

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-16575

| | |
|--|---|
| In the Matter of | : |
| | : |
| | : |
| Computer Sciences Corporation, | : |
| Michael Laphen, Michael Mancuso, | : |
| Wayne Banks, Claus Zilmer, and Paul | : |
| Wakefield, | : |
| | : |
| Respondents. | : |

PLAN OF DISTRIBUTION

A. Introduction

1. The Division of Enforcement has prepared this plan of distribution (the “Plan”) pursuant to Rule 1101 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Rules”), 17 C.F.R. § 201.1101. As described more specifically below, the Plan provides for the distribution of funds collected in the above-captioned matter to compensate investors harmed by securities violations of Computer Sciences Corporation (“CSC”), Michael Laphen (“Laphen”), Michael Mancuso (“Mancuso”), Wayne Banks (“Banks”), Claus Zilmer, and Paul Wakefield (collectively, the “Respondents”) as described in the Order.¹

2. The Commission’s Order arose out of substantially similar facts and occurred during the same time period as the violations alleged in a related class action (“Class Action”).²

¹ See Order Instituting Public Administrative and Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Sections 4C and 21C of the Securities Exchange Act of 1934, and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, Securities Act Rel. No. 9804 (June 5, 2015).

² *In re Computer Sciences Corporation Securities Litigation*, 11-cv-00610 (E.D. Va. 2011).

The Order found that from 2009 to 2011, CSC engaged in a wide-ranging accounting and disclosure fraud that materially overstated its earnings and concealed from investors significant problems with its multi-billion dollar contract with the United Kingdom's National Health Service.

3. Pursuant to the Order, CSC paid a civil money penalty of \$190,000,000.00; Laphen paid a civil money penalty of \$750,000.00; Mancuso paid a civil money penalty of \$175,000.00; and Banks paid disgorgement of \$10,990.00 and prejudgment interest of \$2,400.00. The Order created a Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, for the monies paid by the Respondents for the distribution to harmed investors ("Computer Sciences Fair Fund" or "Fair Fund").

4. In two related district court actions, pursuant to their respective, final judgments, Robert Sutcliffe (a/k/a Wilfred Robert Sutcliffe) ("Sutcliffe") paid disgorgement of \$6,003.33 and prejudgment interest of \$1,060.62³ and Edward Parker paid disgorgement of \$2,800.00 and prejudgment interest of \$750.00⁴ to the Commission, which was transferred into the Computer Sciences Fair Fund for distribution with the funds therein.

5. In total, \$190,948,983.95 was paid into the Computer Sciences Fair Fund.⁵ The Commission has jurisdiction of the Fair Fund and shall retain control of the assets of the Fair Fund. The Fair Fund is currently deposited in a Commission designated interest-bearing account at the United States Department of the Treasury, where it will be held until a disbursement is ordered. It is not anticipated that the Fair Fund will receive additional funds, other than accumulated interest and earnings from investments.

³ *Securities and Exchange Commission v. Wilfred Sutcliffe*, 15-cv-4340 (S.D.N.Y. 2015).

⁴ *Securities and Exchange Commission v. Edward Parker*, 15-cv-4341 (S.D.N.Y. 2015).

⁵ There was a \$20.00 shortfall in the amount paid by Sutcliffe, which was written off by the Office of Financial Management, pursuant to their applicable delegated authority, 17 C.F.R. § 200.30-4(a)(15).

6. The Commission appointed Damasco & Associates LLP,⁶ as the tax administrator (“Tax Administrator”) of the Fair Fund on July 30, 2015.⁷

7. The Commission issued an order appointing Garden City Group, LLC (“GCG”) as the fund plan administrator (“Fund Administrator”) of the Fair Fund on June 22, 2016.⁸ Pursuant to the order, GCG obtained a bond in accordance with Rule 1105(c), 17 C.F.R. § 201.1105(c), in the amount of \$190,948,983.95. The bond premium will be paid from the Fair Fund.

8. All reasonable administrative costs and expenses of the distribution, including the fees and expenses of the Fund Administrator and Tax Administrator will be paid from the Fair Fund. The Fund Administrator will submit invoices to Commission staff for approval by the Commission, pursuant to the Rules.

9. The Plan sets forth the methodology and procedures for distributing the Net Available Fair Fund, as defined below. The allocation methodology is substantially similar to the court-approved methodology developed for the Class Action. The Fund Administrator and Commission staff have concluded that distributing funds pursuant to the Plan, including but not limited to its Recognized Claim calculation and *pro-rata* distribution formula, is a fair and reasonable way to compensate investors injured as a result of the respondents’ misconduct.⁹

⁶ As of October 1, 2016, Damasco & Associates LLP became a part of Miller Kaplan Arase LLP. The firm’s engagement with the SEC and its ability to carry out its duties as appointed Tax Administrator for this matter has not changed.

⁷ See Order Appointing Tax Administrator, Exchange Act Rel. No. 75573 (July 30, 2015).

⁸ See Order Appointing Fund Plan Administrator and Setting Bond Amount, Exchange Act Rel. No. 78133 (June 22, 2016).

⁹ Consistent with the approach used by district courts when considering whether to approve a distribution plan, the Commission’s objective is to distribute Fair Funds and Disgorgement Funds in a fair and reasonable manner, taking into account relevant facts and circumstances. See *Official Committee of Unsecured Creditors of WorldCom, Inc. v. SEC*, 467 F.3d 73, 82 (2d Cir, 2006), citing *SEC v. Wang*, 944 F.2d 80, 88 (2d Cir. 1991).

10. The Plan has been approved by the Commission, and the Commission retains jurisdiction over the implementation of the Plan.

B. Definitions

As used herein, the definitions below shall apply. The timeline as set forth in Exhibit A attached hereto illustrates the key dates associated with the distribution process.

11. “Claim Deficiency Notice” shall mean the notice sent by the Fund Administrator to a Claimant whose claim is deficient in one or more ways (*e.g.*, failure to provide required information or documentation). This notice shall advise the Claimant of the reason(s) for the deficiency and give an opportunity to cure such deficiency. The Claim Deficiency Notice shall be sent within 60 days after the Claims Bar Date (195 days after Plan approval). Subject to certain extensions provided for in the Plan, the deadline to cure deficiencies shall be 30 days from the date of the Claim Deficiency Notice (225 days after Plan approval).

12. “Claimant” shall mean anyone who files a claim, including all Class Action Authorized Claimants, Class Action Deficient Claimants and Potentially Eligible Claimants.

