsel and Plaintiffs’ Counsel.

21. “Preliminary Approval” means a Court order granting preliminary approval of the Settlement Agreement.

22. “Proof of Claim” means document with that name containing information necessary for the Settlement Class members to qualify for payment under the Settlement Agreement. A Proof of Claim and Release is attached as Exhibit D.

23. “Released Claims” means any and all claims of any kind that have been or could have been asserted in the *Stoycheva* Action, the *Borcea* Action or the *Stoycheva* Appeal, including those relating to or arising from the factual circumstances and allegations set forth in the Amended Complaints filed in the Actions or which could have been asserted in the Actions or other litigation relating to any alleged failure to pay the correct amount of wages or adequate wages as defined herein, the failure to make payment of wages, overtime wages, extra overtime wages or any claim of inadequate compensation or pay of any kind to any Class Member. Released Claims do not include any claim for breach of this Agreement.

24. “Released Person” means each and every Carnival person, entity or vessel and each of their Related Parties.

25. “Representative Plaintiffs” means Mariya Stoycheva, Octavian Miron, Piotr Dudek, Ionel Nica and Darlo Fonseca acting individually on behalf of themselves and on behalf of the Settlement Class and the Settlement Class Members.

26. “Settlement” means the settlement embodied in this Settlement Agreement

27. “Settlement Agreement” means this Class Action Settlement Agreement.

28. “Settlement Benefits” shall mean the benefits and consideration set forth in Section 2.

29. “Settlement Class” shall have the meaning set fort in Section 1.1.

30. “Settlement Class Member” means any person who falls within the definition of Settlement Class, including the Representative Plaintiffs.

31. “Settlement Class Period” means from January 1, 2000 through the date of the last publication of the Settlement Class Notice to the Settlement Class.

32. “Settlement Fund” means the amount of \$6,250,000 that Carnival has agreed to pay as the maximum amount to satisfy all of its obligations under this Agreement.

33. “*Stoycheva* Appeal” means that lawsuit currently pending in the United States

Court of Appeals for the Eleventh Circuit styled *Stoycheva et. al. v. Carnival Corporation d/b/a Carnival Cruise Lines Inc.*, Case No. 05-14546 (11th Cir.).

34. “*Stoycheva* Action” means the lawsuit filed on March 7, 2005, in United States District Court for the Southern District of Florida styled *Stoycheva et. al. v. Carnival Corporation d/b/a Carnival Cruise Lines Inc.*, Case No. 05-20644-Civ-Cooke, (S. D. Fla.).

Terms of Settlement

NOW THEREFORE, in light of the foregoing, which is incorporated herein and made a part hereof, and in consideration of the mutual promises, agreements and covenants contained herein, the sufficiency and receipt of which are hereby acknowledged, it is hereby stipulated and agreed, by and between and among the Parties, that the *Stoycheva* Action, the *Stoycheva* Appeal, and the *Borcea* Action and the matters raised by it hereby will be settled, compromised, and dismissed on the merits with prejudice on the following terms and conditions, subject to the approval of the Court:

1. SCOPE OF SETTLEMENT CLASS

1.1 Scope of Settlement Class. Upon entry of the Final Judgment, this Settlement Agreement shall settle, compromise, resolve the Action and apply to all the following persons who collectively constitute the “Settlement Class”:

All persons who have been, are now, or will be employed by Carnival during the Settlement Class Period, including but not limited to crewmembers/employees who have worked, are now working or will work aboard a Carnival vessel during the Settlement Class Period. Carnival’s vessels, include, but are not limited to, the following:

- (1) Carnival Valor
- (2) Carnival Miracle
- (3) Carnival Glory
- (4) Carnival Conquest
- (5) Carnival Legend
- (6) Carnival Liberty
- (7) Carnival Pride

- (8) Carnival Spirit
- (9) Carnival Victory
- (10) Carnival Triumph
- (11) Paradise
- (12) Elation
- (13) Carnival Destiny
- (14) Inspiration
- (15) Imagination
- (16) Fascination
- (17) Sensation
- (18) Ecstasy
- (19) Fantasy
- (20) Celebration
- (21) Holiday
- (22) Jubilee
- (23) Tropicale

For all prospective relief contemplated in this Settlement Agreement, the Settlement Class includes all Carnival employees working aboard any additional vessel that Carnival may operate in the future.

1.2 Materiality of Scope of Settlement and Settlement Class. Without limiting any term hereof, the parties understand and agree that Carnival would not enter into this Settlement Agreement were it not for the understanding that the Second Amended Complaint, the Released Claims, the *Borcea* Action, the *Stoycheva* Action and the *Stoycheva* Appeal are being fully and finally compromised, dismissed with prejudice and settled and that all Persons who are Settlement Class Members will be bound by this Settlement.