13. “Claims Bar Date” shall mean the filing deadline date established in accordance with the Plan by which a Proof of Claim Form must be received by the Fund Administrator to avoid the barring of any right of a Claimant to participate in the distribution of the Computer Sciences Fair Fund. The Claims Bar Date shall be 90 days after the Fund Administrator’s mailing of the Notices (135 days after Plan approval). Proof of Claim Forms received after the Claims Bar Date will *not* be reviewed and evaluated, unless Commission staff so directs the Fund Administrator.

14. “Claims Determination Date” shall mean the date on which the Fund Administrator shall mail Determination Notices to each Claimant who has filed a Proof of Claim

Form. Claims Determination Date is 150 days after mailing the Claim Deficiency Notices (345 days after Plan approval).

15. “Class Action” shall mean the *In re Computer Sciences Corporation Securities Litigation*, Civ. No. 11-cv-00610 (E.D. Va. 2011).

16. “Class Action Authorized Claimants” shall mean persons or entities who filed approved claims in the Class Action. Such persons or entities are automatically deemed Eligible Claimants with respect only to those transactions as to which a claim was previously authorized in the Class Action and are not required to submit a Proof of Claim Form pursuant to the Plan, unless they wish to amend their claim approved in the Class Action to include additional transactions.

17. “Class Action Authorized Claimants Notice” shall mean the notice that is sent to Class Action Authorized Claimants. This notice shall inform Class Action Authorized Claimants that they will automatically be deemed an Eligible Claimant under the Plan, with respect to the transactions in the Class Action for which their claim was previously approved, so long as their approved transactions calculate to a Recognized Claim equal to or exceeding the Distribution De Minimis Amount. This notice shall also inform Class Action Authorized Claimants that should they wish to amend the claim approved in connection with the Class Action to include additional transactions, they may do so by submitting a revised Proof of Claim Form, along with documentation supporting the additional transactions; all such amendments will be reviewed for eligibility in accordance with the Plan. The Class Action Authorized Claimants Notice shall be mailed 45 days after Plan approval.

18. “Class Action Deficient Claimants” shall mean persons or entities who filed claims in the Class Action whose claims were determined to be deficient and who failed to cure

such deficiencies in the Class Action.

19. “Class Action Deficient Claimants Notice” shall mean the notice that is sent to Class Action Deficient Claimants. This notice shall inform Class Action Deficient Claimants that they have an opportunity to cure the deficiencies in their Class Action claim by providing the required information and/or documentation. If receipt of such information and/or documentation cures their claim, Class Action Deficient Claimants will be deemed Eligible Claimants under the Plan, so long as their Recognized Claim equals or exceeds the Distribution De Minimis Amount. The Class Action Deficient Claimants Notice shall be mailed 45 days after Plan approval.

20. “Computer Sciences Fair Fund” or “Fair Fund” shall refer to fund created by the Commission pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, for the benefit of investors harmed by the Respondents’ securities violations discussed in the Order.

21. “Days” shall mean calendar days, unless specified otherwise.

22. “Determination Notice” shall mean the notice, mailed by United States First Class Mail, to each Claimant who has filed a Proof of Claim Form setting forth the Fund Administrator’s conclusion concerning the eligibility of such claim. Determination Notices shall be mailed within 150 days after mailing the Claim Deficiency Notices (345 days after Plan approval).

23. “Distribution De Minimis Amount” is \$10.00. No Eligible Claimant shall receive a distribution payment unless his, her or its Recognized Claim calculated pursuant to the Plan of Allocation, attached as Exhibit B, results in a payment that is equal to or greater than \$10.00.

24. “Eligible Claimants” shall mean persons (other than Excluded Parties) who purchased, acquired, or were gifted as compensation Eligible Securities during the Relevant Period, including all Class Action Authorized Claimants, who have a Recognized Claim equal to

or greater than the Distribution De Minimis Amount.

25. “Eligible Securities” shall mean CSC common stock.

26. “Excluded Parties” shall mean (a) Respondents; (b) members of the immediate family (spouse or children) of any Respondent; (c) any person who was an officer or director of CSC during the Relevant Period; (d) any firm, trust, corporation, officer, or other entity in which any Respondent has or had a controlling interest; and (e) CSC’s directors’ and officers’ liability insurance carriers, and any affiliates or subsidiaries thereof. The Proof of Claim Form will require Claimants to certify that that they are not an Excluded Party.

27. “Fund Administrator” shall mean GCG, the firm appointed by the Commission to administer the Plan.¹⁰

28. “Net Available Fair Fund” shall mean the Computer Sciences Fair Fund, less any taxes that may be assessed against the Computer Sciences Fair Fund and any approved fees and expenses of the Fund Administrator and Tax Administrator, plus any accumulated interest and earnings from investments thereon.

29. “Notice” shall mean the Class Action Authorized Claimants Notice, the Class Action Deficient Claimants Notice, or the Potentially Eligible Claimants Notice (collectively, “Notices”).

30. “Payee List” shall mean a list of Eligible Claimants, each Eligible Claimant’s Recognized Claim, and relevant contact information.

31. “Plan of Allocation” shall be the methodology used to calculate a Recognized Claim for an Eligible Claimant as set forth in Exhibit B attached hereto. The Plan of Allocation is substantially similar to the plan of allocation in the Class Action.

¹⁰ GCG is also the claims administrator in the Class Action.

32. “Potentially Eligible Claimants” shall mean those persons or entities whose names and addresses are in GCG’s Class Action database, but who never filed a claim in the Class Action and any other persons asserting that they have a possible eligible claim to recover from the Fair Fund.

33. “Potentially Eligible Claimants Notice” shall mean the notice mailed to Potentially Eligible Claimants. This notice shall inform Potentially Eligible Claimants that they must submit a Proof of Claim Form and supporting documentation in order to participate in the distribution of the Fair Fund. The Potentially Eligible Claimants Notice shall be mailed 45 days after Plan approval.

34. “*Pro Rata Share*” is a computation intended to measure Eligible Claimants’ Recognized Claims against one another. Should the total Recognized Claims of all Eligible Claimants exceed the Net Available Fair Fund, the Fund Administrator will distribute funds to the Eligible Claimants based upon a *pro rata* distribution formula. The Fund Administrator shall determine each Eligible Claimant’s *Pro Rata Share* of the Fair Fund based upon each Eligible Claimant’s Recognized Claim divided by the total of all Recognized Claims of all Eligible Claimants, multiplied by the total amount in the Net Available Fair Fund.