1.3 No Admission or Waiver. The Parties enter into this Settlement Agreement solely

to terminate all controversies regarding the matters settled and compromised, and to avoid expenses, inconvenience, and further litigation, without any admission of any liability whatsoever by Carnival. Neither this Settlement Agreement, any exhibit or document referenced herein, and/or attached hereto (all of which are an integral part of the Settlement and are hereby incorporated in their entirety by reference), nor any action taken to reach, effectuate, or further this Settlement Agreement or the Settlement set forth herein are, may be construed as, or may be used as an admission by or against the Parties or any of them, or any fault, wrongdoing or liability whatsoever as a waiver or limitation of any defenses otherwise available to the Parties or any of them, or as an admission, recognition or statement as to the proper calculation of damages.

2. SETTLEMENT BENEFITS.

2.1 Establishment of Settlement Fund. The Settlement Fund will be established as follows:

(a) Within three (3) days of the Order Granting Preliminary Approval, Carnival shall establish a Settlement Fund by depositing the sum of Six Million Two Hundred and Fifty Thousand Dollars (\$6,250,000) as a Settlement Fund into an interest bearing account with the Escrow Agent.

(b) Subject to the Court's approval, monies from the Settlement Fund shall not be disbursed except as expressly set forth in Section 2.2 below.

2.2 Payments From the Settlement Fund. Payments from the Settlement Fund shall be used only to cover expenses associated with the administration, maintenance and distribution of the Settlement Fund, including, but not limited to: (i) expenses associated with the mailings and distribution of Class Notice to all potential Settlement Class Members of the Settlement; (ii) payment of Attorney Fee and Expense Award to Class Counsel; and (iii) review and processing of claims and payment of approved claims to the Settlement Class Members. These payments shall be made as follows:

(a) Within ten (10) business days of an Attorney Fee and Expense Award or Final Approval, whichever is later, an amount equal to the Award shall be disbursed to Class Counsel.

(b) Within thirty (30) business days of Final Approval, payments to the Settlement

Class Members will be distributed to them in accordance with section 2.7(b), or if applicable, in accordance with the pro rata distribution provided in section 2.7(c) of this Settlement Agreement.

(c) Within ten (10) business days after all distributions provided in (a) and (b) of this section are completed and the expenses associated with the Administration of the Fund have been paid, any and all monies remaining in the Settlement Fund, including interests earned until the date of Final Approval shall be returned to Carnival. Any interests earned from the date of Final Approval until completion of all distributions authorized under this Settlement Agreement shall be part of the Fund.

2.3 Payment of Taxes. Carnival shall have no obligation under this Settlement Agreement to calculate, withhold, and pay taxes on payments made pursuant to this Settlement Agreement, unless expressly required by law. The Settlement Class Members agree that they shall be solely responsible for the payment of all applicable state, federal and local taxes with respect to the settlement amount described in this Settlement Agreement and will assume full liability with respect to any such payments and obligations.

2.4. Nomination of Claims Administrator. With their request for preliminary approval of the settlement agreement, the Parties shall jointly nominate _____ to serve as a neutral Claims Administrator. The Claims Administrator shall: (i) oversee the preparation and distribution of Notice materials to the Class Members; (ii) process claims pursuant to this Agreement; (iii) determine the Class Members' eligibility to receive payment under the terms of this Agreement; (iv) calculate the amounts to be paid on any properly submitted claim; (v) distribute appropriate administrative, Class Counsel's legal fees and costs and notice expenses from the Fund and (vi) oversee distributions from the Net Settlement Fund to Class Members.

2.5 Publication of Class Notice. The Parties agree that Class Notice shall be given to the Class Members as follows:

(a) Inclusion of the Class Notice in the pay materials given to Carnival's current shipboard employees during one pay period.

(b) Mailing of the Class Notice to non-current employees' last known address, to the extent Carnival has retained such address in its records, and such address is not inordinately difficult or costly to ascertain. Mailings will also be sent to any current employee who is not

scheduled to work aboard a Carnival ship during the notice period. No Class Notice will be mailed to those employees who are subject to notice by virtue of subsection (a) above.

2.6 Claims Procedure. The claims procedure will work as follows:

(a) Each Settlement Class Member shall submit to the Claims Administrator a Proof of Claim and Release, signed under penalty of perjury, in the form attached to this Agreement as Exhibit D. The Claims Administrator shall determine the validity of each Proof of Claim and Release in accordance with the provisions set forth below. However, in no event shall the Claims Administrator make any final determination as to any Proof of Claim and Release until after the time has passed for Class Counsel to submit its objections, as set forth in Section 2.06(g) below. The Proof of Claim and Release shall be submitted such that the Claims Administrator shall receive it within 90 days (or within 120 days if post marked by the 90th day) of the date on which the Class Notice is mailed to the Class. If the postmarked date is illegible, it shall be deemed to have been postmarked by the 90th day.

(b) Any Settlement Class Member who fails to submit his or her Proof of Claim and Release within the period specified in (a) shall be forever barred from receiving any payments pursuant to this Agreement, but will in all other respects be subject to the provisions of this Agreement and will be deemed to have given the release contemplated by this Agreement.

(c) The Claims Administrator may reject a claim if Carnival's records show different service information than that supplied by the Settlement Class Member on the Proof of Claim and Release except that the Claims Administrator in such a case must approve the claim for the service period shown in Carnival's records.