35. “Proof of Claim Form” shall mean the form designed by the Fund Administrator in accordance with the terms of the Plan for the filing of a claim, and approved by Commission staff, which form shall require, at a minimum, sufficient documentation of all claimed transactions. Proof of Claim Forms will be available on the website established in connection with the Fair Fund. Claimants may also request a Proof of Claim Form from the Fund Administrator via mail, email or by calling the toll-free telephone helpline established for the Fair Fund.

36. “Recognized Claim” shall be the Eligible Claimant’s compensable allocation amount, provided it is equal to or greater than the Distribution De Minimis Amount, calculated pursuant to the methodology in the Plan of Allocation, as set forth in Exhibit B attached hereto.

37. “Rejection Notice” shall mean the notice sent by the Fund Administrator to a Claimant stating the Fund Administrator’s determination that the Claimant is not eligible to participate in the distribution of the Fair Fund.

38. “Relevant Period” shall mean from August 5, 2008 through December 27, 2011, inclusive; this is the same relevant period as the Class Action. The earliest misstatements alleged in the Order (¶ 85) were the false statements made in its Form 10-Q for Q1 of FY 2009 (covering April-June 2008), which CSC filed on August 13, 2008.

39. “Tax Administrator” shall mean Damasco & Associates LLP,¹¹ the tax administrator appointed by the Commission.

C. Allocation of the Net Available Fair Fund Amongst Eligible Claimants

40. The Net Available Fair Fund shall be distributed to Eligible Claimants as provided under the terms of the Plan of Allocation, attached as Exhibit B hereto.

41. The Net Available Fair Fund shall be distributed on a *pro rata* basis, provided that an Eligible Claimant’s Recognized Claim equals or exceeds the Distribution De Minimis Amount.

D. Administration of the Claims Procedure

General Administration Provisions

42. The Fund Administrator shall oversee the administration of the claims, procedures, and distribution as provided in this Plan. The Fund Administrator shall review all

¹¹ *Supra* fn. 6.

submitted claims and supporting documentation and make determinations under the criteria established herein as to the eligibility of Claimants to recover monies and the amount of money to be distributed from the Net Available Fair Fund to Eligible Claimants.

43. Any claim asserted by a Class Action Deficient Claimant, a Potentially Eligible Claimant, or a Class Action Authorized Claimant wishing to amend the claim approved in the Class Action shall be in writing and shall provide adequate documentary evidence to substantiate the claim, including all documentary evidence that the Fund Administrator deems necessary or appropriate, including, but not limited to, if available, account statements and trade confirmations.

44. The receipt of Eligible Securities during the Relevant Period by gift, transfer, inheritance, devise, or operation of law shall not otherwise be eligible to file a Proof of Claim Form with respect to such securities, and shall not be deemed the assignee of any claim relating to the purchase of such securities unless specifically so provided in the instrument of gift or assignment. However, the recipient of Eligible Securities as a gift, transfer, inheritance, devise or operation of law shall be eligible to file a Proof of Claim Form and participate in the distribution of the Fair Fund to the extent the particular donor or decedent as the actual purchaser of Eligible Securities would have been eligible under the terms of the Plan. However, the donee and the donor may not both make a claim with regard to the same Eligible Securities. If both the donor and the donee make such a claim, only the claim filed by the donee will be honored, assuming it is supported by proper documentation.

45. Regarding claims on behalf of a retirement plan covered by Section 3(3) of ERISA, 29 U.S.C. § 1002(3), which do not include Individual Retirement Accounts, and for which such claims are properly made by the custodian or fiduciary of the retirement plan and not

by the retirement plan's participants, the Fund Administrator shall distribute any payments on such claims directly to the custodian or fiduciary of the retirement plan. The distribution shall be accompanied by a list of retirement plan participants and the number of shares owned by each retirement plan participant, if that information is known to the Fund Administrator or provided to the Fund Administrator. The custodian or fiduciary of the retirement plan shall distribute any payments received in a manner consistent with its fiduciary duties and the governing account or retirement plan provisions. With respect to any retirement plan that has been closed prior to the Fund Administrator's identification of Eligible Claimants, the Fund Administrator shall endeavor to distribute funds directly to the beneficial account holders of such retirement plans if the information required for such a distribution is known to or provided to the Fund Administrator prior to the Claims Bar Date.

46. The Fund Administrator shall take reasonable and appropriate steps to distribute the Fair Fund according to the Plan. The Fund Administrator will inform Commission staff of any changes needed to the Plan. Upon agreement with Commission staff, the Fund Administrator may implement immaterial changes to the Plan to effectuate its general purposes. If a change is deemed to be material by Commission staff, Commission approval is required prior to implementation by amending the Plan.

47. The Fund Administrator may extend any procedural deadline contained in this Plan for good cause shown, if agreed upon by the Commission staff.

The Notices Process

48. Following the entry by the Commission of its order approving the Plan, the Fund Administrator shall:

- (a) design each of the Notices, which shall be submitted to Commission staff

- for review and approval;
- (b) create a mailing and claims database of all Class Action Authorized Claimants, Class Action Deficient Claimants, and Potentially Eligible Claimants based on the Fund Administrator's records from the Class Action;
 - (c) run a National Change of Address search to retrieve updated addresses for all records in the database;
 - (d) mail by United States First Class Mail a Notice, as applicable, to each Class Action Authorized Claimant, Class Action Deficient Claimant, and Potentially Eligible Claimant known to the Fund Administrator;
 - (e) establish and maintain a specific website devoted solely to the Fair Fund, located at www.ComputerSciencesFairFund.com (the "Fair Fund's Website"), which will contain the Plan approved by the Commission, the Notices, the Proof of Claim Form and other relevant documents;
 - (f) the Fund Administrator will also establish a link to the Fair Fund's Website from its own website, located at www.gardencitygroup.com/cases-info;
 - (g) provide a copy of the approved Plan and Notices to Commission staff for posting to its website and request that the Commission establish a link to the Fair Fund's Website;
 - (h) establish and maintain a traditional mailing address and an email address, which will be listed on all correspondence from the Fund Administrator;
- and

- (i) establish a toll-free telephone number by which Claimants can obtain information about the Fair Fund.

49. On an on-going basis, after the first Notices are mailed but before the Claims Bar Date, the Fund Administrator shall continue to supply the Notices and Proof of Claim Forms to persons who contact the Fund Administrator requesting a copy via mail, phone or email.

50. The Fund Administrator shall attempt to locate anyone whose Notice has been returned by the United States Postal Service (“USPS”) as undeliverable. The Fund Administrator shall immediately re-mail any returned undelivered mail for which the USPS has provided a forwarding address.

51. The Fund Administrator, with Commission staff approval, may engage a third-party search firm to conduct more rigorous searches for persons whose Notice is returned as undeliverable. Additional efforts to identify new addresses for returned undelivered mail will be conducted as necessary and economically reasonable after consultation with the Commission staff.

52. Unless extended by the Commission, the Claims Bar Date shall be no more than 90 days from the date of mailing of Notices.

53. To avoid being barred from asserting a claim, on or before the Claims Bar Date, each Class Action Authorized Claimant who chooses to amend their Class Action approved claim must submit a Proof of Claim Form with the documentation to the Fund Administrator supporting their amended claim. Further, any Class Action Deficient Claimant must submit to the Fund Administrator all required supporting documentation to cure their deficient Class Action claim, and any Potentially Eligible Claimant who did not file a claim in the Class Action must submit to the Fund Administrator a properly completed Proof of Claim Form together with all

required supporting documentation. The Fund Administrator may extend the Claims Bar Date for any Claimant, for good cause shown, with approval by Commission staff, in which event such extension shall constitute the Claims Bar Date for such Claimant. Such decisions of the Fund Administrator and Commission staff are final and not subject to challenge. The burden shall be upon each Claimant to ensure that his, her, or its Proof of Claim Form has been timely received by the Fund Administrator.

Review of Claims and Notification

54. The Fund Administrator shall review each Proof of Claim Form received to determine the validity and amount of such claim, together with any additional conclusions of the Fund Administrator on other issues relevant to the claim. Each Claimant, other than Class Action Authorized Claimants who do not amend their claims, shall have the burden of proof to establish the validity and amount of his, her or its claim, and that he, she or it qualifies as an Eligible Claimant; and the Fund Administrator shall have the right to request, and the Claimant shall have the burden of providing to the Fund Administrator, any additional information and/or documentation deemed relevant by the Fund Administrator.

55. The Fund Administrator shall provide a Claim Deficiency Notice to each Claimant who files a Proof of Claim Form that is deficient, in whole or in part. The Claim Deficiency Notice will set forth the reason(s) why the claim is deficient and instructions on how to cure the deficiency.

56. Any Claimant who has received a Claim Deficiency Notice shall have 30 days from the date of the Claim Deficiency Notice to cure any deficiencies identified in the Claim Deficiency Notice.

57. Any Claimant, other than Class Action Authorized Claimants who do not amend their claims, who has failed to file an appropriate Proof of Claim Form in a timely manner, or who has failed to timely cure a deficiency identified in a Claim Deficiency Notice, is not permitted to object to the barring or denial of his, her or its claim on the basis that:

- (a) the Fund Administrator failed to mail, or to properly mail, or that such Claimant failed to receive, a copy of the Notice, Proof of Claim Form, Claim Deficiency Notice, or the relevant Rejection Notice;
- (b) the Fund Administrator failed to record properly the receipt of an initial Proof of Claim Form, or a revised Proof of Claim Form to cure deficiencies, or the requisite supporting documentation; or
- (c) a Claimant's name and/or proper contact information was not properly recorded in the Fund Administrator's records.

58. On or before the Claims Determination Date, the Fund Administrator shall mail by United States First Class Mail a Determination Notice to each Claimant who has filed a Proof of Claim Form with the Fund Administrator, setting forth the Fund Administrator's conclusion concerning such claim. In the event a claim is denied, in whole or in part, the Fund Administrator will state the reason for such denial. All determinations made by the Fund Administrator in accordance with the Plan shall be final.

59. All Claimants have the burden of providing the Fund Administrator with any changes to his, her or its name or mailing address.

60. After the Fund Administrator has completed the process of analyzing the claims and determining the amounts to be distributed as provided in the Plan, and prior to the distribution of funds from the Net Available Fair Fund, the Fund Administrator shall engage an

independent, third-party firm, acceptable to the Commission, to perform a set of agreed upon tasks, review a statistically significant sample of claims, and ensure accurate and comprehensive application of the Plan of Allocation. The Fund Administrator shall provide the Commission staff with the results of that review together with any written analysis or reports related to the review, and, upon request, shall make the firm available to the Commission to respond to questions concerning the review.

Plan of Allocation

61. The Net Available Fair Fund will be allocated on a *Pro Rata* Share basis among the Eligible Claimants based on the methodology, as set forth in the Plan of Allocation, attached as Exhibit B.

62. After the preliminary calculations have been made, any Eligible Claimant whose preliminary calculation amount is less than the Distribution De Minimis Amount will be removed from the pool of Eligible Claimants.

63. Final calculations will then be made for all remaining Eligible Claimants on a *Pro Rata* Share basis, but excluding Eligible Claimants whose preliminary calculation amounts are less than the Distribution De Minimis Amount, to arrive at their Recognized Claim.

Provisions for Tax Administration

64. The Fair Fund is a Qualified Settlement Fund within the meaning of Section 468B(g) of the Internal Revenue Code of 1986, as amended, 26 U.S.C. § 468B(g), and related regulations, 26 C.F.R. §§ 1.468B-1 through 1.468B-5. The Tax Administrator is the administrator of such Qualified Settlement Fund, for purposes of Treas. Reg. § 1.468B-2(k)(3)(I), and shall satisfy the tax related administrative requirements imposed by Treas. Reg. § 1.468B-2, including, but not limited to:

- (a) obtaining a taxpayer identification number;
- (b) timely requesting funds necessary for the timely payment of all applicable taxes, the timely payment of taxes for which the Tax Administrator has received funds, and the filing of applicable returns; and
- (c) fulfilling any information reporting or withholding requirements required for distributions from the Net Available Fair Fund.

65. The Fund Administrator shall cooperate with the Tax Administrator in providing any information necessary to ensure tax compliance.