(d) Any unsigned Proof of Claim and Release shall immediately be returned to the Settlement Class Member with a notice that the Proof of Claim and Release was unsigned and requesting that it be signed and returned within forty-five (45) days of the mailing of the returned unsigned Proof of Claim and Release and notice by the Claims Administrator to the Settlement Class Member. If not returned by the Settlement Class Member within this forty-five (45) day period this Proof of Claim and Release will be rejected as untimely. The Claims Administrator shall keep a record of all such receipts and returned mailings to the Settlement Class Members.

(e) Upon receipt of a Proof of Claim and Release that does not include the Settlement Class Member's service, the Claims Administrator shall determine the dates of service of the Settlement Class Member from Carnival's records. If Carnival's records are sufficient to make

such a determination, the Claims Administrator's determination based on such records will be determinative with respect to the dates of employment and positions held. If Carnival's records are not sufficient to make such a determination, the Claims Administrator shall return the Proof of Claim and Release to the Settlement Class Member along with a written notice, with a copy to Class Counsel, (i) advising the Settlement Class Member that the Proof of Claim and Release was missing the Settlement Class Member's service information, and what information was missing, (ii) requesting that the Settlement Class Member provide the missing information, and that the Proof of Claim and Release containing the information be returned to the Claims Administrator within forty-five (45) days of the mailing of such notice, and (iii) advising the Settlement Class Member that the Proof of Claim and Release will be rejected if it is not received by the Claims Administrator within this forty-five (45) day period with the request with the requested information. If the Settlement Class Member's Proof of Claim and Release, with the requested information, is not received by the Claims Administrator within this forty-five (45) day period, then the Settlement Class Member's Proof of Claim and Release will be rejected. The Claims Administrator shall keep a record of all such receipts and returned mailings to the Settlement Class Members.

(f) The Claims Administrator shall reject each Proof of Claim and Release that is from someone who is not a member of the Class, lacks the service information (subject to the process described above in 2.06(e)), is unsigned (subject to the process described in 2.06(d)), or is untimely. The service information supplied by the Settlement Class Member will be presumptively valid with respect to the dates of employment and positions held, provided, however, that service information supplied by the Settlement Class Member may be individually challenged by Carnival if Carnival's records reflect service information that is different from the information supplied by the Settlement Class Member. Within forty (45) days after the end of the 120 day period in (a) above, the Claims Administrator shall submit a report to the Class Counsel and Carnival's Counsel regarding its initial determination, stating what claims it intends to accept or reject, in whole or in part, and stating the total worked time periods accepted and total amounts to be paid for those time periods payable to the persons making the claims the Claims Administrator intends to accept.

(g) Class Counsel shall have thirty (30) days from their receipt of the report from the Claims Administrator described in section 2.06(f) to object to the initial determinations described

in such report and to provide such additional information as they deem appropriate to the Claims Administrator. The objections shall be made to the Magistrate Judge and the Magistrate Judge's ruling on the objection shall be final and not subject to appeal to the district court.

(h) If the Claims Administrator approves the claim of a Settlement Class Member, no notice of approval of the claim to the Settlement Class Member shall be required other than at the time that payment of the claim is made.

(i) The Claims Administrator shall send written notice to each person whose claim is rejected, in whole or part, giving the reasons for such rejection and indicating the person has the right to request a review by the Magistrate Judge so long as the request is in writing and is received by the Magistrate Judge within sixty (60) days of the date on which the decision by the Claims Administrator is mailed to the Settlement Class Member.

(j) The Magistrate Judge shall determine the process for determining requests for review by claimants, which determination shall be limited to whether the Claims Administrator abused its discretion in making the determination from which review is sought. Each such person making a claim shall be deemed to have submitted to the jurisdiction of the Court with respect to his or her claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such discovery will be limited to the person's status as a Settlement Class Member and the validity of the claim. All proceedings with respect to the administration, processing and determination of claims described by this Agreement, and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the Court. Class Counsel shall not be obligated to litigate any such claims. The Magistrate Judge's determinations shall be final and conclusive.

2.7 Distributions of the Settlement Fund. Each Settlement Class Member, upon completion and timely submission of a valid Proof of Claim and Release, and subject to the Court's final approval, shall be entitled to a payment that will depend upon the number of months the Settlement Class Member worked during the Settlement Class Period.

(a) Those Settlement Class Members who worked on the Vessels identified in section 1.1 during the period January 1, 2000 through the date of this Agreement will each be entitled to an amount according the following formula: for each Settlement Class Member the amount he or she shall be entitled to receive shall be determined by calculating the number of months the

Settlement Class Member worked during the Settlement Class Period divided by the total number of Class Member Work Months multiplied by the Net Settlement Fund.

(b) The Claims Administrator shall authorize payment of all approved claims as soon as it makes a final determination of the amounts to be paid and the persons to whom payments are to be made.

(c) If the sum of the total amount of all approved claims referred to in 2.07(a) above does not exceed the Net Settlement Fund, the Claims Administrator shall pay all of such claims. If the sum of the total amount of all approved claims referred to in 2.07(a) exceeds the Net Settlement Fund, such claims shall be reduced on a pro rata basis until the Net Settlement Fund is sufficient to pay all such claims, after which the Claims Administrator shall authorize payment of all such claims. Under no circumstances shall Carnival be required to pay anything in addition to the Net Settlement Fund to satisfy claims of Settlement Class Members or be required to pay anything in addition to the Settlement Fund to satisfy any obligation under this Agreement or the Final Judgment. Upon receipt of authorization from the Claims Administrator, the Escrow Agent shall make the authorized payments. If the sum of all approved claims is less than the Net Settlement Fund, all excess monies, including the interests for the time period provided in this Agreement, will be returned to Carnival in accordance with section 2.2(c) herein.

(d) Within thirty (30) days of the final determination provided for in 2.07(b) or, if applicable, the pro rata determination provided for in 2.07(c), the Claims Administrator shall mail payments to each of the persons to whom payments are to be made the amounts due to each such person.

(e) No Class Member shall have any claim against the Class Plaintiffs, Class Counsel, Carnival, Carnival's Counsel, the Claims Administrator, the Escrow Agent, or any of their respective agents with respect to the administration of claims.

2.08. Report on Payments. The Administrator will report payments made from the Settlement Fund as follows:

(a) Within twenty (20) days of each distribution of payments required pursuant to this Agreement, the Claims Administrator shall certify to the Court in a declaration, based on the personal knowledge of the declarant, and subject to penalties of perjury, that all distributions to the Settlement Class have been timely made, and shall serve a copy of the declaration on Class Counsel and Carnival's Counsel.

2.9 Objections to Settlement. Any person who meets the criteria to be a member of the Settlement Class but who fails to submit a proof of claim and wishes to object to the fairness, reasonableness or adequacy of this Settlement Agreement, including payments to Class Members and the award of attorney's fees and expense to Class Counsel shall file a written request for exclusion from the Class within ninety (90) days of the publication of class notice in the manner provided in section 2.5. Any such person has a right to appear and be heard at the hearing on the motion for entry of Final Judgment. Any such person may enter an appearance through counsel of such member's own choosing and such member's own expense or may appear on his own. However, no person shall be heard at the hearing on the motion for entry of Final Judgment unless on or before 21 days before the hearing on the motion for entry of Final Judgment such person has filed with the Clerk of the Court and served upon Class Counsel and Carnival's Counsel, notice in writing of an intention to appear at the hearing, together with copies of all papers, briefs and exhibits required to be submitted to the Court in advance of the hearing on the motion for entry of Final Judgment to support such objector's position. Only those persons who have filed and delivered valid and timely notices of objections and related pleadings substantiating their position will be entitled to be heard at the Settlement Hearing. Any person who fails to comply with the foregoing shall waive and forfeit any and all rights he or she may have to appear separately and/or to object, and shall be bound by all the terms of the Settlement Agreement and by all proceedings, orders and judgments in the *Borcea* Action, the *Stoycheva* Action and the *Stoycheva* Appeal. All Settlement Class Members who do not request exclusion from the Settlement pursuant to the procedure described in this paragraph shall be bound by all determinations and judgments in the *Stoycheva* Action concerning the Settlement, whether favorable or unfavorable to Settlement Class Members, including, but not limited to, the validity, binding nature and effectiveness of the releases set forth in this Settlement Agreement.

2.10 Right to Opt Out Within thirty (30) days after the expiration of the period for requesting exclusion from the Class, as provided in section 2.9 above, if five percent (5%) or more of the Class Members choose to opt out of the Settling Class as defined in this Agreement, Carnival, in its sole judgment, shall have the option to terminate this Agreement. Carnival's option to terminate or repudiate this Agreement shall be exercised, if at all, by filing with the Court and serving Class Counsel of record written notice of the election to terminate within the time specified above for the exercise of such option.

2.11 Finality of Claims Determinations. All claims determinations in accordance with the procedure set forth in section 2.6 above are final and conclusive against all Settlement Class Members. All Settlement Class Members whose claims are not approved shall be forever barred from receiving any funds from the Settlement Fund, but otherwise will be bound by all terms of this Agreement and the Final Judgment, including the releases provided for in those documents preventing them from bringing any action for the failure to pay adequate wages and the recovery of any type of wages against Carnival

2.12 Certification on Payments. Within thirty (30) days of the distribution of payments required pursuant to this Agreement, the Claims Administrator shall certify to the Court in a declaration, that all distributions to members of the Class have been timely made, and shall serve a copy of the declaration on Plaintiffs' Counsel and Carnival's Counsel.

2.13 Modifications to Carnival's Payment System. Carnival agrees to put in place the following systems and practices: (i) to make available to each employee, upon request, a print-out of Carnival's Fun Time report for any particular pay period; and (ii) to prepare its future employment agreements to include language explaining that the payment of tips and gratuities serve as substitute, and in lieu of extra-overtime wages.