66. All taxes will be paid from the Fair Fund, subject to the review and approval of Commission staff.

Procedures for Distribution of the Net Available Fair Fund

67. The Fund Administrator shall distribute the Net Available Fair Fund to all Eligible Claimants only after all timely submitted Proof of Claim Forms have been processed and all Claimants whose claims have been rejected or disallowed, in whole or in part, have been notified and provided the opportunity to cure pursuant to the procedures set forth above. The sum of claims paid an Eligible Claimant from the Class Action and from the Fair Fund shall not exceed the Eligible Claimant's total losses. The Fund Administrator shall adjust the distribution amount from the Fair Fund in order to avoid payment of a windfall.

68. Within 240 days following the Claims Bar Date, the Fund Administrator shall prepare a Payee List. The total Recognized Claim recorded in the Payee List will be in an amount adjusted for reserves for the fees and expenses of the Fund Administrator, the fees and expenses of the Tax Administrator and taxes, as requested by the Tax Administrator and approved by Commission staff.

69. The Fund Administrator will also provide a “Reasonable Assurances Letter” to the Commission staff, representing that the Payee List: (a) was compiled in accordance with the Plan; (b) is accurate as to Eligible Claimants’ names, addresses, and Recognized Claim; and (c) provides all information necessary to make a payment equal to the amount of the applicable Recognized Claim for such Eligible Claimant.

70. Upon receipt of the Payee List and Reasonable Assurances Letter, the Commission staff will seek an order from the Commission to disburse the funds identified in the Payee List in accordance with the provisions of the Plan, pursuant to Rule 1101(b)(6) of the Rules, 17 C.F.R. § 201.1101(b)(6). Upon issuance of an order to disburse by the Commission, Commission staff will direct the transfer of funds to the “Escrow Account.” The Fund Administrator shall then distribute the funds to Eligible Claimants as provided for in the Plan.

71. Prior to disbursement of the Net Available Fair Fund, the Fund Administrator will establish account(s) described in the following paragraph at a United States commercial bank (the “Bank”), that is acceptable to the Commission staff.

72. The Fund Administrator shall establish with the Bank an Escrow Account pursuant to an escrow agreement (the “Escrow Agreement”) to be provided by the Commission staff, in the name of and bearing the Employer Identification Number (“EIN”) of the Qualified Settlement Fund as described above. The Fund Administrator shall also establish with the Bank a separate “Deposit Account” (*e.g.*, controlled distribution account, managed distribution account, linked checking account or investment account) for the purpose of funding distribution payments to be distributed to Eligible Claimants by the Fund Administrator pursuant to the Plan. The name of such account shall be in the following form: Computer Sciences Fair Fund (EIN XX-XXXXXXX), as custodian for the benefit of investors allocated a distribution pursuant to the

Plan in *In the Matter of Computer Sciences Corporation, et al.*, Administrative Proceeding File No. 3-16575.

73. During the term of the Escrow Agreement, if invested, the Escrow Account shall be invested and reinvested in short-term United States Treasury securities backed by the full faith and credit of the United States Government or an agency thereof, of a type and term necessary to meet the cash liquidity requirements for payments to Eligible Claimants, and tax obligations, including investment or reinvestment in a bank account insured by the Federal Deposit Insurance Corporation (“FDIC”) up to the guaranteed FDIC limit, or in money market mutual funds registered under the Investment Company Act of 1940 that invest 100% of their assets in direct obligations of the United States government. The Fund Administrator shall provide duplicate original bank and/or investment statements on any accounts established by the Fund Administrator to the Tax Administrator on a monthly basis and shall assist the Tax Administrator in obtaining mid-cycle statements, as necessary.

74. The Fund Administrator shall deposit or invest funds in the Escrow and Deposit Accounts so as to result in the maximum reasonable net return, taking into account the safety of such deposits or investments. In consultation with the Commission staff, the Fund Administrator shall work with the Bank on an ongoing basis to determine an allocation of funds between the Escrow and Deposit Accounts.

75. All funds shall remain in the Escrow Account, separate from bank assets, pursuant to the Escrow Agreement until needed to satisfy a presented check. All checks presented for payment or electronic transfer will be subject to “positive pay” controls (*e.g.*, check number and check amount) before they are honored by the Bank, at which time funds will be transferred from the Escrow Account to the Deposit Account to pay the approved checks.

76. All payments to Eligible Claimants shall be preceded or accompanied by a communication that includes, as appropriate: (a) a statement characterizing the distribution; (b) a statement that the tax treatment of the distribution is the responsibility of each recipient and that the recipient should consult his, her or its tax advisor for advice regarding the tax treatment of the distribution; (c) a statement that checks will be void after 90 days; and (d) contact information for the Fund Administrator, to be used in the event of any questions regarding the distribution. Any such informational letter or other mailing to recipients characterizing their distributions shall be submitted to the Commission staff for review and approval. Checks, on their face, or in the accompanying mailing will clearly indicate that the money is being distributed from a Fair Fund established by the Commission to compensate investors for harm as a result of securities law violations.

77. The Fund Administrator, and/or each of its designees, agents and assistants, shall be entitled to rely on all outstanding rules of law; and any orders issued by the Commission, the Secretary by delegated authority or an Administrative Law Judge; and/or any investor information provided by Commission staff.

78. The submission of a Proof of Claim Form and the receipt and acceptance of a distribution payment by an Eligible Claimant is not intended to be a release of an Eligible Claimant's rights and claims against any party.

79. All checks will bear a stale date of 90 days from the date of issuance. Checks that are not negotiated before the stale date shall be voided and the issuing financial institution shall be instructed to stop payment on those checks. An Eligible Claimant's claim will be extinguished if he, she or it fails to negotiate his, her or its check by the stale date, and the funds will remain in the Net Available Fair Fund. If a check reissue has been requested before the stale

date, such request is governed by the following section.

Uncashed Checks and Reissues

80. The Fund Administrator shall use its best efforts to make use of reasonable commercially available resources and other reasonably appropriate means to locate all Eligible Claimants whose checks are returned to the Fund Administrator as undeliverable by the USPS, and will reissue checks to Eligible Claimants who are located to the extent a new address is identified. Such reissued checks will be void at the later of 90 days from the issuance of the original check or 30 days from the reissuance, and in no event will a check be reissued after 90 days from the date of the original issuance without approval from the Commission staff. Where new address information is not available after a diligent search (and in no event later than 90 days after the initial mailing of the original check), the check shall be voided and the Fund Administrator shall instruct the issuing financial institution to stop payment on such check.

81. The Fund Administrator shall reissue checks to Eligible Claimants upon the receipt of a valid written request from an Eligible Claimant. In cases where an Eligible Claimant is unable to endorse a check as written (*e.g.*, name change as a result of marriage, divorce or death), and the Eligible Claimant or its lawful representative requests the reissuance of a check under a different name, the Fund Administrator will request, and must receive, documentation supporting the change. The Fund Administrator will review the documentation to determine the authenticity and propriety of the change request. If such change request is properly documented, the Fund Administrator will issue an appropriately redrawn check to the requesting party. Such reissued checks will be void at the later of 90 days from the issuance of the original check or 30 days from the reissuance, and in no event will a check be reissued after 90 days from the date of the original issuance without the approval of Commission staff.

82. In addition, the Fund Administrator will make reasonable efforts to contact Eligible Claimants to follow up on the status of uncashed checks over \$100.00 (other than those returned as “undeliverable”) and take appropriate action to follow up on the status of uncashed checks at the request of Commission staff. The Fund Administrator may reissue such checks, subject to the time limits detailed herein.

Residual Funds

83. Approximately one year following initial distribution, after all taxes of the Net Available Fair Fund have been satisfied, if there are remaining funds from uncashed checks, tax refunds or otherwise, the Fund Administrator, in consultation with Commission staff, may distribute those residual funds to Eligible Claimants, if any, who filed claims with the Fund Administrator after the Claims Bar Date or who were late in curing a rejected claim, with Commission approval pursuant to the Rules. These otherwise Eligible Claimants will receive a distribution payment up to the Recognized Claim that would have been received if their claim had been filed on time.

84. If any funds remain after the payment of claims that were filed late or cured after the Claims Bar Date, or if no such claims exist, the Fund Administrator, in consultation with Commission staff, may distribute the remaining residual funds on a *pro rata* basis to all Eligible Claimants who cashed a check or received a wire and who would receive at least the Distribution De Minimis Amount from such additional distribution, with Commission approval pursuant to the Rules.

85. If, after consultation between the Fund Administrator and Commission staff, any further distribution is not deemed cost effective, the remaining funds may be transmitted to the Commission for transfer to the United States Treasury after all reports and accountings have been

completed, as provided below.

Filing of Reports and Accountings

86. The Fund Administrator shall provide to the Commission staff a progress report and a quarterly account statement in a format to be provided by Commission staff, within 45 days of the Commission's approval of the Plan, and shall provide to Commission staff additional reports and quarterly account statements within 10 days after the end of every calendar quarter. Such progress reports shall inform the Commission staff of the activities and status of the Computer Science Fair Fund during the requested reporting period, and shall specify, at a minimum, the location of the account(s) comprising the Computer Science Fair Fund, including among other things, an interim accounting of all monies in the Computer Sciences Fair Fund.

87. When the final distribution is completed, the Fund Administrator shall provide to Commission staff a final report summarizing all tasks undertaken and the outcome of its administrative efforts. The Fund Administrator shall make arrangement for the final payment of taxes and all other outstanding fees and expenses, and submit a final accounting of all monies received, earned, spent, and distributed in connection with the administration of the Plan in a format provided by the Commission staff.

Termination of Fair Fund

88. The Fair Fund shall be eligible for termination, and the Fund Administrator eligible for discharge and cancellation of its bond, after all of the following have occurred: (a) the final accounting has been submitted and approved by the Commission; (b) all taxes and fees and expenses have been paid; and (c) any remaining funds have been paid to the Commission for transfer to the United States Treasury.

Document Retention and Wrap-Up

89. Pursuant to Commission direction, the Fund Administrator will either turn over to the Commission or destroy all documents, including documents in any media, 6 years after the approval of the final accounting.

90. The Fund Administrator will shut down the toll-free telephone number and the website established specifically for the administration of the Fair Fund upon the transfer of any remaining funds to the Commission.

EXHIBIT A

TIMELINE OF KEY DATES IN DISTRIBUTION PROCESS

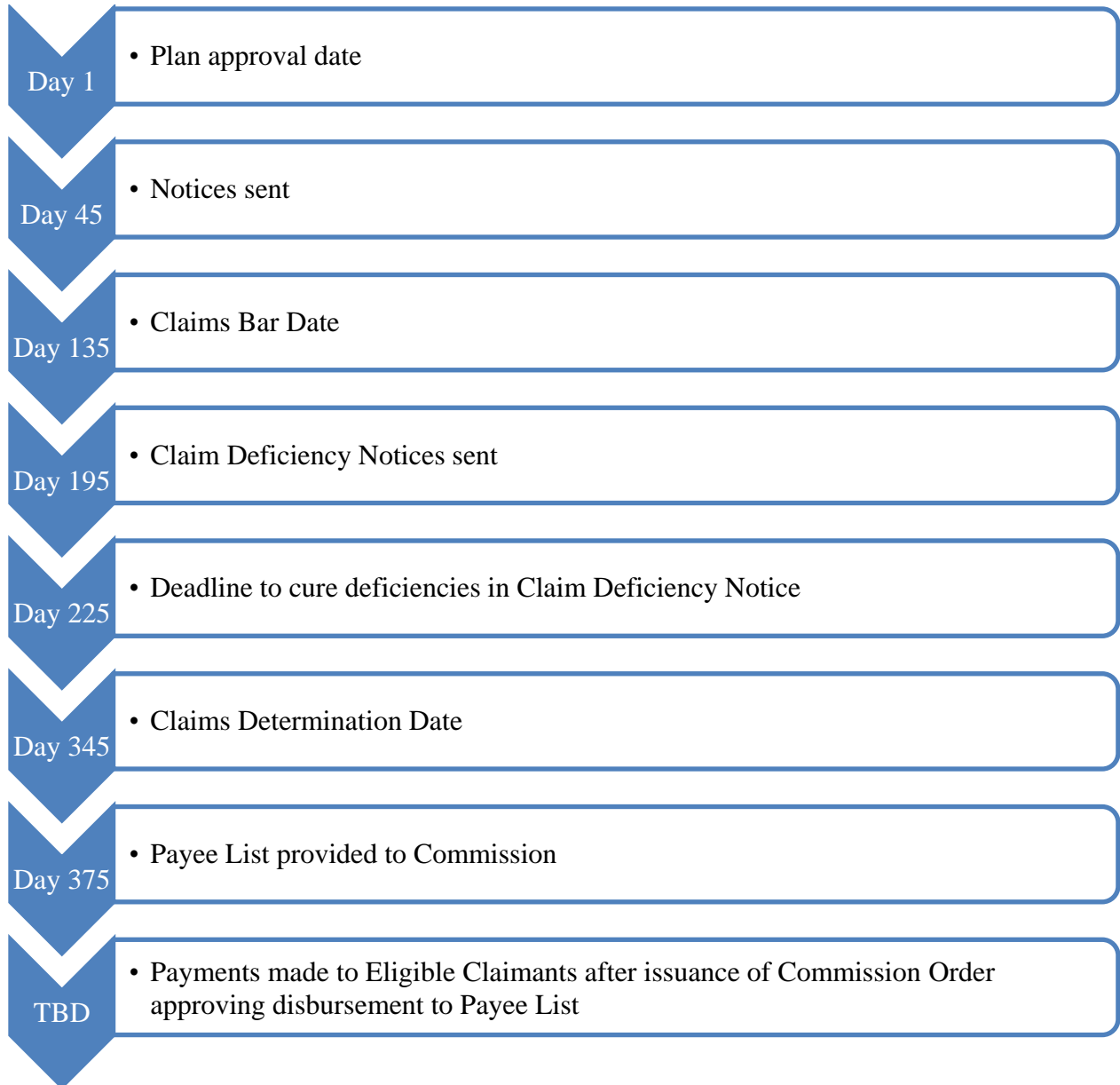


EXHIBIT B

PLAN OF ALLOCATION¹

A. Calculation for Recognized Claim

With respect to shares of CSC common stock, a Recognized Claim will be calculated as set forth below for each purchase or other acquisition from August 5, 2008, through and including December 27, 2011, that is listed in the Proof of Claim Form and for which adequate documentation is provided. To the extent that a calculation of a Recognized Claim results in a negative number, that number shall be set to zero.

1. For each share of CSC common stock purchased or otherwise acquired from August 5, 2008, through and including December 23, 2011, and:
 - (a) Sold before the opening of trading on April 1, 2010, the Recognized Claim for each share shall be zero.
 - (b) Sold after the opening of trading on April 1, 2010, and before the close of trading on December 23, 2011, the Recognized Claim for each such share shall be the dollar inflation applicable to each such share on the date of purchase as set forth in **Table 1** below *minus* the dollar inflation applicable to each such share on the date of sale as set forth in **Table 1** below.
 - (c) Sold after the opening of trading on December 27, 2011, and before the close of trading on March 23, 2012, the Recognized Claim for each such share shall be *the lesser of:*
 - (i) the dollar inflation applicable to each such share on the date of purchase as set forth in **Table 1** below; or
 - (ii) the actual purchase price of each such share (excluding all fees, taxes and commissions) *minus* the average closing price for the days following December 27, 2011, up to the date of sale as set forth in **Table 2** below.
 - (d) Held as of the close of trading on March 23, 2012, the Recognized Claim for each such share shall be *the lesser of:*
 - (i) the dollar inflation applicable to each such share on the date of purchase as set forth in **Table 1** below; or

¹ Unless defined in this Exhibit B, all capitalized terms have the meanings defined in the Plan of Distribution.

- (ii) the actual purchase price of each such share (excluding all fees, taxes and commissions) minus \$28.72.²
2. For each share of CSC common stock purchased or otherwise acquired on December 27, 2011, and:
- (a) Sold on or after the close of trading on December 27, 2011, and before the close of trading on March 23, 2012, the Recognized Claim for each such share shall be ***the lesser of:***
- (i) the purchase price of each such share (excluding all fees, taxes and commissions) minus \$24.10 (the closing price on December 27, 2011); or
- (ii) the actual purchase price of each such share (excluding all fees, taxes and commissions) minus the average closing price for the days following December 27, 2011, up to the date of sale as set forth in **Table 2** below.
- If the calculation of *either* results in a negative number, the Recognized Claim shall be zero.
- (b) Held as of the close of trading on March 23, 2012, the Recognized Claim for each such share shall be zero, because the trading prices of CSC common stock on December 27, 2011 are less than the mean (average) closing price for CSC common stock during the 90-day look-back period.

TABLE 1

Common Stock Daily Inflation

| Market Dates | Estimated Inflation per Share in CSC Common Stock |
|--------------------------------------|--|
| August 5, 2008 - March 31, 2010 | \$13.25 |
| April 1, 2010 - November 9, 2010 | \$12.30 |
| November 10, 2010 - February 8, 2011 | \$11.74 |
| February 9, 2011 - May 2, 2011 | \$ 8.34 |
| May 3, 2011 - May 25, 2011 | \$ 5.39 |
| May 26, 2011 – December 23, 2011 | \$ 2.33 |

² Calculations are reduced by taking into account the closing prices of CSC common stock during the 90-day look-back period. The mean (average) closing price for CSC common stock during this 90-day look-back period was \$28.72.

TABLE 2**CSC Common Stock Price and Average 90-Day Look-back Price
December 27, 2011 – March 23, 2012**

| Date | CSC Common Stock Closing Price | CSC Common Stock Average Closing Price |
|-------------|---|---|
| 12/27/2011 | \$24.10 | \$24.10 |
| 12/28/2011 | \$23.76 | \$23.93 |
| 12/29/2011 | \$23.68 | \$23.85 |
| 12/30/2011 | \$23.70 | \$23.81 |
| 1/3/2012 | \$24.52 | \$23.95 |
| 1/4/2012 | \$24.49 | \$24.04 |
| 1/5/2012 | \$24.31 | \$24.08 |
| 1/6/2012 | \$23.53 | \$24.01 |
| 1/9/2012 | \$23.37 | \$23.94 |
| 1/10/2012 | \$24.41 | \$23.99 |
| 1/11/2012 | \$24.58 | \$24.04 |
| 1/12/2012 | \$24.88 | \$24.11 |
| 1/13/2012 | \$24.15 | \$24.11 |
| 1/17/2012 | \$24.69 | \$24.16 |
| 1/18/2012 | \$25.52 | \$24.25 |
| 1/19/2012 | \$26.09 | \$24.36 |
| 1/20/2012 | \$26.10 | \$24.46 |
| 1/23/2012 | \$26.29 | \$24.57 |
| 1/24/2012 | \$26.09 | \$24.65 |
| 1/25/2012 | \$26.32 | \$24.73 |
| 1/26/2012 | \$26.03 | \$24.79 |
| 1/27/2012 | \$26.18 | \$24.85 |
| 1/30/2012 | \$25.93 | \$24.90 |
| 1/31/2012 | \$25.83 | \$24.94 |
| 2/1/2012 | \$27.19 | \$25.03 |
| 2/2/2012 | \$27.26 | \$25.12 |
| 2/3/2012 | \$28.07 | \$25.22 |
| 2/6/2012 | \$27.45 | \$25.30 |
| 2/7/2012 | \$26.48 | \$25.34 |
| 2/8/2012 | \$31.39 | \$25.55 |
| 2/9/2012 | \$32.94 | \$25.78 |
| 2/10/2012 | \$32.47 | \$25.99 |
| 2/13/2012 | \$32.37 | \$26.19 |

TABLE 2 (Continued)

| Date | CSC Common Stock Closing Price | CSC Common Stock Average Closing Price |
|-------------|---------------------------------------|---|
| 2/14/2012 | \$32.60 | \$26.38 |
| 2/15/2012 | \$32.97 | \$26.56 |
| 2/16/2012 | \$33.26 | \$26.75 |
| 2/17/2012 | \$33.08 | \$26.92 |
| 2/21/2012 | \$31.97 | \$27.05 |
| 2/22/2012 | \$31.89 | \$27.18 |
| 2/23/2012 | \$32.28 | \$27.31 |
| 2/24/2012 | \$32.09 | \$27.42 |
| 2/27/2012 | \$32.35 | \$27.54 |
| 2/28/2012 | \$32.23 | \$27.65 |
| 2/29/2012 | \$31.76 | \$27.74 |
| 3/1/2012 | \$31.85 | \$27.83 |
| 3/2/2012 | \$31.32 | \$27.91 |
| 3/5/2012 | \$31.93 | \$27.99 |
| 3/6/2012 | \$31.01 | \$28.06 |
| 3/7/2012 | \$30.93 | \$28.12 |
| 3/8/2012 | \$31.29 | \$28.18 |
| 3/9/2012 | \$31.47 | \$28.24 |
| 3/12/2012 | \$31.15 | \$28.30 |
| 3/13/2012 | \$31.45 | \$28.36 |
| 3/14/2012 | \$31.07 | \$28.41 |
| 3/15/2012 | \$32.10 | \$28.48 |
| 3/16/2012 | \$31.60 | \$28.53 |
| 3/19/2012 | \$31.51 | \$28.58 |
| 3/20/2012 | \$30.47 | \$28.62 |
| 3/21/2012 | \$30.86 | \$28.66 |
| 3/22/2012 | \$30.41 | \$28.68 |
| 3/23/2012 | \$30.69 | \$28.72 |

B. Additional Provisions

1. For purposes of determining whether an Eligible Claimant has a Recognized Claim, purchases, acquisitions, and sales of like securities will first be matched on a First In/First Out (“FIFO”) basis. If an Eligible Claimant has more than one purchase/acquisition or sale of CSC common stock during the Relevant Period, all purchases/acquisitions and sales of the CSC common stock shall be matched using FIFO. Relevant Period sales will be matched first against any holdings at the beginning of the Relevant Period, and then against purchases/acquisitions in

chronological order, beginning with the earliest purchase/acquisition made during the Relevant Period.

2. Purchases or acquisitions and sales of CSC common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of CSC common stock during the Relevant Period shall not be deemed a purchase, acquisition or sale of such security for the calculation of an Eligible Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such security unless (a) the donor or decedent purchased or otherwise acquired such security during the Relevant Period; (b) no claim form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such security; and (c) it is specifically so provided in the instrument of gift or assignment.

3. The date of covering a short sale is deemed to be the date of purchase or acquisition of the common stock. The date of a short sale is deemed to be the date of sale of the respective common stock. However, the Recognized Claim on short sales is zero. In the event that an Eligible Claimant has an opening short position, the earliest Relevant Period purchases or acquisitions shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

4. With respect to the calculations made pursuant to Section A, Calculation of Recognized Claim, above, the Eligible Claimant’s Recognized Claims will be totaled (the “Total Recognized Claim”). If the Total Recognized Claim is a positive number, that will be the Eligible Claimant’s Total Recognized Claim, otherwise the value of the Eligible Claimant’s Total Recognized Claim will be zero.

5. Additionally, the Fund Administrator will determine if the Eligible Claimant had an out-of-pocket net market gain or loss with respect to his, her or its overall transactions during the Relevant Period in CSC common stock. For purposes of making this calculation, the Fund Administrator shall determine the difference between (a) the Total Purchase Amount,³ and (b) the sum of the Sales Proceeds⁴ and the Holding Value.⁵ This difference will be deemed an Eligible Claimant’s out-of-pocket net market gain or loss with respect to his, her or its overall transactions. If an Eligible Claimant has an out-of-pocket net market gain, the value of the Eligible Claimant’s Recognized Claim will be zero. If the Eligible Claimant has a Total Recognized Claim and an out-of-pocket net market loss, the value of the Eligible Claimant’s Recognized Claim will be the lesser of the two.

³ The “Total Purchase Amount” is the total amount the Eligible Claimant paid (excluding all fees, taxes and commissions) for CSC common stock purchased or acquired during the Relevant Period.

⁴ The Fund Administrator shall match any sales of CSC common stock during the Relevant Period first against the Eligible Claimant’s opening position in the like CSC common stock. The total amount received for sales of CSC common stock sold during the Relevant Period is the “Sales Proceeds.”

⁵ The Fund Administrator shall ascribe a “Holding Value” of \$24.10 to each share of the Eligible Securities purchased or acquired during the Relevant Period that was still held as of the close of trading on December 27, 2011.

6. Each Eligible Claimant shall recover his, her, or its Recognized Claim, so long as their Recognized Claim calculated pursuant to the Plan of Allocation, results in a payment to an amount that is equal to or greater than \$10.00. A payment to any Eligible Claimant that would amount to less than \$10.00 in total will not be included in the calculation of the Total Recognized Claim. To the extent there are sufficient funds in the Net Available Fair Fund, each Eligible Claimant will receive an amount equal to the Eligible Claimant's Recognized Claim. If, however, the sum total of Recognized Claims of all Eligible Claimants who are entitled to receive payment out of the Net Available Fair Fund is greater than the Net Available Fair Fund, each Eligible Claimant shall receive his, her, or its *Pro Rata* Share of the Net Available Fair Fund. The *Pro Rata* Share shall be the Eligible Claimant's Recognized Claim divided by the total of Recognized Claims of all Eligible Claimants, multiplied by the total amount in the Net Available Fair Fund.