2.14 Future Claims In consideration of this Settlement and Carnival's prospective relief, as part of the settlement, each Settlement Class Member agrees to the following:

(a) Each Settlement Class Member agrees to adhere to an administrative process for raising any future questions or disputes concerning any alleged failure to pay adequate wages and specifically releases all claims for inadequate wages earned prior to the date of the final judgment approving the settlement. Each Settlement Class Member additionally waives his or her right to bring or participate in any class action, group action, collective action, individual action, Seaman's Wage Act penalty claim or other litigation or claim against Carnival or any of its subsidiaries or affiliates for the failure to pay adequate wages as defined herein, subsequent to Final Approval.

(b) With respect to wages earned after the Final Judgment, each Settlement Class Member agrees that upon receipt of wages and pay stub or wage statement for a specified pay period, he or she will be on notice of Carnival's contention that it has paid the Class Member all wages (as defined in this Agreement) through the last date of the specified period and that the

employee's acknowledgement that he or she has received full payment of the wages reflected in the pay-stub will release Carnival from any claim such employee may bring against Carnival for the failure to pay adequate wages during the pay period stated in the pay-stub, unless the employee follows the administrative process set forth in subsections (c) and (d).

(c) Each Settlement Class Member further agrees that before bringing any claims for failure to pay adequate wages following the entry of Final Judgment, the Class Member must first notify Carnival within ten (10) days of the receipt of the wage statement by filing a claim through Carnival's grievance process and must specify the exact amount of wages that the Class Member claims to be owed for the specified period and the basis for the claim.

(d) Each Settlement Class members further agrees to rely solely on Carnival's grievance process to bring any future wage claims. Should a class member not notify Carnival of a wage claim within ten (10) days of the receipt of a wage statement, the Class Member shall be deemed to have agreed that he or she has been fully paid the wages owed for the period specified in the wage statement and the Class Member will waive his or her right to bring any claim against Carnival for the failure to pay wages, as the term is described in this Settlement Agreement, for the pay period in question.

2.15 Time Barred Claims. Class Counsel and Carnival's Counsel agree that the Final Judgment will provide that all Class Members' claims against Carnival of the nature being released pursuant to this Agreement which relate to periods prior to the beginning of the Class Period are time barred.

2.16 Costs. Except as otherwise provided in this Agreement, the Parties shall bear all of their own costs and expenses associated with the prosecution and settlement of the *Borcea* Action, the *Stoycheva* Action and the *Stoycheva* Appeal.

2.17 Attorneys' Fees and Expenses. Class Counsel will apply for an award of attorneys' fees and expense, and Carnival reserves all rights to object to or oppose any fees or costs applied for by Plaintiffs' Counsel that exceed ____% of the Settlement Fund. Within ten (10) days after Final Approval, the Escrow Agent shall pay from the Settlement Fund the amount awarded by the Court for attorneys' fees and expenses. The amount of attorney's fees and expense shall be deducted from the Settlement Fund. Court approval of the attorney's fees and expense is not a condition of the Settlement.

2.18. Releases. As part of the consideration for this Agreement, the Class Members shall provide full and complete releases of any and all claims as described in Section 4.01, below.

2.19 Stay and Limited Remand of the *Stoycheva* Appeal Within five (5) days of execution of this Settlement Agreement, the parties in the *Stoycheva* Appeal shall perform the following:

(a) Jointly request that the Eleventh Circuit Court of Appeals stay further appellate proceedings pending the district court's approval of the settlement agreement. The motion should explain that the parties have reached a settlement, that they intend to seek certification of the class for settlement purposes, and desire to have the district court approve the Settlement Agreement.

(b) Jointly request a limited remand of the action to the Court for the limited purpose of obtaining the Court's Approval of the Settlement Agreement and accomplishing the objectives set forth in the Settlement Agreement.

2.20 Continued Stay of the *Borcea* Action. Within five (5) days of execution of this Settlement Agreement, the plaintiffs in the *Borcea* Action shall seek to modify the stay of the *Borcea* Action to extend until the Parties obtain Final Approval of the Settlement Agreement. If the Court denies the request for Final Approval of the Settlement Agreement and the *Stoycheva* Action returns to the Eleventh Circuit for final disposition of the *Stoycheva* Appeal, then the stay of the *Borcea* Action should extend until the Eleventh Circuit rules on the merits of the appeal. If the Court approves the Settlement Agreement, the parties shall seek dismissal of the *Borcea* with prejudice within five (5) days from the entry of Final Judgment. Carnival agrees that dismissal of the *Borcea* Action shall not preclude the Settlement Class Members in that case from receiving the payments contemplated by this Settlement Agreement or from participating in the claims administration process contemplated by this Settlement Agreement.

2.21 Disposition of the *Stoycheva* Action Within five (5) days after a limited remand of the action from the Eleventh Circuit to the Court, the Plaintiffs in the *Stoycheva* Action will file an unopposed Motion for Leave to File Second Amend Complaint and will attach the Second Amended Complaint to that Motion. The Second Amended Complaint shall allege such facts, and include such parties, as would be necessary to obtain certification of the Settlement Class, as

that term is described therein, and to achieve the purposes contemplated by this Settlement Agreement, including, but not limited to obtaining Final Approval of this Settlement Agreement.

2.21 Stay of Other Proceedings The Parties agree that all proceedings in the *Stoycheva* Action and all Released Claims, as described in this Settlement Agreement, currently being asserted by or on behalf of any Settlement Class Member in any forum must be ordered stayed by the Court to include, without limitation, *Woods et. al., v. Carnival Corporation*, United States District Court Central District of California, Case No. CV-06-1204-JSL. The Parties agree to jointly request such a stay within five (5) days of the execution of this Settlement Agreement. The Parties further agree that pending final determination of whether the Settlement should be approved, neither the Representative Plaintiff nor any Settlement Class Member, either directly, representatively or in any other capacity, nor any person or entity allegedly acting on behalf of Settlement Class Members, shall commence or prosecute against Carnival, or against any of the other Released Persons, any action or proceeding in any court or tribunal asserting any of the Released Claims as described in this Settlement Agreement. Such stay, however, shall not apply to individual claims of any Settlement Class Members who timely exclude themselves in a manner that complies with this Settlement Agreement. The Parties acknowledge that a stay is necessary to protect and effectuate the Settlement, the Court's Preliminary Approval and the Court's flexibility and authority to effectuate the Settlement, to enter final judgment when appropriate, to aid the Court's jurisdiction and to protect the Court's judgments.

2.22 Request for Permanent Injunction The Parties agree to jointly request the Court to permanently enjoin Class Members from, among other things, filing, commencing, prosecuting, intervening in, participating in (as class members or otherwise) or receiving any benefits from any lawsuit, administrative, or regulatory proceeding or order in any jurisdiction based on any or all Released Claims against Carnival or one or more Released Persons. The Parties will likewise request the Court to enter an order barring and enjoining all putative class members from commencing or prosecuting any action asserting any Released Claims in any court. The Parties agree that Carnival shall be entitled to attorney's fees should Carnival be forced to defend any claim with a wage component brought in the future by any Class Member in any forum.

3. EFFECT OF ENTRY OF FINAL JUDGMENT

3.1 Final Judgment. No later than ten (10) days before the Fairness Hearing, the Parties shall furnish the Court a proposed Final Judgment Requesting on behalf of the Parties entry of the Final Judgment in this Action at the Fairness Hearing.

3.2 Release and Covenant Not to Sue. Representative Plaintiffs and Settlement Class Members hereby agree that upon entry of a Final Judgment they shall forever release, remise, acquit, satisfy, and discharge Carnival and all other Released Persons from any and all claims that any one or more of them had, now has or in the future will or may have involving the failure to pay adequate wages or a component of wages (“Released Claims”).

3.3. Release and Released Claims. Without limiting the generality of the foregoing, it is agreed that Carnival and all other Released Persons are released, remised, acquitted, satisfied, and discharged of and from any and all of the Released Claims whatsoever relating to Carnival’s failure to pay adequate wages. The “failure to pay adequate wages” for the purposes of this Settlement Agreement includes, without limitation, the failing to pay adequate base wages, overtime wages, extra overtime wages, minimum wages, tips or gratuities, time keeping errors or miscalculations, claims of inadequate or fraudulent time keeping records and any claim of any kind that relates to wages and/or any component of wages to which a Carnival employee might be entitled as a result of working at any given period for Carnival under federal law, Florida law, Panamanian law, Bahamian law, any state law, or the law of any other flag country under which a Carnival vessel is registered in the future.

3.4 Agreement Not to Sue. Without limiting the generality of any provision herein, each Representative Plaintiff and Settlement Class Member hereby expressly agrees that they, acting individually or together, shall not see to institute, maintain, prosecute, sue or assert any action or proceeding relating to any of the Released Claims.

3.5 Release Covers Fees and Costs. Except as otherwise expressly provided herein, and without in any way limiting the scope of this foregoing release and covenant not to sue, the foregoing release and covenant not to sue cover, without limitation, any and all claims for attorneys’ fees, expenses, costs or disbursements incurred by Class Counsel and any other counsel representing Representative Plaintiffs or Settlement Class Members, or by Representative Plaintiffs or the Settlement Class Members, or any of them, in connection with or

related in any manner to the Action, the Litigation, this Settlement Agreement, the Settlement, and/or the administration of such Settlement.

3.6 Subsequent Discovery of Facts. In connection with this release and covenant not to sue, Representative Plaintiffs and the Settlement Class Members acknowledge that they are aware that they may hereafter discover facts, actions, allegations, claims and causes of action presently unknown or unsuspected, or facts in addition to or different from those which they now know or believe to be true with respect to the matters released herein. Nevertheless, it is the purpose of this Settlement Agreement and the intention of Representative Plaintiffs and the Settlement Class Members to settle and release such matters, and all actions, causes, causes of action and claims relating thereto, which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any action).

3.7 Final Resolution. Nothing in this section is intended to limit the generality of the release and covenant not to sue set forth above. It is the purpose and intent of this Settlement Agreement that all claims, actions and causes of action by Representative Plaintiffs and Settlement Class Members alleging Carnival's Failure to Pay Wages, as the term has been described herein, shall forever be barred. The doctrines of *res judicata* and collateral estoppel shall apply to all Settlement Class Members with respect to all issues of law and fact and matters of relief within the scope of the Complaint, the Amended Complaint, the Released Claims, and this Settlement Agreement, except as otherwise expressly provided in this Settlement Agreement. If a Person seeks, in a separate action or proceeding, relief that would be inconsistent with the terms of this Settlement Agreement, Carnival or any Released Party may by affidavit or otherwise in writing, advise the other Parties and the court or other forum in which such action or proceeding is brought, that such relief in that action or proceeding is unwarranted. If requested by Carnival or any Released Party, Representative Plaintiffs or Class Counsel shall also advise the Court or other forum in which such action or proceeding is brought, in writing, that such relief in that action or proceeding is unwarranted. Provided that, since this Settlement Agreement provides for review by the Court, any of the Parties hereto may recommend that matters raised in such separate action or proceeding should be submitted to the Court for resolution under the terms of this Settlement Agreement.

3.8 Failure to Receive Notice. The failure of any Settlement Class Member to receive

Notice or any other document as described in this Settlement Agreement shall not be a basis for invalidating the Settlement, this Settlement Agreement, any order entered pursuant thereto, or any of the exhibits or documents referenced herein, and/or attached hereto, and the settlement shall nevertheless be binding and the Final Judgment effective in accordance with its terms.

3.9 Survival of Employment Agreements. Nothing in this Settlement Agreement or any exhibit or document referenced herein or attached hereto shall relieve any Settlement Class Member from his, her, or their obligation to comply with the Seafarer's Agreement or any other employment agreement executed or to be executed by the Settlement Class Member as a condition of employment with Carnival.

4 ADDITIONAL TERMS

4.1 Public Statements Representative Plaintiffs and Class Counsel shall not issue any press release or other public statements or otherwise disseminate to the press, the electronic or broadcast media, or to any person or entity not a party to this agreement any information regarding the Settlement, except in accordance with a court-approved plan for dissemination of notice and as necessary to obtain approval of the Settlement by the Court. No public statements whatsoever will be made prior to application for preliminary approval. All inquiries from non-Settlement Class Members shall be responded to only by reference to information in the public record. Any and all drafts of this Settlement Agreement and other settlement documents shall remain confidential and shall not be disclosed or duplicated except as necessary to obtain court approval.

4.2 Strict Performance; No Waiver. Any failure by any of the Parties to insist upon the strict performance by any of the other Parties of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions of this Settlement Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Settlement Agreement.

4.3 Best Efforts. The Parties shall cooperate fully with each other, and shall use their best efforts to obtain court approval of this Settlement Agreement and all of its terms.

4.4 Other Proceedings. Without limiting the generality of any other term hereof, neither Representative Plaintiffs nor Settlement Class Members, nor Class Counsel shall

institute, refer, investigate or pursue any civil, criminal, grand jury, regulatory or administrative proceedings against Carnival or any Released Person, based on the allegations of the Complaint or the Amended Complaint or a failure to pay adequate wages.

4.5 Arm's Length Transaction - Severability. The Parties have negotiated all the terms and conditions of this Settlement Agreement at arm's length. The exact wording, language, form and structure of the exhibits also have been negotiated at arm's length. All terms, conditions, and exhibits in their exact form are material to this Settlement Agreement and have been relied upon by the Parties in entering into this Settlement Agreement. In the event any provision contained in the Settlement Agreement shall for any reason be held by a court of competent jurisdiction to be invalid or unenforceable or if the court materially modifies, adds to or alters any provision, condition or exhibit of the Settlement Agreement that is intended to confer a benefit to Carnival, Carnival, in its sole discretion, may elect to sever such invalid, illegal, unenforceable, or altered provision from the agreement without affecting any other provision.

4.6 Joint Participation. Each Party participated jointly in the drafting of this Settlement Agreement, and therefore the terms of this Settlement Agreement are not intended to be construed against any Party by virtue of draftsmanship.

4.7 Counterparts. This Settlement Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

4.8 Facsimile Signatures. Any Party may execute this Agreement by signing their name on the designated signature block below, and transmitting that signature page via facsimile to opposing counsel. Any signature made and transmitted by facsimile for the purpose of executing this Agreement, shall be deemed an original signature for purposes of this Agreement, and shall be binding upon the Party transmitting their signature by facsimile.

4.9 Beneficiaries. This Settlement Agreement, and the Settlement contemplated herein, shall inure to the benefit of the Released Persons who are not Parties (the "Beneficiaries") as well as the Parties. The Parties each acknowledge that this Settlement Agreement is being entered into for the benefit, among others, of the other above-referenced Beneficiaries, and agree that the provisions of this Settlement Agreement may be enforced and relied on by the

Beneficiaries in their own right without the aid or participation of Carnival or any other signatory to this Settlement Agreement. The Beneficiaries are intended third party beneficiaries of this Settlement Agreement.

4.10 No Other Third-Party Beneficiaries. Except as set forth in the preceding section, this Settlement Agreement shall not be construed to create rights in, or to grant remedies to, or delegate any duty, obligation or undertaking established herein to any third party as a beneficiary to this Settlement Agreement.

4.11 Further Acts. Each of the Parties, upon the request of any other of the Parties hereto, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Settlement Agreement.

4.12 Captions. The captions or headings of the sections and paragraphs of this Settlement Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Settlement Agreement.

4.13 Governing Law. Any issue or matter related to or arising out of this Settlement Agreement, including, without limitation, the construction and interpretation of its terms, that would be governed by state law shall be governed by and interpreted according to the substance and law of the State of Florida, excluding its conflict of laws provisions. Any action that seeks to enforce any aspect of this Settlement Agreement shall be brought in the United States District Court for the Southern District of Florida.

4.14 Notice. Except as otherwise set forth herein, whenever this Settlement Agreement requires or contemplates that the Parties, or any of them, shall or may give notice to the other, notice shall be provided as follows:

If to Representative Plaintiffs or Settlement Class Members, then to:

Harley Tropin
Kozyak Tropin & Throckmorton
2525 Ponce de Leon Blvd. 9th Floor
Coral Gables Fl 33134

and

Julio Ayala
Crewmember and Maritime Advocacy Center

169 E. Flagler Street
Suite 1620
Miami, Florida 33131

and

David W. Brill
Downs Brill Whitehead & Sage
One Southwest 129th Avenue, Suite 305
Pembroke Pines, Florida 33027

If to Carnival, then to:

Marty Steinberg & Thomas Julin
Hunton & Williams
1111 Brickell Avenue - Suite 2500
Miami, Florida 33131

and

Arnaldo Perez
Sr. Vice President and General Counsel
Carnival Corporation
3655 N. W. 87th Ave.
Miami, FL 33178

4.14 Computation of Time. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Settlement Agreement or by order of Court, the day of the act, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a legal holiday, or, when the act to be done is the filing of a paper in court, a day in which weather or other conditions have made the office of the Clerk of the Court inaccessible, in which event the period shall run until the end of the next day that is not one of the aforementioned days. Each of the Parties reserves the right, subject to the Court's approval, to seek any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement, and to modify or supplement any notice contemplated hereunder.

4.16 Entire Agreement; Waiver, Modification, Amendment. No representations, warranties, or inducements have been made to any of the Parties to this Settlement Agreement, other than those representations, warranties, and covenants expressly set forth in this Settlement

Agreement. This Settlement Agreement and the exhibits attached hereto constitute the entire agreement between the Parties with regard to the subject matter contained herein, and all prior negotiations and understandings between the Parties shall be deemed merged into this Settlement Agreement. The Parties agree that they are not relying on any representation other than those in this Agreement. No waiver, modification, or amendment of the terms of this Settlement Agreement, other than extensions of time agreed to by the parties, made before or after the Court's approval of this Settlement Agreement shall be valid or binding unless in writing, signed by all Parties, and then only to the extent set forth in such written waiver, modification, or amendment. Unless the Court orders that such a waiver, modification, or amendment of the terms of this Settlement Agreement materially affects the rights of the Settlement Class Members, no subsequent notice shall be required.

4.17 Authority of Signators. The person signing this Settlement Agreement on behalf of each party represents, warrants, and covenants that he or she has the authority to sign this Settlement Agreement on behalf of the party and bind the party to the Settlement Agreement. Each signer further represents that his or her signature binds the party to the terms and conditions of this Settlement Agreement.

4.18 Attorneys Consulted. The parties have fully discussed the terms of and meaning of the signing of this Settlement Agreement with their respective attorneys and fully understand all of the provisions and effects of this Settlement Agreement.

4.19 Force Majeure. No party shall be responsible for any delay or failure in performing any part of this Agreement when it is caused by fire, flood, explosion, war, strike, embargo, government requirement, civil or military authority, act of God, act or omission of carriers or other similar causes beyond its control (collectively called "Condition"). If any such Condition occurs, the party delayed or unable to perform shall give immediate notice to the other party.

COUNSEL FOR THE CLASS PLAINTIFFS

Dated: _____, 2006

Kozyak Tropin & Throkmorton

By:

Harley Tropin

Dated: _____, 2006

By:

[Continued on next page]

COUNSEL FOR CARNIVAL

Dated: March , 2006

HUNTON & WILLIAMS LLP

By:
Marty Steinberg

IN WITNESS WHEREOF, this Settlement Agreement has been executed by the Parties hereto in multiple counterparts, each of which shall be deemed an original.

_____, individually
and Representative Plaintiff on Behalf of the
Settlement Class

State of Florida)
) ss.
County of Miami-Dade)

Sworn to and subscribed before me this ____ day of
____, 2006, by _____, who is personally
known by me or who produced a Florida driver's license as
identification.

Notary Public - State of Florida

My Commission Expires:

An Authorized Representative
of Carnival Corporation

State of Florida)
) ss.
County of Miami-Dade)

Sworn to and subscribed before me this ____ day of
____, 2006, by _____, who is
personally known by me or who produced a Florida
driver's license as identification.

Notary Public - State of Florida

My Commission Expires: