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12 IN THE UNITED STATES DISTRICT COURT
 13 FOR THE NORTHERN DISTRICT OF CALIFORNIA
 14

15
 16 **THE STATE OF CALIFORNIA BY ITS**
 17 **ATTORNEY GENERAL EDMUND G.**
 18 **BROWN, JR. AND THE CITY AND COUNTY**
 19 **OF SAN FRANCISCO EX REL DENNIS J.**
 20 **HERRERA, THE COUNTY OF SANTA**
 21 **CLARA, AND THE LOS ANGELES UNIFIED**
 22 **SCHOOL DISTRICT ON BEHALF OF ALL**
 23 **OTHER POLITICAL SUBDIVISIONS**
 24 **SIMILARLY SITUATED;**

25
 26 **THE STATE OF ALASKA BY ITS**
 27 **ATTORNEY GENERAL TALIS J. COLBERG;**

28
 29 **THE STATE OF ARIZONA BY ITS**
 30 **ATTORNEY GENERAL TERRY GODDARD;**

31
 32 **THE STATE OF ARKANSAS BY ITS**
 33 **ATTORNEY GENERAL DUSTIN**
 34 **MCDANIEL;**

35
 36 **THE STATE OF COLORADO BY ITS**
 37 **ATTORNEY GENERAL JOHN W. SUTHERS;**

38
 39 **THE STATE OF DELAWARE BY ITS**
 40 **ATTORNEY GENERAL JOSEPH R. BIDEN,**
 41 **III;**

Case No.: C 06-4333 PJH

THIRD AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

- 1 THE STATE OF FLORIDA BY ITS
2 ATTORNEY GENERAL BILL MCCOLLUM;
- 3 THE STATE OF HAWAII BY ITS
4 ATTORNEY GENERAL MARK J. BENNETT;
- 5 THE STATE OF IDAHO BY ITS ATTORNEY
6 GENERAL LAWRENCE G. WADSEN;
- 7 THE STATE OF ILLINOIS BY ITS
8 ATTORNEY GENERAL LISA MADIGAN;
- 9 THE STATE OF IOWA BY ITS ATTORNEY
10 GENERAL THOMAS J. MILLER;
- 11 THE COMMONWEALTH OF KENTUCKY
12 BY ITS ATTORNEY GENERAL, GREGORY
13 D. STUMBO;
- 14 THE STATE OF LOUISIANA BY ITS
15 ATTORNEY GENERAL CHARLES C. FOTI,
16 JR.;
- 17 THE STATE OF MAINE BY ITS ATTORNEY
18 GENERAL G. STEVEN ROWE;
- 19 THE STATE OF MARYLAND BY ITS
20 ATTORNEY GENERAL DOUGLAS F.
21 GANSLER;
- 22 THE COMMONWEALTH OF
23 MASSACHUSETTS BY ITS ATTORNEY
24 GENERAL MARTHA COAKLEY;
- 25 THE STATE OF MICHIGAN BY ITS
26 ATTORNEY GENERAL MICHAEL A. COX;
- 27 THE STATE OF MINNESOTA BY ITS
28 ATTORNEY GENERAL LORI SWANSON;
- THE STATE OF MISSISSIPPI BY ITS
ATTORNEY GENERAL JIM HOOD;
- THE STATE OF NEBRASKA BY ITS
ATTORNEY GENERAL JON BRUNING;
- THE STATE OF NEVADA BY ITS
ATTORNEY GENERAL CATHERINE
CORTEZ MASTO
- THE STATE OF NEW MEXICO BY ITS
ATTORNEY GENERAL GARY KING AND
THE COUNTY OF SANDOVAL ON BEHALF
OF ALL OTHER POLITICAL SUBDIVISIONS
SIMILARLY SITUATED;

1 **THE STATE OF NORTH CAROLINA BY ITS**
ATTORNEY GENERAL ROY COOPER;

2 **THE STATE OF NORTH DAKOTA BY ITS**
3 **ATTORNEY GENERAL WAYNE**
4 **STENEHJEM;**

5 **THE COMMONWEALTH OF THE**
6 **NORTHERN MARIANA ISLANDS BY ITS**
7 **ATTORNEY GENERAL MATTHEW T.**
8 **GREGORY;**

9 **THE STATE OF OKLAHOMA BY ITS**
10 **ATTORNEY GENERAL W. A. DREW**
11 **EDMONDSON;**

12 **THE STATE OF OREGON BY ITS**
13 **ATTORNEY GENERAL HARDY MYERS;**

14 **THE COMMONWEALTH OF**
15 **PENNSYLVANIA;**

16 **THE STATE OF RHODE ISLAND BY**
17 **PATRICK C. LYNCH IN HIS CAPACITY AS**
18 **ATTORNEY GENERAL;**

19 **THE STATE OF SOUTH CAROLINA BY ITS**
20 **ATTORNEY GENERAL HENRY**
21 **MCMASTER;**

22 **THE STATE OF TENNESSEE BY ITS**
23 **ATTORNEY GENERAL ROBERT E.**
24 **COOPER, JR.**

25 **THE STATE OF UTAH BY ITS ATTORNEY**
26 **GENERAL MARK L. SHURTLEFF;**

27 **THE STATE OF VERMONT BY ITS**
28 **ATTORNEY GENERAL WILLIAM H.**
SORRELL;

THE COMMONWEALTH OF VIRGINIA BY
ITS ATTORNEY GENERAL ROBERT F.
MCDONNELL;

THE STATE OF WASHINGTON BY ITS
ATTORNEY GENERAL ROB MCKENNA;

THE STATE OF WEST VIRGINIA BY ITS
ATTORNEY GENERAL DARRELL V.
MCGRAW, JR.;

THE STATE OF WISCONSIN BY ITS
ATTORNEY GENERAL J.B. VAN HOLLEN;

Plaintiffs,

v.

1
2 **INFINEON TECHNOLOGIES AG; INFINEON**
3 **TECHNOLOGIES NORTH AMERICA CORP.;**
4 **HYNIX SEMICONDUCTOR, INC.; HYNIX**
5 **SEMICONDUCTOR AMERICA, INC.;**
6 **MICRON TECHNOLOGY, INC.; MICRON**
7 **SEMICONDUCTOR PRODUCTS, INC.;**
8 **MOSEL VITELIC, INC.; MOSEL VITELIC**
9 **CORP.; NANYA TECHNOLOGY**
10 **CORPORATION; NANYA TECHNOLOGY**
11 **CORPORATION USA, INC.; ELPIDA**
12 **MEMORY, INC.; ELPIDA MEMORY (USA)**
13 **INC.; NEC ELECTRONICS AMERICA, INC.;**
14 **Defendants.**

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21 **INTRODUCTION**

22 1. This action arises from indictments of and admissions of guilt by members of a
23 cartel to fix the price of dynamic random access memory (“DRAM”). United States Department
24 of Justice officials have called the DRAM price fixing agreement “one of the largest cartels ever
25 discovered.” Computers, Printers, and Networking Equipment include DRAM. DRAM stores
26 information temporarily for quick access by a computer, or other product. Consumers purchase
27 DRAM separately or as part of other products. The amount of DRAM in such products is often a
28 key factor in a consumer’s purchase decision. DRAM and products with DRAM are purchased
by a variety of customers, including individuals, businesses, schools and government entities.
The higher the price of DRAM; the lower the quality and quantity of memory incorporated into
products offered to these customers for purchase.

21 **JURISDICTION AND VENUE**

22 2. This complaint alleges violations of the Sherman Act, 15 U.S.C. §1. It is filed
23 under, and jurisdiction is conferred upon this Court by, sections 4, 4C, 12 and 16 of the Clayton
24 Act, 15 U.S.C. §§ 15, 15c, 22 and 26. The Plaintiffs also allege violations of State antitrust,
25 consumer protection and/or unfair competition and related laws, and seek damages, restitution,
26 civil penalties, and/or other equitable relief under those State laws. All claims under federal and
27 state law are based upon a common nucleus of operative facts, and the entire action commenced
28 by this Complaint constitutes a single case that would ordinarily be tried in one judicial

1 proceeding.

2 3. The Court further has jurisdiction over the federal claims under 28 U.S.C. §§
3 1331 and 1337. The Court has jurisdiction over the state law claims under 28 U.S.C. § 1367
4 because those claims are so related to the federal claims that they form part of the same case or
5 controversy.

6 4. Venue is proper in this District under 15 U.S.C. § 22 and 28 U.S.C. § 1391
7 because each of the Defendants resides, transacts business, committed an illegal or tortious act,
8 or is found in this District, within the meaning and scope of 15 U.S.C. § 22, Cal. Bus. & Prof.
9 Code § 1672 and 28 U.S.C. § 1391 (b) and (c), and a substantial part of the events giving rise to
10 the claims arose in this District.

11 5. The activities of the Defendants and their co-conspirators, as described herein,
12 were within the flow of, were intended to, and did have a substantial effect on the foreign and
13 interstate commerce of the United States.

14 **DEFINITIONS**

15 6. Computer means desktops, laptops (or notebooks), servers, workstations and
16 super computers. The term "Computers" excludes special purposes devices such as PDAs, cell
17 phones, telecommunications devices, set-top boxes, home appliances, game machines, printers,
18 copiers or facsimile machines.

19 7. Dynamic Random Access Memory ("DRAM") means the semiconductor memory
20 chip providing high-speed storage and retrieval of electronic information for electronic devices,
21 such as personal computers and servers around the world. These memory chips are used to store
22 data in a wide variety of computing and other electronic devices while the device is in operation.
23 DRAM includes, but is not limited to DRAM, Synchronous Dynamic Random Access Memory
24 ("SDRAM") and Double Data Rate Dynamic Random Access Memory ("DDR") chips. DDR
25 and SDRAM chips are higher speed, higher performance types of DRAM chips. "Random
26 Access Memory" means that the data, stored in the form of binary digits (or "bits"), 0s and 1s,
27 can be accessed directly from any part of the memory. DRAM is called "dynamic" because it
28 must have its information refreshed, or recharged electronically, every few milliseconds. DRAM

1 as used in Computers consists of individual chips, or discrete industry-standard or proprietary
2 modules which are available in a number of standard memory sizes, e.g. 128, 256 or 512
3 megabytes (“MB”), that incorporates multiple DRAM chips and support circuitry onto a printed
4 circuit.

5 8. “DRAM Containing Products” means Computer, Printer and Networking
6 Equipment as those terms are defined in this complaint.

7 9. “Networking Equipment” means devices that control the transfer of data in
8 computer networks, including routers, switches, repeaters, bridges and firewalls.

9 10. “Printer” means a computer output device used to produce hard copies of
10 documents stored in electronic form and includes laser, inkjet, plotters, dot matrix, dye
11 sublimation and inkless devices.

12 11. “Political Subdivisions” means counties, cities, towns, K-12 school districts,
13 public undergraduate and graduate educational institutions, and other government units, entities,
14 and instrumentalities, that are autonomous or independent from the State itself under the
15 Eleventh Amendment of the Constitution of the United States or otherwise treated as being
16 autonomous from the State itself, as well as all electric, utility, water, sewer, fire, port authority
17 and other special districts and tax-supported institutions that are either autonomous or
18 independent from the State itself under the Eleventh Amendment or otherwise treated as being
19 autonomous from the State itself, where state law permits such to be represented by the Attorney
20 General of a State, all as provided in the applicable state laws of the respective Plaintiff States.

21 12. “State Agencies” means all departments, divisions, boards, councils, committees,
22 institutions, agencies, offices of a State, public undergraduate and graduate educational
23 institutions, and other government units, entities, and instrumentalities, that either constitute an
24 arm of the State for Eleventh Amendment purposes or are not otherwise treated under state law
25 as being autonomous from the State itself, all as provided in the applicable state laws of the
26 respective Plaintiff States.

27
28

THE PARTIES
The Plaintiffs

1 13. Plaintiffs bring this action by and through their Attorneys General. The persons
2 and entities each Attorney General represents are outlined in each specific count. In general, the
3 Attorneys General may represent one or more of the following: State Agencies, Political
4 Subdivisions, Political Subdivisions as a class representative, natural person consumers as *parens*
5 *patriae*, natural person consumers as a class representative and business consumers as *parens*
6 *patriae*. Pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, certain
7 state Plaintiffs assert a class action as further described below insofar as they represent State
8 Agencies and Political Subdivisions located in their states in a class capacity that were indirect or
9 direct purchasers of DRAM. Regardless of the representative capacities in which the Plaintiff
10 States, by and through their Attorneys General, file this action on behalf of the aforementioned
11 groups pursuant to their state laws, the issues of liability, impact, damages, and defenses are
12 common to all of these groups.

13
14 **The Defendants**

15 14. Defendant Micron Technology, Inc. is a Delaware Corporation with its principal
16 place of business at 8000 South Federal Way, Boise, Idaho. During the time period covered by
17 this Complaint, Defendant Micron Technology, Inc., manufactured, sold and distributed DRAM
18 throughout the United States.

19 15. Defendant Micron Semiconductor Products, Inc. is a wholly owned and controlled
20 subsidiary of Defendant Micron Technology, Inc., with its principal place of business at 8000
21 South Federal Way, Boise, Idaho. During the time period covered by this Complaint, Defendant
22 Micron Semiconductor Products, Inc. sold and distributed DRAM to customers throughout the
23 United States, including sales through its Crucial Technology division. Micron Technology, Inc.,
24 Micron Semiconductor Products, Inc., and the Crucial Technology division are referred to
25 collectively herein as "Micron."

26 16. Defendant Infineon Technologies AG is a German corporation with its principal
27 place of business at Am Campeon 1-12, D-85579, Neubiberg, Germany. During the time period
28 covered by this Complaint, Defendant Infineon Technologies AG manufactured, sold and

1 distributed DRAM throughout the United States.

2 17. Defendant Infineon Technologies North America Corp. is a wholly owned and
3 controlled subsidiary of Infineon Technologies AG with its principal place of business at 1730
4 North First Street, San Jose, California. During the time period covered by this Complaint,
5 Defendant Infineon Technologies North America Corp. sold and distributed DRAM to customers
6 throughout the United States. Infineon Technologies AG and Infineon Technologies North
7 America Corp. are referred to collectively herein as "Infineon."

8 18. Defendant Hynix Semiconductor, Inc. is a business entity organized under the
9 laws of South Korea, with its principal place of business at SAN 136-1, Ami-Ri Bubal-eub,
10 Ichon-si, Kyongki-do, Korea. During the time period covered by this Complaint, Defendant
11 Hynix Semiconductor, Inc. manufactured, sold and distributed DRAM to customers throughout
12 the United States.

13 19. Defendant Hynix Semiconductor America, Inc. is a wholly owned and controlled
14 subsidiary of Defendant Hynix Semiconductor, Inc., with its principal place of business at 3101
15 North First Street, San Jose, California. During the time period covered by this Complaint,
16 Defendant Hynix Semiconductor America, Inc. sold and distributed DRAM to customers
17 throughout the United States. Hynix Semiconductor, Inc. and Hynix Semiconductor America,
18 Inc. are referred to collectively herein as "Hynix."

19 20. Defendant Mosel Vitelic, Inc. is a business entity organized under the laws of
20 Taiwan, with its principal place of business at No. 19 Li Hsin Road, Hsinchu Science Based
21 Industrial Park, Hsinchu, Taiwan, R.O.C. During the time period covered by this Complaint,
22 Defendant Mosel Vitelic, Inc., manufactured, sold and distributed DRAM to customers
23 throughout the United States.

24 21. Defendant Mosel Vitelic Corporation ("MVC") is a wholly owned and controlled
25 subsidiary of Mosel Vitelic, Inc. ("MVT"), with its principal place of business at 3910 North First
26 Street, San Jose, California. During the time period covered by this Complaint, Defendant MVC
27 sold and distributed DRAM to customers throughout the United States. MVC and MVI are
28 referred to collectively herein as "Mosel Vitelic."

1 22. Defendant Nanya Technology Corporation is a business entity organized under the
2 laws of Taiwan, with its principal place of business at HWA YA Technology Park, 669, Fu
3 Hsing 3rd Rd., Kueishan, Taoyuan, Taiwan, R.O.C. During the time period covered by this
4 Complaint, Defendant Nanya Technology Corporation manufactured, sold and distributed
5 DRAM to customers throughout the United States.

6 23. Defendant Nanya Technology Corporation USA, Inc. is a wholly owned and
7 controlled subsidiary of Nanya Technology Corporation with its principal place of business at
8 675 E. Brokaw Road, San Jose, California. During the time period covered by this Complaint,
9 Defendant Nanya Technology USA, Inc. sold and distributed DRAM to customers throughout
10 the United States. Nanya Technology Corporation and Nanya Technology Corporation USA,
11 Inc. are referred to collectively herein as "Nanya."

12 24. Defendant Elpida Memory, Inc. is a business entity organized under the laws of
13 Japan, with its principal place of business at Sumitomo Seimei Yaesu Bldg., 3F, 2-1 Yaseu 2-
14 chome, Chuo-ku, Tokyo 104-0028, Japan. During the time period covered by this Complaint,
15 Defendant Elpida Memory, Inc. manufactured, sold and distributed DRAM to customers
16 throughout the United States.

17 25. Defendant Elpida Memory (USA), Inc. is a wholly owned and controlled
18 subsidiary of Elpida Memory, Inc., with its principal place of business at 2001 Walsh Avenue,
19 Santa Clara, California. During the time period covered by this Complaint, Defendant Elpida
20 Memory (USA) Inc. sold and distributed DRAM to customers throughout the United States.
21 Elpida Memory, Inc. and Elpida Memory (USA), Inc. are referred to collectively herein as
22 "Elpida."

23 26. Defendant NEC Electronics America, Inc. ("NEC") is a wholly owned and
24 controlled subsidiary of NEC Electronics Corporation, with its principal place of business at
25 2880 Scott Boulevard, Santa Clara, California, and its manufacturing plant in Roseville,
26 California. During the time period covered by this Complaint, Defendant NEC sold and
27 distributed DRAM to customers throughout the United States.

28 ///

Co-Conspirators

1
2 27. Various others, presently unknown to Plaintiffs, participated as co-conspirators
3 with the Defendants in the violations of law alleged in this Complaint and have engaged in
4 conduct and made statements in furtherance thereof.

5 28. The acts charged in this Complaint have been done by Defendants and their co-
6 conspirators, or were authorized, ordered or done by their respective officers, agents, employees
7 or representatives while actively engaged in the management of each Defendant's business or
8 affairs.

9 29. Each of the Defendants named herein acted as either the agent, joint venturer of or
10 for the other Defendants with respect to the acts, violations and common course of conduct
11 alleged herein. Each Defendant which is a subsidiary of a foreign parent acts as a United States
12 agent for DRAM made by its parent company.

13
14 **TRADE AND COMMERCE**

15 30. Throughout the period of time covered by this Complaint, Defendants and their
16 co-conspirators engaged in the business of marketing and selling DRAM throughout the United
17 States.

18 31. DRAM is the dominant, most common form of memory chip. It is a large-scale
19 integrated circuit with electronic interfaces, physical form factors, and packaging that have been
20 established as industry standards. As such, DRAM is a commodity, with each Defendant's
21 products being easily interchangeable with the products of another company when designing
22 electronic systems making use of DRAM.

23 32. Worldwide sales of DRAM totaled approximately \$14 billion in 2001, and
24 increased to approximately \$17 billion in 2003, with the United States accounting for a
25 significant share of worldwide DRAM sales. There were more than \$5 billion in DRAM sales
26 annually in the United States in 2003. The top four manufacturers, Micron, Samsung, Hynix and
27 Infineon, controlled approximately 70% of U.S. DRAM sales during the time period of the
28 conspiracy. Mosel Vitelic, Elpida, NEC, and Nanya, were DRAM manufacturers with a

1 substantial portion of the remaining 30% of U.S. DRAM sales.

2
3 **THE MARKET FOR DRAM**

4 33. DRAM is sold either individually, as a component of a DRAM module, or as a
5 component incorporated into an electronic system, such as a Computer, Printer or Networking
6 Equipment.

7
8 **SEPARATE DRAM PURCHASES**

9 34. Consumers of all kinds; natural persons, governments and businesses purchase
10 DRAM, usually in the form of modules, for three reasons: 1) to repair a product which has a
11 defective DRAM module; 2) to increase the functionality of an existing DRAM Containing
12 Product such as a Computer; and 3) to build a DRAM Containing Product from scratch.

13 35. All of the Defendants manufacture DRAM modules.

14 36. Such DRAM may be purchased from a Defendant like Micron or another vendor
15 such as CDW (formerly Computer Discount Warehouse), Staples, Office Depot or Office Max or
16 from an Original Equipment Manufacturer ("OEM") like Dell, Hewlett-Packard Company
17 ("HP") or Gateway.

18 37. Over various spans of the period from 1998-2002, from 5 % to 36% of all DRAM
19 used in electronic data processing equipment was purchased separately for those purposes
20 according to Gartner/Dataquest estimates.

21
22 **DRAM CONTAINED IN OTHER PRODUCTS**

23 38. DRAM is used in DRAM Containing Products to allow fast and efficient use of
24 electronic resources.

25 39. In a Computer, DRAM is used to store data (in the form of documents,
26 spreadsheets or pictures, for example), while the Computer processes that data. These processes
27 could involve editing a document, performing mathematical computation to information on a
28 spread sheet, or resizing or enhancing a picture.

1 40. Each of the functions would take dramatically more time, if accomplishable at all,
2 without DRAM.

3 41. In a Printer, DRAM is used to store the document or other item to be printed. For
4 network printers, i.e., those that have more than one user's computer attached to the Printer,
5 DRAM enables the Printer to store a large number of documents from a variety of sources.

6 42. Printing would be much slower without DRAM and would result in greatly
7 reduced performance of attached Computers.

8 43. In Networking Equipment, DRAM temporarily holds data such as that contained
9 in electronic mail while it is being transferred through the network. Because the amount of
10 traffic on networks has steadily increased due to the convenience of sharing data, such as when a
11 large document or picture is attached to an e-mail, DRAM is essential to the function of
12 Networking Equipment.

13 44. Computers, Printers and Networking Equipment require specific amounts of
14 DRAM for their key functions.

15

16

COMPUTERS

17 45. All Computers have essential components, which include a microprocessor
18 (central processing unit), a hard drive and DRAM.

19 46. Nearly all Computer advertisements note the amount of DRAM in a particular
20 model.

21 47. For example, in PC World advertisements from 1999 to 2001, Gateway, Compaq,
22 and Dell consistently listed DRAM at the top of the specifications list, generally only behind the
23 processor speed. In the January 2001 edition of PC World, Dell advertised its Dimension L in the
24 following manner: Intel Pentium III Processor at 800MHz, 64MB SDRAM, 20GB (7200 RPM)
25 Ultra ATA HD and other features for \$899.

26 48. Models with increased functionality usually have more DRAM. For example, in
27 the January 2001 edition of PC World, Compaq advertised multiple versions of the Presario
28 desktop PC. The base model included only 64MB of DRAM and was advertised as a family PC.

1 Models advertised for power users and music/photo enthusiasts, who require more functionality,
2 included 128MB of DRAM.

3 49. Similarly, in the July 1999 edition of PC World, Dell advertised its Dimension
4 L400c with 32MB of DRAM as a value desktop PC. Adjacently, Dell advertised the Dimension
5 XPS T450, its high performance model, which included 64 MB of DRAM.

6 50. Consumers can add DRAM at the time of purchase to most models. For example,
7 in the July 1999 edition of PC World, Compaq provided upgrade offers allowing consumers to
8 upgrade to 128MB of DRAM for \$120 or 256MB of DRAM for \$300. Similarly, in the June
9 2001 edition of PC World, Dell sold 128MB of DRAM for \$60 as an upgrade for desktops
10 containing only 64MB of DRAM. The December 2001 edition contained an offer from Dell for a
11 256MB DRAM upgrade for \$80.

12 51. Statewide requirements contracts for Computers may contain terms stating the
13 cost of DRAM upgrades to base-model Computers purchased under those contracts. This allows
14 individual State Agencies to procure Computers adequately configured for their individual needs
15 and budget considerations. An agency purchasing under this type of contract must make a
16 conscious decision regarding the amount of memory supplied versus the price of the upgrade,
17 and determine whether or not to purchase this upgrade.

18 52. Approximately 5-10% of a personal computer's cost is DRAM. In workstations,
19 the cost share of DRAM can be considerably higher.

20 53. Business, natural person, and government consumers all select a desired amount
21 of installed DRAM on Computers because all software installed on such devices requires a
22 certain amount of DRAM for the software to operate properly. When DRAM prices are high,
23 Computer OEMs respond by offering less memory with their base Computer models to
24 consumers. Consumers respond to higher memory prices by trading off better computer
25 performance against higher computer prices.

26 54. Producers of software applications designed to run on computers specify the
27 minimum amounts of DRAM and the suggested amounts of DRAM to successfully run these
28 applications. These specifications are readily available to the end user. They are published in

1 multiple forms often as part of the “system requirements” included on product packaging, Web
2 sites and printed advertising materials.

3 55. Minimum and suggested system requirements for amounts of DRAM begin with
4 the operating system itself. For example, Windows 98 requires a minimum of 16 MB of DRAM,
5 and a suggested amount of 24 to 64 MB of DRAM. Windows ME requires 32 MB of DRAM,
6 with 64 MB or 128 MB providing better performance, Windows 2000 requires a minimum of
7 64MB. Windows XP requires a minimum of 64 MB of DRAM memory, and at least 128MB to
8 run with minimally acceptable performance levels. Reasonable levels of performance are ensured
9 by configuring at least 256MB in the computer. The popular application software Microsoft
10 Office 98 requires a minimum of 8 MB of DRAM to run with Windows 95 or 16 MB of DRAM
11 to run with Windows NT workstation. Purchasers of Computers often use these suggested
12 system requirements, which specify the amount of DRAM necessary for operation, to purchase
13 the amount of DRAM required for their needs.

14 56. As DRAM becomes more expensive, purchasers of Computers can and do reduce
15 the amount of DRAM installed in the Computer to reduce the price of the Computer to stay
16 within their budgets. The consequence of doing so is that consumers will have a machine which
17 performs less capably than a machine with more DRAM.

18 57. Purchasers of Computers may also purchase additional DRAM to keep pace with
19 the rapidity of technological advancement in the Computer industry. Information technology
20 professionals often recommend purchasing as much DRAM in a new Computer as the budget
21 will allow, thus extending the useful lifespan of the Computer and providing increased
22 performance. For example, Kingston, a manufacturer and retailer of memory modules,
23 recommends that a Windows NT workstation used for administration and service should be
24 equipped with between 64 and 256 MB of DRAM, depending on whether the usage is light,
25 medium or heavy. It further recommends that this same machine, when used for engineering and
26 design work, should be equipped with between 96 MB and 1 GB of DRAM, depending on
27 whether the usage is light, medium or heavy. The current market price for DRAM factors into
28 how much DRAM may be purchased.

1 58. DRAM is even more important in a subset of Computers known as servers.
2 Servers are computers which connect to other computers to share files, software applications, and
3 other functions like printing.

4 59. Like other Computers, servers contain a central processing unit, a data storage
5 media like a hard drive, and DRAM.

6 60. Because servers are meant to handle functions from multiple computers
7 simultaneously, servers rely heavily on DRAM for this functionality.

8 61. As much as 70% of the cost of a server is attributable to DRAM.

9 62. Increases in the amount of DRAM in a server will increase its functionality.

10 63. Servers are used in situations where multiple persons connect to the same
11 network. Servers are purchased almost entirely for business or government use.

12

13

PRINTERS

14

64. Most computers are connected to Printers.

15

65. A Printer may be connected to a single computer or to multiple computers.

16

66. When a computer user prints a document, the document is moved from the
17 computer's DRAM to the Printer's DRAM.

18

67. If the Printer's DRAM has enough memory to hold the entire document, then the
19 computer's DRAM is freed to perform other functions.

20

68. The amount of DRAM in the Printer thus determines how efficiently a computer
21 and Printer function.

22

69. While certain inexpensive Printers come only with a set amount of DRAM, other
23 larger, more expensive Printers, especially Printers designed to service more than one computer
24 at a time, can have DRAM added to them either at the factory or subsequently.

25

70. How much DRAM is contained in inexpensive Printers or is standard or added to
26 other Printers is determined by the price of DRAM.

27

71. In 2000, a color laser jet 8550 from HP was available with 32MB to 128 MB of
28 DRAM from the manufacturer, and was upgradeable to 512 MB of DRAM. A Lexmark Optra

1 series printer in 1999 was available with 4MB to 8MB of DRAM from the manufacturer. These
2 printers could later be upgraded to 64-132 MB of DRAM, depending on the specific model.
3 Other manufacturers have similar base and upgrade specifications.

4 5 **NETWORKING EQUIPMENT**

6 72. Networking Equipment devices receive data going from one computer or network
7 and send it on to another computer or network.

8 73. In the process of transferring data, Networking Equipment uses DRAM to
9 temporarily store data while the transfer takes place.

10 74. The more DRAM the Networking Equipment has, the more quickly data can
11 move either among computers or among networks.

12 75. DRAM memory used in Networking Equipment is substantial. For example, a
13 2002 Cisco configuration guide shows that its 1751 router, sold as a SOHO/SMB (small or home
14 office/small-medium business) came with 32 Mb of DRAM memory as a base configuration,
15 which could be expanded to 128Mb at the option of the user. The Cisco 7500 series (RSP-16)
16 core router, sold to large organizations, came with 128Mb DRAM as standard, and could be
17 expanded to 1024 Mb of DRAM. Other manufacturers had similar base and expansion
18 specifications for their Networking Equipment.

19 20 **OTHER FACTORS AFFECTING CONSUMER DRAM NEEDS**

21 76. During the period of the conspiracy, the use of the Internet expanded greatly. In
22 this time period, the Internet came to be used to gather information and to make a variety of
23 transactions from purchasing airplane tickets to trading stock to buying shoes.

24 77. As a consequence, the Web sites consumers used over the Internet added more
25 features, including new graphics, streaming audio and video and the ability to encrypt financial
26 transactions.

27 78. Each of these innovations on Web sites required additional DRAM on the user's
28 computer for the pages to be viewed quickly and easily, and in some cases to work properly.

1 79. States also enhanced their Web sites during the period of the alleged conspiracy,
2 allowing, among many other activities, the renewal of licenses, the downloading of forms, laws
3 and regulations and the payment of taxes.

4 80. Each of these and the many other functions performed on state Web sites required
5 increased DRAM on the states' Computers.

6 81. As DRAM prices rise, the ability of natural persons as users of Web sites and the
7 ability of businesses and government entities, like states, as users and operators of Web sites to
8 access and provide enhanced Web site services are either curtailed or made more expensive.

9 82. A substantial proportion of worldwide DRAM sales occur in California, which is
10 one of the world-wide centers of the computer industry that depends upon DRAM.

11
12 **DRAM PURCHASING BY MANUFACTURERS OF DRAM CONTAINING PRODUCTS**

13 83. Manufacturers of Computers, Printers and Networking Equipment purchase
14 DRAM either from the Defendants or from wholesale distributors who have purchased DRAM
15 from the Defendants. These manufacturers then sell these DRAM Containing Products to end-
16 users, as well as DRAM itself to end-users (e.g., for upgrades or repairs).

17 84. DRAM memory module-makers purchase DRAM chips from the Defendants in
18 order to manufacture modules with these chips, and then resell DRAM in said memory-modules
19 to manufacturers of Computers, Printers, and Networking Equipment for resale to end-users, to
20 wholesale distributors for resale to end-users, or directly to end-users.

21 85. The largest OEMs of Computers, Printers, and Networking Equipment, purchase
22 the bulk of their DRAM modules directly from the Defendants pursuant to periodic transactions
23 that take place under the terms of negotiated agreements or contracts. Seventy-five to eighty
24 percent of DRAM memory is estimated to be sold in this "contract" market. Large customers
25 such as OEMs negotiate with the Defendants or wholesale distributors for bulk purchases at
26 favorable prices under these contracts.

27 86. Absent the alleged anti-competitive conduct of the Defendants, this contract price
28 generally would have been lower than actually observed. Information on currently negotiated

1 contract prices is collected from both DRAM buyers and sellers, and offered for sale by industry
2 consultants on a weekly or monthly basis (such organizations as Gartner/Dataquest, Semico, De
3 Dios, ICIS/LOR, iSuppli and others track and publish this information).

4 87. OEMs also sometimes purchase memory in a “spot” market (consisting of
5 brokers, distributors, and dealers, other than DRAM manufacturers and their authorized
6 distributors) when their needs exceed the quantities negotiated or available under the terms of
7 agreements to purchase directly from DRAM makers. These purchases are typically on a “spot”
8 basis (i.e., for immediate delivery), and do not represent longer term commitments to deliver
9 product in the future. When OEMs purchase or acquire greater quantities of DRAM than
10 anticipated or needed for equipment production requirements, they will sell their excess
11 inventories into the spot market. If spot prices are substantially below contract prices, OEMs can
12 shift their purchases into the spot market and take advantage of the lower spot market price.

13 88. Thus, contract DRAM prices are integrally linked to the prices available on the
14 spot market for DRAM. Moreover, the spot market price is openly advertised, easy to track, and
15 influences contract price negotiations.

16 89. High spot market prices for DRAM thus enable the Defendants to obtain higher
17 contract prices for DRAM than they would otherwise receive. A DRAM manufacturer knows
18 that a DRAM purchaser has little choice but to agree to pay a higher contract price during periods
19 when DRAM spot market prices are high. Moreover, if contract prices are substantially higher
20 than spot prices for DRAM, this can cause spot prices to rise as well, as OEMs compete with
21 others for what is available in the spot market.

22 90. Between the years 1998 to 2003, the largest OEM’s, (Dell, HP, International
23 Business Machines Corp. (“IBM”), Compaq and Gateway) accounted for approximately 60% of
24 the U.S. computer market.

25 91. Between the years 1999 to 2001, five companies; Dell, HP, IBM, Compaq and
26 Sun accounted for more than 75% of the U.S. server market.

27
28 **DEFENDANTS’ ILLEGAL CONDUCT**

1 92. In or around 1998, the Defendant DRAM manufacturers discussed and
2 coordinated the prices that they charged to OEMs, and to their other customers. The
3 manufacturers did not limit this pricing coordination to isolated or occasional conversations. To
4 the contrary, during a roughly four-year period, there were frequent pricing communications
5 among the conspiring manufacturers, exchanges that intensified in the days immediately
6 preceding the dates on which they submitted bids to supply DRAM to the OEMs, their largest
7 and most important customers.

8 93. In June, 2002, the U.S. Department of Justice launched a criminal investigation.
9 Although initially denying any culpability, one of the conspirators, Micron, agreed to cooperate
10 with federal investigators, revealing the details of the conspiracy in exchange for amnesty from
11 federal criminal charges. To date, four manufacturers – Samsung, Hynix, Infineon, and Elpida –
12 and twelve individuals have been charged with, and have pleaded guilty to, criminal price fixing
13 as a result of the investigation, and they have paid fines in excess of \$730 million.

14 94. As early as spring of 1998 a Vice President of Hyundai Electronics America, a
15 predecessor of Defendant Hynix, writing to the industry in general, proposed, as a solution to the
16 problem of excess supply, that DRAM makers shut down production for a limited time to
17 stabilize prices. The article stated that “if the plan is to work ... all DRAM makers must play
18 fairly for the overall good of our industry. A rogue player ... can keep the DRAM business on
19 thin ice.” In or around 1998, price-related discussions were conducted by certain Defendants
20 regarding certain OEMs, which involved the exchange of pricing information.

21 95. Beginning in the mid 1990s through 2002, dramatic consolidation occurred
22 among DRAM manufacturers, leading to a 40% reduction in the number of DRAM
23 manufacturers worldwide.

24 96. In 2001, Defendants agreed to reduce supply in order to artificially raise prices.
25 At a meeting among DRAM manufacturers in the fall of 2001, a Mosel Vitelic executive stated
26 that a “basis for understanding had been reached” in which the Defendants were to “trim some
27 production starting in September.” The Mosel Vitelic executive indicated that all DRAM makers
28 would have to agree for the plan to have the desired effect of raising prices.

1 97. Defendants' manipulation of the price charged to OEMs (contract price) and the
2 spot market price resulted in elevated prices for all DRAM units sold.

3 98. In 1999, 61% of total DRAM was installed in Computers either by original
4 equipment manufacturers or by end-users.

5 99. Defendants and their co-conspirators have engaged in a contract, combination,
6 trust or conspiracy the effect of which was to stabilize prices at which they sold DRAM and to
7 artificially inflate the price levels at which they sold DRAM.

8 100. Defendants' contract, combination, trust, or conspiracy was centered in, carried
9 out, and effectuated through frequent communications substantially originating from, occurring
10 in, or directed to the state of California among the Defendants themselves and between the
11 Defendants and OEM manufacturers located in California and elsewhere.

12
13 **Micron**

14 101. Between 1999 and June 2002, at least 19 Micron employees exchanged price-
15 related data in communication with employees of competitors Samsung, Hynix, Mosel Vitelic,
16 Nanya, Elpida, NEC, Infineon and Toshiba.

17 102. The pricing data Micron employees exchanged with Micron's co-conspirators
18 related to prices the Defendant would charge OEMs for DRAM. Such OEM customers of
19 Micron and its co-conspirators included Apple Computer, Inc., Compaq Computer Corp., Dell
20 Inc., Gateway Inc., HP, and International Business Machines Corp. ("IBM").

21 103. Micron employees and their counterparts at competing DRAM manufacturers
22 exchanged pricing information by telephone and in meetings. Information exchanged in these
23 discussions included prices to be charged to specific DRAM customers, and at times, information
24 about specific prices that they planned to charge their key corporate accounts.

25 104. Micron employees passed on price-related information they received from
26 competitors to their superiors either orally or by e-mail.

27 105. Mike Sadler is Vice President of Worldwide sales for Micron. Since 1997, he has
28 overseen the sales activity for all Micron DRAM products. He is the Micron executive with

1 ultimate pricing responsibility.

2 106. During the relevant time period, Mike Sadler had discussions concerning pricing
3 and other competitive strategies with his counterparts at Samsung, Infineon, Hynix, Nanya,
4 Elpida and Mosel Vitelic.

5 107. On separate occasions Sadler discussed directly with the CEOs of Samsung and
6 Infineon the “problem” of oversupply in the DRAM market.

7 108. On November 11, 2004, Micron’s CEO, Steve Appleton, admitted that “the
8 DOJ’s investigation has revealed evidence of price fixing by Micron employees and its
9 competitors on DRAM sold to certain computer and server manufacturers.”

10

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Samsung

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109. Samsung Electronics Company and Samsung Semiconductor, Inc., (“Samsung”) pleaded guilty on November 30, 2005, in the Northern District of California to a Criminal Information charging the companies with participating in a conspiracy to suppress and eliminate competition by fixing the prices of DRAM to be sold to OEMs during certain periods of time between April 1, 1999, to about June 15, 2002, in violation of the Sherman Antitrust Act, 15 USC § 1.

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110. Samsung admitted during the sentencing hearing that in furtherance of the conspiracy, its officers and employees engaged in discussions and attended meetings with representatives of other DRAM manufacturers. During these discussions and meetings agreements were reached to fix the price of DRAM to be sold to OEMs. Samsung was sentenced to pay a fine of \$300 million.

23

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111. Samsung’s DRAM sales directly affected by the conspiracy in the United States totaled at least \$1.2 billion. The conspiracy unlawfully fixed the prices that Dell, HP, Compaq, IBM, Apple and Gateway paid for DRAM.

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112. During the period of the conspiracy at least 48 Samsung officers and employees, including senior executives with final pricing authority had price-related contacts with employees of Defendant competitors Micron, Elpida, Hynix, Infineon, Toshiba, NEC, Infineon, Hitachi,

1 Mitsubishi, Nanya, and Mosel Vitelic.

2 113. H.J. Kim, President of Samsung Semiconductor, Inc., had discussions with both
3 Mike Sadler, the Micron executive with final pricing authority, and with Steve Appleton, the
4 CEO of Micron.

5 114. Dieter Mackowiak, Senior Vice President of Sales and Marketing at Samsung
6 Semiconductor had discussions on market conditions and pricing trends with Mike Sadler of
7 Micron, Peter Schaefer of Infineon, and Farhad Tabrizi of Hynix.

8 115. The contacts between Samsung officers and employees and their competitors
9 included participating in meetings, conversations and communications to discuss the price of
10 DRAM to be sold to customers and agreeing with their competitors to charge prices of DRAM to
11 their customers at specific levels. These agreements also included issuing price quotes that had
12 been agreed upon and exchanging information on sales in order to monitor and enforce their
13 agreements.

14 116. Samsung officers and employees communicated price-related discussions with
15 competitors to their superiors at Samsung by e-mail, phone or in person.

16 117. Three senior Samsung executives agreed to plead guilty and serve periods of
17 imprisonment for participating in the DRAM price fixing conspiracy.

18

19

Hynix

20 118. Hynix Semiconductor, Inc., pled guilty on May 11, 2005, in the Northern District
21 of California to a Criminal Information charging it with participating in a conspiracy to suppress
22 and eliminate competition by fixing the prices of DRAM to be sold to OEM customers during
23 certain periods of time between April 1, 1999, to about June 15, 2002, in violation of the
24 Sherman Antitrust Act, 15 USC § 1.

25 119. Hynix admitted during the sentencing hearing that, in furtherance of the
26 conspiracy, its officers and employees engaged in discussions and attended meetings with
27 representatives of other DRAM manufacturers. During these discussions and meetings,
28 agreements were reached to fix the price of DRAM to be sold to OEMs. Hynix was sentenced to

1 pay a fine of \$185 million.

2 120. Hynix's DRAM sales directly affected by the conspiracy in the United States
3 totaled at least \$839 million. The conspiracy unlawfully fixed the prices that Dell, HP, Compaq,
4 IBM, Apple and Gateway paid for DRAM.

5 121. During the period of the conspiracy at least 19 Hynix officers and employees,
6 including senior executives with final pricing authority, had price-related contacts with
7 employees of Defendant competitors Samsung, Micron, Infineon, Toshiba, Elpida, Mosel Vitelic
8 and NEC.

9 122. C.K. Chung, the Director of World Wide Strategic Account Sales for Hynix, had
10 pricing discussions with his counterparts at Samsung both in person and on the phone.

11 123. Gary Swanson, Hynix's Vice President in charge of U.S. memory sales and a
12 member of the Hynix semiconductor America Board of Directors, had price-related contacts with
13 Mike Sadler, Vice President of World Wide sales for Micron.

14 124. The contacts between the 19 Hynix officers and employees and their competitors
15 included participating in meetings, conversations and communications to discuss the price of
16 DRAM to be sold to customers; agreeing with their competitors to charge prices of DRAM at
17 certain levels to be sold to certain customers; issuing price quotes in accordance with the
18 agreements reached; and exchanging information on sales in order to monitor and enforce their
19 agreements.

20 125. Hynix officers and employees communicated price-related discussions with
21 competitors to their superiors at Hynix by e-mail, telephone and in person. During Hynix sales
22 and marketing conference calls, participants discussed the fact that competitive pricing
23 information had been obtained from competitor contacts.

24 126. Four Hynix executives, including C.K. Chung, have agreed to plead guilty and
25 serve jail time for participating in a global conspiracy to fix DRAM prices.

26

27

Infineon

28 127. Infineon Technologies A.G. pled guilty in October 2004 in the Northern District

1 of California to a Criminal Information charging it with participating in a conspiracy to fix the
2 prices of DRAM sold to OEM customers during certain periods of time between July 1, 1999,
3 and June 15, 2002, in violation of the Sherman Antitrust Act, 15 USC § 1.

4 128. Infineon admitted during the sentencing hearing that its officers and employees
5 engaged in discussions and attended meetings with representatives of other DRAM
6 manufacturers. During these discussions and meetings, agreements were reached to fix the price
7 of DRAM to be sold to OEMs. Infineon and its co-conspirators reached agreements to both limit
8 the rate of price declines during periods when DRAM prices decreased, and reached agreements
9 on price increases on sales to certain OEMs. Infineon was sentenced to pay a fine of \$160
10 million.

11 129. Between July 1, 1999, and June 15, 2002, Infineon sold DRAM to IBM, Compaq,
12 HP, Dell and Gateway. Infineon executives negotiated the prices of DRAM sold to each OEM
13 every two weeks.

14 130. During the time period of the conspiracy at least 12 Infineon officers and
15 employees, including senior executives with final pricing authority, had price-related discussions
16 with counterparts at their competitors including Samsung, Micron, Hynix, Elpida, Nanya, Mosel
17 Vitelic and Toshiba.

18 131. T. Rudd Corwin, Infineon's Vice President for Customer Marketing and Sales for
19 Memory Products in North America, authorized his employees to obtain pricing information
20 from competitors in exchange for Infineon pricing information for DRAM.

21 132. Peter Schaefer was head of marketing, sales and logistics for Infineon memory
22 products between October 2000 and February 2003. In 2001, Schaefer had direct
23 communications with Dieter Mackowiak, Senior Vice President of Sales and Marketing for
24 Samsung, and with Mike Sadler of Micron. During these communications, price increases for
25 certain DRAM products were discussed.

26 133. At the beginning of December 2001, Infineon and other DRAM manufacturers
27 increased prices to OEMs following a series of communications in which Infineon and certain
28 competitors indicated their intention to increase prices.

1 134. The contacts between Infineon officers and employees and their competitors
2 included participating in meetings, conversations and communications to discuss the price of
3 DRAM to be sold to customers; agreeing with their competitors to charge prices of DRAM at
4 certain levels to be sold to certain customers; issuing price quotes in accordance with the
5 agreements reached; and exchanging information on sales in order to monitor and enforce the
6 agreements.

7 135. Infineon officers and employees communicated to their superiors by e-mail,
8 telephone and in person price-related information they had exchanged with competitors.

9 136. Four Infineon executives, including T. Rudd Corwin and Peter Schaefer, agreed to
10 plead guilty and have served jail time for participating in the worldwide DRAM price fixing
11 conspiracy.

12
13 **Elpida**

14 137. Elpida Memory, Inc., agreed on January 30, 2006, to plead guilty in the Northern
15 District of California to a two-count Criminal Information. The first count charged Elpida with
16 participating in a conspiracy to fix the prices of DRAM sold to OEM customers between April 1,
17 1999, and June 15, 2002, in violation of § 1 of the Sherman Antitrust Act, 15 USC § 1. The
18 second count also charged that Elpida violated §1 of the Sherman Antitrust Act by reaching
19 agreements with competitors to allocate and divide among themselves a bid offered by Sun
20 Microsystems. Elpida has agreed to pay a fine of \$84 million.

21 138. The Criminal Information charges that Elpida officers and employees carried out
22 the price fixing conspiracy by participating in meetings, conversations and communications in
23 the United States and elsewhere with competitors to discuss the prices of DRAM to be sold to
24 certain customers; and agreed during those meetings, conversations and communications to fix
25 prices of DRAM at certain levels for certain customers. Elpida and its co-conspirators issued
26 price quotations in accordance with the agreements reached, and exchanged information on sales
27 of DRAM to certain customers, for the purpose of monitoring and enforcing adherence to the
28 agreed upon prices.

1 139. During the period of the conspiracy at least 19 Elpida officers and employees had
2 price-related contacts with officers and employees of competitors including Infineon, Toshiba,
3 Hynix, Micron, Samsung, Mitsubishi and Nanya.

4 140. Elpida officers and employees communicated price-related discussions with
5 competitors to their superiors at Elpida by e-mail, telephone and in person.

6 141. One Elpida executive, Dimitrios James ("Jim") Sogas, agreed to plead guilty and
7 has served jail time for participating in the worldwide DRAM price fixing conspiracy.

8
9 **Mosel Vitelic, Nanya, NEC, Toshiba, Hitachi and Mitsubishi**

10 142. Officers, agents, and employees of Mosel Vitelic, Nanya, NEC, Toshiba, Hitachi,
11 and Mitsubishi had numerous price-related discussions with their counterparts at competitors
12 Samsung, Micron, Hynix, Infineon and Elpida.

13 143. On information and belief, officers, agents, and employees of Mosel Vitelic,
14 Nanya, NEC, Toshiba, Hitachi, and Mitsubishi communicated price-related discussions with
15 competitors through their superiors.

16
17 **FRAUDULENT CONCEALMENT**

18 144. From approximately 1998 to June of 2002, Defendants effectively, affirmatively,
19 and fraudulently concealed their unlawful combination and conspiracy from Plaintiffs.

20 145. Defendants engaged in a successful, illegal price fixing conspiracy that by its
21 nature was inherently self-concealing.

22 146. Defendants' wrongful conduct was carried out in part through means and methods
23 that were designed and intended to avoid detection, including numerous telephone calls and in
24 person meetings among the conspirators which, in fact, successfully precluded detection.
25 Plaintiffs could not have discovered Defendants' unlawful scheme and conspiracy earlier because
26 of Defendants' effective, affirmative, and fraudulent concealment of their activities.

27 147. Defendants communicated to their United States entities false reasons to explain
28 price increases, such as seasonal ebb and flow and restriction in output, and instructed them to

1 use these false reasons with U.S. customers. Plaintiffs are informed and believe that Defendants
2 communicated said reasons to OEMs who inquired as to the reason for price increases.

3 148. Plaintiffs have exercised due diligence by promptly investigating the facts giving
4 rise to the claims asserted herein upon having reasonable suspicion of the existence of
5 Defendants' conspiracy to the extent permitted by law.

6
7 **INJURY**

8 149. But for Defendants' anticompetitive acts, Plaintiffs would have been able to
9 purchase DRAM and the DRAM Containing Products of Computers, Printers, and Networking
10 Equipment at lower prices, and would have been able to purchase more capable and higher
11 performance DRAM Containing Products than were actually offered for sale to them.

12 150. As a direct and proximate result of the unlawful conduct alleged above, the
13 Plaintiffs were not able to purchase DRAM and DRAM Containing Products at prices which
14 were determined by free and open competition. Consequently, they have been injured in their
15 business and property in that, *inter alia*, they have paid more, and continue to pay more, for such
16 products than they would have paid in a free and open competitive market, and were not offered
17 more capable and higher performance products that would have been offered in a free and open
18 competitive market.

19 151. Prices for DRAM are cyclical. As a new DRAM chip is introduced (i.e. one with
20 larger capacity), the chip is generally priced higher than the chip it replaces. Over the lifecycle of
21 the chip its price declines until it is no more expensive than the chip it replaces. OEMs rely on
22 declining chip prices to offer more powerful equipment at lower prices.

23 152. One OEM, Dell Computer Corp., steadily gained market share due to close
24 inventory controls. In 1998, Dell's United States market share was 13.4%. By 2002, it had risen
25 to 27.7%. Dell's inventory control system used just-in-time management of computer
26 components to take advantage of the steady downward trend in component prices. This allowed
27 Dell to gain significant market share by passing this reduction in component prices on to the
28 consumer. This is referred to by some in the industry as "relentless price cutting," which has

1 forced other OEMs to pass on their savings as well or lose market share to Dell.

2 153. Dell's inventory control system is adversely affected by unexpected increases in
3 component costs. Unexpected increases in costs deprive Computer purchasers of pass through
4 savings. When component cost increases prevented Dell from cutting prices, other OEMs
5 likewise did not cut their prices. Purchasers of devices made by OEMs were therefore deprived
6 of price declines in components such as DRAM that they would have otherwise enjoyed due to
7 such component cost increases.

8 154. Computer component prices overall were steadily falling or holding steady for
9 much of the time period from 1998 until 2002, sometimes declining as much as one to two
10 percent per week. The only major components that experienced significant price increases were
11 LCD monitors and DRAM. LCD monitors were not a standard component at that time and were
12 considered an upgrade.

13 155. During the relevant time period, OEMs published the price of memory upgrades
14 for available computer models. Price increases in DRAM caused the price of memory upgrades
15 to increase.

16 156. DRAM price increases caused OEMs to offer less DRAM as a standard feature of
17 their products for a given price than they would have otherwise. Since purchasers of DRAM
18 Containing Products paid the same price for a device with less memory than they otherwise
19 would, they effectively paid more than they should have.

20 157. Moreover, purchasers needed DRAM upgrades to meet suggested system
21 requirements, depending upon the intended level of usage of the device. Such purchasers paid
22 the full price increase in DRAM as passed through the price of an upgrade.

23 158. The Defendants' actions resulted in purchasers of DRAM and DRAM Containing
24 Products paying higher prices for DRAM Containing devices or in buying products with less
25 performance than they would have preferred.

26 159. Numerous businesses, government entities, and natural persons in each of the
27 Plaintiff States all faced increased costs as a direct result of Defendants' cartel to increase the
28 price of DRAM.

1 160. As a direct and proximate result of the unlawful conduct alleged above, the
2 Defendants have unjustly benefited from the artificially inflated prices for DRAM itself,
3 regardless of whether its end-use was as a component of a Computer, Printer, server, or network
4 equipment or as an upgrade to such DRAM Containing devices. Defendants' increased revenues
5 and profits on their sale of DRAM products resulting from their unlawful and inequitable
6 conduct have thus far been retained by the Defendants.

7

8

ASSIGNMENT CLAUSES

9 161. The Plaintiff States of California, Florida, Pennsylvania, Virginia, and Wisconsin
10 (hereinafter "Assignment Clause States") require, in most instances, contractors who sell
11 products or services to them to assign claims those contractors have against others for violation
12 of federal and/or state antitrust laws to either the state or to the state agency or Political
13 Subdivision purchasing the products or services.

14 162. For example, Pennsylvania inserts the following language into its purchase
15 contracts:

16 "The Contractor and the Commonwealth recognize that in actual economic practice,
17 overcharges by the Contractor's suppliers resulting from violations of state or federal
18 antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the
19 award of the Purchase Order, and intending to be legally bound, the Contractor assigns to
20 the Commonwealth all right, title and interest in and to any claims the Contractor now has,
21 or may acquire, under state or federal antitrust laws relating to the item(s) which are the
22 subject of the Contract."

23 163. Contractors to the Plaintiff States such as OEMs, distributors and other vendors
24 purchased DRAM directly from the Defendants for resale to others. These OEMs, distributors
25 and other vendors ("DRAM Resellers") sold the DRAM individually, and also incorporated the
26 DRAM into DRAM Containing Products sold by the DRAM Resellers.

27 164. The DRAM Resellers paid higher-than-competitive prices for DRAM and
28 DRAM Containing Products as result of the Defendants' unlawful conduct.

1 under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of
2 Division 7 of the Business and Professions Code), arising from purchases of goods,
3 materials, or services by the bidder for sale to the purchasing body pursuant to the bid.

4 170. The effect of this assignment clause was to transfer the bidding DRAM Reseller's
5 causes of action against the Defendants under federal antitrust laws (direct purchaser claims) and
6 the California Cartwright Act (direct and indirect purchaser claims).

7
8 **UNJUST ENRICHMENT**

9 171. Defendants' financial benefits resulting from their unlawful and inequitable
10 conduct are economically traceable to overpayments for DRAM and DRAM Containing Products
11 by Plaintiffs.

12 172. Plaintiffs have conferred upon Defendants an economic benefit, in the nature of
13 anti-competitive profits resulting from unlawful overcharges and monopoly profits, to the
14 economic detriment of the States and consumers.

15 173. The economic benefit of overcharges and unlawful monopoly profits derived by
16 Defendants through charging artificially inflated prices for DRAM is a direct and proximate
17 result of Defendants' unlawful practices.

18 174. It would be inequitable and unjust for Defendants to be permitted to retain any of
19 the unlawful proceeds resulting from their fraudulent, illegal, and inequitable conduct.

20
21 **CLASS ACTION ALLEGATIONS**

22 175. Plaintiff states of California and New Mexico bring this action pursuant to Rules
23 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, on behalf of the following Class
24 pursuant to state and federal laws governing representation by Attorneys General: a Class of
25 State Agencies and Political Subdivisions, excluding federal government entities, in California
26 and New Mexico that purchased DRAM directly or indirectly from approximately 1998 to
27 December of 2002, to the extent that the entities in said classes are not covered by either the
28 Attorneys General acting in their *parens patriae* capacities or their proprietary/sovereign

1 capacities and to the extent that a given state law permits such a class. This Class suffered
2 damages that, with trebling provisions applicable pursuant to the relevant state laws, amount to
3 \$5 million or more.

4 176. Plaintiff States who are members of the above-described Class and other class
5 representatives such as the City and County of San Francisco, County of Santa Clara, Los
6 Angeles Unified School District, and County of Sandoval, New Mexico, may sue on behalf of the
7 Class because:

8 a. This Class is so numerous that joinder of all members is impracticable. The class of
9 State Agencies and Political Subdivisions numbers in the thousands in Plaintiff
10 States such as California. The exact number and identities of members in this
11 Class are currently unknown to Plaintiff States.

12 b. Questions of law and fact are common to the Class, including but not limited to the
13 following:

14 (i) whether Defendants have conspired to fix, raise, stabilize or maintain the
15 prices of DRAM;

16 (ii) whether Defendants' conduct caused injury to the business or property of
17 Plaintiffs and the members of the Class;

18 (iii) the operative time period of Defendants' conspiracy and the effects
19 therefrom;

20 (iv) the amount of aggregate damages suffered by the Class as a whole;

21 (v) whether the Class suffered antitrust injury;

22 (vi) whether Defendants were unjustly enriched to the detriment of the Class
23 entitling Plaintiff States and the Class to disgorgement of all monies
24 resulting therefrom; and

25 (vii) whether the Class is entitled to restitution and/or disgorgement, in addition
26 to or as a substitute for damages, under applicable state laws.

27 c. Plaintiff States and their class representatives' claims are typical of the Class
28 because Plaintiff States and all members of the Class were injured, and may

1 continue to be injured, in the same manner by Defendants' unlawful, anti-
2 competitive and inequitable methods, acts and practices, *i.e.*, they have paid
3 artificially high prices for DRAM and DRAM Containing Products and may be
4 forced to do so in the future. The defenses would involve common issues with
5 respect to the Plaintiff States and their class representatives and each class member.

6 d. Plaintiff States and their class representatives will fully and adequately protect the
7 interest of all members of the Class. Plaintiff States' counsel are experienced in
8 antitrust litigation, including class action litigation. Plaintiff States have no
9 interests that are adverse to or in conflict with those of the Class.

10 e. The questions of law and fact common to the members of the Class predominate
11 over any questions that may affect only individual members.

12 f. For those Plaintiff States and class representatives bringing this as a class action, a
13 class action is equivalent or superior to other available methods for the fair and
14 efficient adjudication of this controversy. Joinder of all state agency and political
15 subdivision purchasers of DRAM and DRAM Containing Products would be
16 impracticable. The Class is readily definable and prosecution as a class action will
17 eliminate the possibility of duplicative litigation, while also providing redress for
18 claims that would otherwise be too small to support the expense of individual
19 complex litigation.

20
21 **VIOLATIONS ALLEGED**

22 **First Claim for Relief**

23 **(Violation of Section 1 of the Sherman Act)**

24 **(Count One – All Plaintiff States - Injunction)**

25 177. Plaintiffs incorporate and reallege, as though fully set forth herein, each and every
26 allegation set forth in the preceding paragraphs of this Complaint.

27 178. Beginning at least on or around 1998 and continuing through at least June 30,
28 2002, the exact dates being unknown to Plaintiffs, Defendants and their co-conspirators entered

1 into a continuing agreement, understanding, and conspiracy in restraint of trade to artificially
2 raise, fix, maintain, and/or stabilize prices for DRAM in the United States, in violation of Section
3 1 of the Sherman Act, 15 U.S.C. § 1.

4 179. In formulating and carrying out the alleged agreement, understanding, and
5 conspiracy, the Defendants and their co-conspirators did those things that they combined and
6 conspired to do, including but not limited to the acts, practices, and course of conduct set forth
7 above, and the following, among others:

- 8 a. To fix, raise, maintain and stabilize the price of DRAM;
- 9 b. To allocate markets for DRAM among themselves;
- 10 c. To submit rigged bids for the award and performance of certain DRAM
11 contracts; and
- 12 d. To allocate the production of DRAM.

13 180. The combination and conspiracy alleged herein has had the following effects,
14 among others:

- 15 a. Price competition in the sale of DRAM has been restrained, suppressed, and/or
16 eliminated throughout the United States;
- 17 b. Prices for DRAM sold by Defendants and their co-conspirators have been
18 fixed, raised, maintained and stabilized at artificially high, non-competitive
19 levels throughout the United States; and
- 20 c. Those who purchased DRAM directly or indirectly from Defendants and their
21 co-conspirators have been deprived of the benefits of free and open
22 competition.

23 181. Plaintiffs who purchased significant volumes of DRAM and DRAM Containing
24 Products have been injured, and will continue to be injured, in their business and property by
25 having paid more for DRAM purchased directly and indirectly from the Defendants and their co-
26 conspirators than they would have paid and will pay in the absence of the combination and
27 conspiracy. This includes paying more for DRAM Containing Products as a result of higher
28 prices paid for DRAM by the OEMs of those products, and by the potential future deprivation of

1 competition arising from the failure of Defendants to discontinue the wrongful conduct until
2 Federal Grand Jury Subpoenas were issued, and from the repeated attempts of Defendants to
3 further stabilize the aforementioned price fixing conspiracy by limiting or curtailing supply or
4 market share.

5 182. As a result of each of the illegal contracts, combinations, and conspiracies alleged
6 above, consumers in the States represented by Plaintiffs have sustained injury to their property
7 and will continue to be injured in their property by having paid more for DRAM purchased
8 directly and indirectly from the Defendants and their co-conspirators than they would have paid
9 and will pay in the absence of the combination and conspiracy. This includes paying more for
10 DRAM Containing Products as a result of higher prices paid for DRAM by the OEMs of those
11 products, and by the potential future deprivation of competition arising from the failure of
12 Defendants to discontinue the wrongful conduct until Federal Grand Jury Subpoenas were issued,
13 and from the repeated attempts of Defendants to further stabilize the aforementioned price fixing
14 conspiracy by limiting or curtailing supply or market share.

15 183. Plaintiffs are entitled to an injunction against Defendants, preventing and
16 restraining the violations alleged herein, as well as enjoining the Defendants from engaging in
17 similar conduct in the future.

18
19 **(Count Two – Plaintiff States of California, Florida, Pennsylvania, Virginia and Wisconsin
as Direct Purchasers by Assignment Against Defendants)**

20 184. Plaintiffs incorporate and reallege, as though fully set forth herein, each and every
21 allegation set forth in the preceding paragraphs of this Complaint.

22 185. DRAM Resellers have assigned to the Assignment Clause States, their State
23 Agencies, or their Political Subdivisions their rights under federal law as direct purchasers of
24 DRAM from Defendants that relate to the DRAM and DRAM Containing Products sold to the
25 State Agencies and Political Subdivisions, and that arise out of Defendants' activities alleged
26 above, including the right to recover damages flowing from Defendants' unlawful conduct.

27 186. Customers for DRAM and DRAM Containing Products from DRAM Resellers
28 included State Agencies and/or Political Subdivisions in the States of California, Florida,

1 Pennsylvania, Virginia, and Wisconsin.

2 187. Defendants are jointly and severally liable for violations of Section 1 of the
3 Sherman Act, 15 U.S.C. § 1, to the Assignment Clause States, their State Agencies and their
4 Political Subdivisions, as assignees of the federal antitrust claims of DRAM Resellers relating to
5 the DRAM and DRAM Containing Products sold to the State Agencies and Political
6 Subdivisions.

7 **(Count Three – Plaintiff States Arkansas, California, Delaware, Hawaii, Idaho, Illinois,**
8 **Maryland, Massachusetts, Mississippi, Nevada, New Mexico, Oklahoma, Oregon,**
9 **Pennsylvania, Utah, Washington, Wisconsin as Direct Purchasers From Defendant Micron)**

10 188. Plaintiffs incorporate and reallege, as though fully set forth herein, each and every
11 allegation set forth in the preceding paragraphs of this Complaint.

12 189. Defendant Micron sold and distributed DRAM to customers throughout the
13 United States through its Crucial Technology division.

14 190. Defendant Micron sold DRAM directly to State Agencies and/or Political
15 Subdivisions in the following states: Arkansas, California, Delaware, Hawaii, Idaho, Illinois,
16 Maryland, Massachusetts, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, Pennsylvania,
17 , Utah, Washington, and Wisconsin (hereinafter referred to as “Direct Purchasing States”).

18 191. Customers of Micron who purchased DRAM in these Direct Purchasing States
19 paid artificially inflated prices for DRAM because Micron participated in a conspiracy to fix
20 prices for DRAM in violation of Section 1 of the Sherman Act. 15 U.S.C. §1. As a direct and
21 proximate result of Defendant Micron’s acts, such states paid more for DRAM than they
22 otherwise would have paid in the absence of Defendant Micron’s unlawful conduct.

23 192. Plaintiffs allege that the Defendants are jointly and severally liable for the
24 damages arising under state and federal laws from these sales by Micron of DRAM at artificially
25 inflated prices.

26 193. The Direct Purchasing States all represent themselves and their State Agencies.

27 194. The Direct Purchasing States of California, Delaware, Idaho, Illinois, Maryland,
28 Massachusetts, Mississippi, Nevada, New Mexico, Oregon and Utah represent their Political
Subdivisions. The Direct Purchasing States of California and New Mexico represent their

1 Political Subdivisions as part of the specified Class and Idaho represents its Political
2 Subdivisions that have consented to being represented in this action.

3
4 **Second Claim for Relief**

5 **(Count Four – Violation of the California Cartwright Act: States Purchases of DRAM and**
6 **DRAM Containing Products in Proprietary Capacity)**

7 195. Plaintiff State of California incorporates and realleges, as though fully set forth
8 herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

9 196. Defendants' contract, combination, trust or conspiracy was substantially carried
10 out and effectuated within the State of California, and Defendants' conduct within California
11 injured State Agencies represented by the Attorney General of California, which purchased
12 DRAM and DRAM Containing Products. Therefore, this claim for relief under California law is
13 brought in a proprietary capacity for the State Agencies in California under California law
14 because of the nexus of the alleged conspiracy to California. This claim is in addition to claims
15 under the laws of other states in which said natural persons, State Agencies, and Political
16 Subdivisions reside or are located.

17 197. Beginning at a time presently unknown to Plaintiffs, but at least on or around
18 1998, and continuing thereafter at least up to and including June 30, 2002, Defendants and their
19 co-conspirators entered into and engaged in a continuing unlawful trust, in restraint of the trade
20 and commerce described above, in violation of Section 16720, California Business and
21 Professional Code. Each Defendant has acted, in violation of Section 16720, to fix, raise,
22 stabilize and maintain prices of, and allocate markets for DRAM, resulting in prices at higher
23 than competitive levels.

24 198. The aforesaid violations of Section 16720, California Business and Professions
25 Code, consisted, without limitation, of a continuing unlawful trust and concert of action among
26 the Defendants and their co-conspirators, the substantial terms of which were to fix, raise,
27 maintain and stabilize the prices of, and to allocate markets for, DRAM.

28 199. For the purpose of forming and effectuating the unlawful trust, the Defendants and

1 their co-conspirators have done those things which they combined and conspired to do including,
2 but in no way limited to, the acts, practices and course of conduct set forth above and the
3 following:

- 4 a. to fix, raise, maintain and stabilize the price of DRAM;
- 5 b. to allocate markets for DRAM amongst themselves;
- 6 c. to submit rigged bids for the award and performance of certain DRAM
7 contracts; and
- 8 d. to allocate amongst themselves the production of DRAM.

9 200. The combination and conspiracy alleged herein has had, *inter alia*, the following
10 effects:

- 11 a. price competition in the sale of DRAM has been restrained, suppressed and/or
12 eliminated in the State of California and throughout the United States;
- 13 b. prices for DRAM sold by Defendants and their co-conspirators have been
14 fixed, raised, maintained and stabilized at artificially high, non-competitive
15 levels in the State of California and throughout the United States; and
- 16 c. those who purchased DRAM from Defendants and their co-conspirators have
17 been deprived of the benefit of free and open competition.

18 201. State Agencies, Political Subdivisions, and natural persons in California and in
19 other states paid artificially inflated prices for DRAM and DRAM Containing Products.

20 202. As a direct and proximate result of Defendants' unlawful conduct, natural persons
21 and State Agencies represented by the Attorney General of California have been injured in their
22 business and property in that they paid more for DRAM and DRAM Containing Products than
23 they otherwise would have paid in the absence of Defendants' unlawful conduct. As a result of
24 Defendants' violation of Section 16720 of the California Business and Professions Code, the
25 State of California, acting in a proprietary capacity, seeks treble damages and the costs of suit,
26 including reasonable attorneys' fees, pursuant to Section 16750(a) of the California Business and
27 Professions Code.

28 ///

(Count Five – A Violation of the California Cartwright Act – Class Action for Government Purchasers)

1
2
3 203. Plaintiff State of California and class representatives City and County of San
4 Francisco, California, County of Santa Clara, California, Los Angeles Unified School District,
5 California, incorporates and realleges, as though fully set forth herein, each and every allegation
6 set forth in the preceding paragraphs of this Complaint.

7 204. Defendants' contract, combination, trust or conspiracy was substantially carried
8 out and effectuated within the State of California, and Defendants' conduct within California
9 injured State Agencies and Political Subdivisions throughout the United States. The State of
10 California and class representatives City and County of San Francisco, California, County of
11 Santa Clara, California, Los Angeles Unified School District, California, bring this action as
12 class representatives of State Agencies. These claims are in addition to claims under the laws of
13 other states in which said natural persons, State Agencies, and Political Subdivisions reside or are
14 located.

15 205. Beginning at a time presently unknown to Plaintiffs, but at least on or around
16 1998, and continuing thereafter at least up to and including June 30, 2002, Defendants and their
17 co-conspirators entered into and engaged in a continuing unlawful trust in restraint of the trade
18 and commerce described above in violation of Section 16720, California Business and
19 Professional Code. Each Defendant has acted, in violation of Section 16720, to fix, raise,
20 stabilize and maintain prices of, and allocate markets for DRAM, resulting in prices at higher
21 than competitive levels.

22 206. The aforesaid violations of Section 16720, California Business and Professions
23 Code consisted, without limitation, of a continuing unlawful trust and concert of action among
24 the Defendants and their co-conspirators, the substantial terms of which were to fix, raise,
25 maintain and stabilize the prices of, and to allocate markets for, DRAM.

26 207. For the purpose of forming and effectuating the unlawful trust, the Defendants and
27 their co-conspirators have done those things which they combined and conspired to do including,
28 but in no way limited to, the acts, practices and course of conduct set forth above and the

1 following:

- 2 a. to fix, raise, maintain and stabilize the price of DRAM;
- 3 b. to allocate markets for DRAM amongst themselves;
- 4 c. to submit rigged bids for the award and performance of certain DRAM
- 5 contracts; and
- 6 d. to allocate amongst themselves the production of DRAM.

7 208. The combination and conspiracy alleged herein has had, *inter alia*, the following
8 effects:

- 9 a. price competition in the sale of DRAM has been restrained, suppressed and/or
- 10 eliminated in the State of California and throughout the United States;
- 11 b. prices for DRAM sold by Defendants and their co-conspirators have been
- 12 fixed, raised, maintained and stabilized at artificially high, non-competitive
- 13 levels in the State of California and throughout the United States; and
- 14 c. those who purchased DRAM from Defendants and their co-conspirators have
- 15 been deprived of the benefit of free and open competition.

16 209. State Agencies and Political Subdivisions, in California and in other states paid
17 artificially inflated prices for DRAM and DRAM Containing Products.

18 210. As a direct and proximate result of Defendants' unlawful conduct, natural
19 persons, State Agencies, and/or Political Subdivisions have been injured in their business and
20 property in that they paid more for DRAM and DRAM Containing Products than they otherwise
21 would have paid in the absence of Defendants' unlawful conduct. As a result of Defendants'
22 violation of Section 16720 of the California Business and Professions Code, the Class
23 represented by the State of California, acting in a class capacity, seeks treble damages and the
24 costs of suit, including reasonable attorneys' fees, pursuant to Section 16750(a) of the California
25 Business and Professions Code.

26
27 **(Count Six – Violation of the California Cartwright Act *Parens Patriae* on Behalf of**
28 **Natural Persons)**

1 211. Plaintiff State of California incorporates and realleges, as though fully set forth
2 herein, each and every allegation set forth in the preceding paragraphs of this Complaint.

3 212. Defendants' contract, combination, trust or conspiracy was substantially carried
4 out and effectuated within the State of California, and Defendants' conduct within California
5 injured natural persons throughout the United States. Therefore, this claim for relief under
6 California law is brought in a *parens patriae* capacity on behalf of all natural persons in
7 California. This claim is in addition to claims under the laws of other states in which said natural
8 persons, State Agencies, and Political Subdivisions reside or are located.

9 213. Beginning at a time presently unknown to Plaintiffs, but at least on or around
10 1998, and continuing thereafter at least up to and including June 30, 2002, Defendants and their
11 co-conspirators entered into and engaged in a continuing unlawful trust in restraint of the trade
12 and commerce described above in violation of Section 16720, California Business and
13 Professional Code. Each Defendant has acted, in violation of Section 16720, to fix, raise,
14 stabilize and maintain prices of, and allocate markets for DRAM, resulting in prices at higher
15 than competitive levels.

16 214. The aforesaid violations of Section 16720, California Business and Professions
17 Code, consisted, without limitation, of a continuing unlawful trust and concert of action among
18 the Defendants and their co-conspirators, the substantial terms of which were to fix, raise,
19 maintain and stabilize the prices of, and to allocate markets for, DRAM.

20 215. For the purpose of forming and effectuating the unlawful trust, the Defendants and
21 their co-conspirators have done those things which they combined and conspired to do including,
22 but in no way limited to, the acts, practices and course of conduct set forth above and the
23 following:

- 24 a. to fix, raise, maintain and stabilize the price of DRAM;
- 25 b. to allocate markets for DRAM amongst themselves;
- 26 c. to submit rigged bids for the award and performance of certain DRAM
27 contracts; and
- 28 d. to allocate amongst themselves the production of DRAM.

1 216. The combination and conspiracy alleged herein has had, *inter alia*, the following
2 effects:

- 3 a. price competition in the sale of DRAM has been restrained, suppressed and/or
- 4 eliminated in the State of California and throughout the United States;
- 5 b. prices for DRAM sold by Defendants and their co-conspirators have been
- 6 fixed, raised, maintained and stabilized at artificially high, non-competitive
- 7 levels in the State of California and throughout the United States; and
- 8 c. those who purchased DRAM from Defendants and their co-conspirators have
- 9 been deprived of the benefit of free and open competition.

10 217. State Agencies, Political Subdivisions, and natural persons in California and in
11 other states paid artificially inflated prices for DRAM and DRAM Containing Products.

12 218. As a direct and proximate result of Defendants’ unlawful conduct, natural
13 persons, State Agencies, and/or Political Subdivisions have been injured in their business and
14 property in that they paid more for DRAM and DRAM Containing Products than they otherwise
15 would have paid in the absence of Defendants’ unlawful conduct. As a result of Defendants’
16 violation of Section 16720 of the California Business and Professions Code, the State of
17 California acting in a *parens patriae*, capacity seeks treble damages and the costs of suit,
18 including reasonable attorneys’ fees, pursuant to Section 16750(a) of the California Business and
19 Professions Code.

20

21 **Third Claim for Relief – Violation of State Law**

22 **(Count Seven – Arizona)**

23 219. Arizona realleges and incorporates all of the allegations above from paragraphs 1
24 through 194.

25 220. Plaintiff State of Arizona represents itself, its State Agencies, and pursuant to
26 A.R. S. § 41-192(A)(5) its Political Subdivisions, its municipalities and its school districts.

27 221. Defendants’ acts violate Arizona’s Uniform State Antitrust Act, A.R.S. § 44-
28 1401-16 and Plaintiff is entitled to injunctive relief and reasonable attorneys’ fees under

1 Arizona's Uniform State Antitrust Act, A.R.S. § 44-1408.

2 **(Count Eight – Arkansas)**

3 222. Arkansas realleges and incorporates all of the allegations above from paragraphs 1
4 through 194.

5 223. Plaintiff State of Arkansas represents itself, its State Agencies, and its natural
6 persons.

7 224. Defendants' acts violate, and Plaintiff is entitled to relief under, the Arkansas
8 Deceptive Trade Practices Act, Ark. Code Ann. §4-88-101 *et seq.*

9 **(Count Nine – Arkansas)**

10 225. Arkansas realleges and incorporates all of the allegations above from paragraphs 1
11 through 194.

12 226. Plaintiff State of Arkansas represents itself, its State Agencies, and its natural
13 persons.

14 227. Defendants' acts violate, and Plaintiff is entitled to relief under, the Arkansas
15 Unfair Practices Act, Ark. Code Ann. § 4-75-301 *et seq.*

16 **(Count Ten – California – Cartwright Act)**

17 228. California realleges and incorporates all of the allegations above from paragraphs
18 1 through 194.

19 229. Plaintiff State of California represents itself, its State Agencies, its natural
20 persons, and a class of its Political Subdivisions, who were indirect purchasers of DRAM or
21 DRAM Containing Products or are assignees of antitrust claims from other indirect purchasers of
22 DRAM or DRAM Containing Products.

23 230. Defendants' acts violate, and Plaintiff is entitled to relief under, the Cartwright
24 Act, California Business & Professions Code sections 16720 *et seq.*

25 **(Count Eleven– California – California Business & Professions Code)**

26 231. California realleges and incorporates all of the allegations above from paragraphs
27 1 through 194.

28 232. Plaintiff State of California represents itself, its State Agencies, its natural

1 persons, and a class of California Political Subdivisions, who were indirect purchasers of DRAM
2 or DRAM Containing Products.

3 233. Defendants' acts violate the Unfair Competition Law, California Business &
4 Professions Code sections 17200 *et seq.*, and Plaintiff is entitled to relief including civil penalties
5 to the maximum extent permitted by law pursuant to California Business & Professions Code
6 section 17206 *et seq.*

7 **(Count Twelve— Colorado)**

8 234. Colorado realleges and incorporates all of the allegations above from paragraphs 1
9 through 194.

10 235. Plaintiff State of Colorado represents itself and its State Agencies.

11 236. Defendants' acts violate, and Plaintiff is entitled to relief under, the Colorado
12 Antitrust Act of 1992, §§ 6-4-101, *et seq.*, Colo. Rev. Stat.

13 **(Count Thirteen— Florida – Florida Antitrust Act)**

14 237. Florida realleges and incorporates all of the allegations above from paragraphs 1
15 through 194.

16 238. The State of Florida, its departments, agencies and units of government purchased
17 DRAM or DRAM Containing Products from Defendants pursuant to contracts containing
18 assignment clauses. The State of Florida, Office of the Attorney General, asserts claims for
19 damages and penalties under the Florida Antitrust Act on behalf of such entities, pursuant to §
20 542.27(2), Florida Statutes.

21 239. As described in paragraphs 92 through 170 above, Defendants combined and
22 conspired to fix prices in the market for DRAM, in restraint of trade and commerce.

23 240. Defendants' acts violate § 542.18, Florida Statutes, and the State of Florida is
24 entitled to relief, including damages, under §542.22, Florida Statutes, for all direct purchases
25 made pursuant to contracts containing assignment clauses.

26 241. The State of Florida is entitled to a civil penalty of up to the maximum amount
27 permitted by § 542.21, Florida Statutes, for each violation of § 542.18, Florida Statutes.

28 242. The State of Florida is entitled to recover its costs and attorneys' fees pursuant to

1 § 542.22(2), Florida Statutes.

2 243. The State of Florida requests that the Court order such additional relief as it may
3 deem just and proper.

4 **(Count Fourteen– Florida – Deceptive & Unfair Practices Act)**

5 244. Florida realleges and incorporates all of the allegations above from paragraphs 1
6 through 194.

7 245. Certain Florida governmental entities and individuals residing in Florida
8 purchased DRAM or DRAM Containing Products from Defendants. The State of Florida, Office
9 of the Attorney General, asserts claims for damages under the Florida Deceptive and Unfair
10 Trade Practices Act on behalf of such entities and individuals, pursuant to § 501.207(1)(c),
11 Florida Statutes.

12 246. As described in paragraphs 92 through 170 above, Defendants' unfair methods of
13 competition and unconscionable acts and practices in the conduct of trade and commerce offend
14 established public policy and are immoral, unethical, oppressive, unscrupulous or substantially
15 injurious to governmental entities and individuals resident in the State of Florida. Thus,
16 Defendants' unfair methods of competition and unconscionable acts and practices in the conduct
17 of trade and commerce violate § 501.204, Florida Statutes.

18 247. The sale of DRAM or DRAM Containing Products involves the conduct of "trade
19 or commerce" within the meaning of § 501.203(8), Florida Statutes.

20 248. The Attorney General of Florida has reviewed this matter and determined that an
21 enforcement action serves the public interest.

22 249. The State of Florida is entitled to relief, including damages, under § 501.207,
23 Florida Statutes, for all direct and indirect purchases from Defendants.

24 250. The State of Florida is entitled to a civil penalty of up to the maximum amount
25 permitted by §§ 501.2075 or 501.2077, Florida Statutes, as applicable, for each violation of §
26 501.204, Florida Statutes.

27 251. The State of Florida is entitled to recover its costs and attorneys' fees pursuant to
28 § 501.2105, Florida Statutes.

1 276. Massachusetts realleges and incorporates all of the allegations above from
2 paragraphs 1 through 194.

3 277. Plaintiff Commonwealth of Massachusetts represents itself, its State Agencies and
4 Political Subdivisions, and its natural persons and businesses that purchased DRAM or DRAM
5 Containing Products.

6 278. Defendants' acts violate, and Plaintiff is entitled to relief under, the Massachusetts
7 Consumer Protection Act, G.L. c. 93A, sec. 2, *et seq.*

8 **(Count Twenty-Two— Michigan – Michigan Antitrust Law)**

9 279. Michigan realleges and incorporates all of the allegations above from paragraphs
10 1 through 194.

11 280. Plaintiff State of Michigan, by and through the Attorney General, pursuant to
12 Mich. Comp. Laws § 14.28 and the common law of Michigan, brings this action on behalf of
13 itself, its State Agencies (which pursuant to paragraph 12 excludes those entities treated as
14 autonomous under Michigan Law) and its natural persons who purchased DRAM or DRAM
15 Containing Products.

16 281. Defendants' acts violate, and Plaintiff is entitled to relief, including civil
17 penalties, under the Michigan Antitrust Reform Act, Mich. Comp. Laws Ann. § 445.771 *et seq.*
18 and the common law of Michigan.

19 **(Count Twenty-Three— Michigan – Michigan Consumer Protection Act)**

20 282. Michigan realleges and incorporates all of the allegations above from paragraphs
21 1 through 194.

22 283. Plaintiff State of Michigan, by and through the Attorney General, pursuant to
23 Mich. Comp. Laws § 14.28 and the common law of Michigan, brings this action on behalf of
24 itself, its State Agencies (which pursuant to paragraph 12 excludes those entities treated as
25 autonomous under Michigan Law), and its natural persons who purchased DRAM or DRAM
26 Containing Products.

27 284. Defendants' acts violate, and Plaintiff is entitled to relief, including civil
28 penalties, under the Michigan Consumer Protection Act, Mich. Comp. Laws Ann. § 445.901 *et*

1 *seq.* and the common law of Michigan.

2 **(Count Twenty-Four-- Minnesota)**

3 285. Minnesota realleges and incorporates all of the allegations above from paragraphs
4 1 through 194.

5 286. Plaintiff State of Minnesota brings this action on behalf of itself, its state
6 executive branch agencies, its colleges and universities that are part of the Minnesota State
7 Colleges and Universities system, and, as *parens patriae*, on behalf of its consumers.

8 287. Defendants' acts violate, and Plaintiff is entitled to relief, including damages, civil
9 penalties, injunctive relief, costs, attorneys' fees, and other relief as the Court deems just under
10 the Minnesota Antitrust Law of 1971, Minn. Stat. §§ 325D.49-.66, Minn. Stat. Ch. 8, and the
11 common law of Minnesota.

12 **(Count Twenty-Five-- Mississippi Antitrust Act)**

13 288. Mississippi realleges and incorporates all of the allegations above from
14 paragraphs 1 through 194.

15 289. The aforementioned practices by Defendants were, and are, in violation of the
16 Mississippi Antitrust Act, Miss. Code Ann. § 75-21-1 *et seq.* as they directly impacted the
17 intrastate commerce of the State of Mississippi. Defendants' combination of activities to
18 suppress competition by fixing the price of DRAM sold in the United States resulted in wholly
19 intrastate conduct as DRAM and DRAM-containing products were imported into the Mississippi
20 and sold within the state of Mississippi.

21 290. Defendant Micron sold directly to State governmental entities including
22 Mississippi Supreme Court, University of Southern Mississippi, University of Mississippi,
23 Mississippi State University, Delta State University, Alcorn State University, and the Mississippi
24 State Hospital. Defendant Micron also sold directly to local government entities including
25 community colleges (e.g., Hinds County Community College) and the school districts of
26 Gulfport, Jackson County, Stone County, Van Cleeve, and Picayune. These transactions with
27 state and local government would have necessarily involved transactions, or portions thereof,
28 which took place wholly within the State of Mississippi.

1 291. During the relevant period, the sale, purchases and/or other trade activities
2 concerning DRAM and DRAM- containing products, or portions thereof, took place wholly
3 within the State of Mississippi. Not only was DRAM sent to computer manufacturers located in
4 Mississippi, such as Howard Industries, but OEMs shipped computers containing DRAM
5 memory chips to locations in Mississippi to be sold from retail locations in Mississippi and
6 purchased by Mississippi consumers, educational institutions, local government entities, and
7 state government agencies. These transactions were accomplished in whole and/or in part by
8 transactions which were wholly intrastate.

9 292. During the relevant period, a group of Mississippi State government agencies
10 (excluding all institutes of higher learning and other independent agencies) purchased at least
11 \$107,451,403 worth of DRAM-containing computers and other electronic equipment
12 manufactured by OEMs such as Acer, Compaq c/o Hewlett Packard Co., Dell Inc, Gateway Inc.,
13 Hewlett Packard Co., International Business Machines Co. (IBM), Sun Microsystems of CA,
14 Toshiba America, Inc., Micron and Howard Computers, a local Mississippi OEM. Furthermore,
15 Mississippi public schools (K-12) purchased at least \$118,303,272 worth of DRAM-containing
16 computers and other electronic equipment manufactured by OEMs. Finally, other local
17 government entities, residents and businesses within the State of Maryland purchased millions of
18 dollars of DRAM-containing computers and other electronic equipment.

19 293. As a foreseeable result of Defendants' conspiracy, OEMs that purchased DRAM
20 from Defendants were overcharged. Those overcharges were passed on to Mississippi
21 consumers and businesses, local governments, State government and Mississippi schools. Thus,
22 the State of Mississippi and a large percentage of Mississippians and Mississippi entities -
23 including local schools and higher education institutions - paid higher prices in Mississippi for
24 DRAM-containing computers and equipment than they otherwise would have in a competitive
25 market.

26 294. Plaintiff State of Mississippi brings this action against Defendants pursuant to
27 Miss. Code Ann. §75- 21-1 *et seq.* and Miss. Code Ann. §75- 24-1 *et seq.* on behalf of the State,
28 its state agencies, and its political subdivisions for: (a) damages sustained by the State, local

1 government and consumers; (b) civil penalties; (c) all available equitable remedies, including
2 injunctive relief; and (d) reimbursement of reasonable attorneys fees, expert fees and costs.
3 Plaintiff State of Mississippi represents itself, its State Agencies, its Political Subdivisions, its
4 businesses, and its natural persons.

5 **(Count Twenty-Six– Mississippi Consumer Protection Act)**

6 295. Mississippi realleges and incorporates all of the allegations above from
7 paragraphs 1 through 194.

8 296. Plaintiff State of Mississippi represents itself, its State Agencies, its Political
9 Subdivisions, its businesses, and its natural persons.

10 297. Defendants' acts violate, and Plaintiff is entitled to relief under, its Consumer
11 Protection Act found at Miss. Code Ann. § 75-24-1, *et seq.* (1972, as amended), which provides
12 for damages, civil penalties and appropriate injunctive relief.

13 **(Count Twenty-Seven– Nebraska – Nebraska Unlawful Restraint on Trade Act)**

14 298. Nebraska realleges and incorporates all of the allegations above from paragraphs 1
15 through 194.

16 299. Plaintiff State of Nebraska brings this action on behalf of itself, its State Agencies,
17 its Political Subdivisions, and, as *parens patriae*, the citizens of Nebraska.

18 300. Defendants' acts violate, and Plaintiff is entitled to relief under, its Unlawful
19 Restraint on Trade Act, Neb. Rev. Stat. §§ 59-801 *et seq.* (Reissue 2004).

20 **(Count Twenty-Eight– Nebraska – Nebraska Consumer Protection Act)**

21 301. Nebraska realleges and incorporates all of the allegations above from paragraphs 1
22 through 194.

23 302. Plaintiff State of Nebraska brings this action on behalf of itself, its State Agencies,
24 its Political Subdivisions, and, as *parens patriae*, the citizens of Nebraska.

25 303. Defendants' acts violate, and Plaintiff is entitled to relief under, its Consumer
26 Protection Act, Neb. Rev. Stat. §§ 59-101 *et seq.* (Reissue 2004).

27 **(Count Twenty-Nine– Nebraska – Nebraska Uniform Deceptive Trade Practices Act)**

28 304. Nebraska realleges and incorporates all of the allegations above from paragraphs 1

1 through 194.

2 305. Plaintiff State of Nebraska brings this action on behalf of itself, its State Agencies,
3 its Political Subdivisions, and, as *parens patriae*, the citizens of Nebraska.

4 306. Defendants' acts violate, and Plaintiff is entitled to relief under, its Uniform
5 Deceptive Trade Practices Act, Rev. Stat. §§ 87-301 *et seq.* (Reissue 1999 and Cum Supp. 2004).

6 **(Count Thirty– Nevada)**

7 307. Nevada realleges and incorporates all of the allegations above from paragraphs 1
8 through 194.

9 308. Plaintiff State of Nevada represents itself, its State Agencies, its Political
10 Subdivisions, and its natural persons.

11 309. Defendants' acts violate the Nevada Unfair Trade Practice Act, Nev. Rev. Stat. §
12 598A.010 *et seq.*, including Nev. Rev. Stat. § 598A.060(1)(a). Plaintiff is entitled to recover
13 treble damages and reasonable attorneys' fees and costs under Nev. Rev. Stat. § 598A.160 and
14 Nev. Rev. Stat. § 598A.200, injunctive relief under Nev. Rev. Stat. § 598A.070, and civil
15 penalties in an amount not to exceed 5 percent of the gross income realized by the sale of DRAM
16 by the Defendants in the State of Nevada in each year in which the prohibited activities occurred
17 pursuant to Nev. Rev. Stat. § 598A.170.

18 **(Count Thirty-One– New Mexico – New Mexico Antitrust Act)**

19 310. New Mexico realleges and incorporates all of the allegations above from
20 paragraphs 1 through 194.

21 311. Plaintiff State of New Mexico represents itself, its State Agencies, the County of
22 Sandoval, New Mexico, and, with the County of Sandoval, New Mexico serving as class
23 representative, a class of all New Mexico Political Subdivisions similarly situated as alleged
24 above. The Attorney General represents the State of New Mexico and its State Agencies as a
25 part of his inherent authority vested in him by the Legislature of the State of New Mexico.
26 Further, he represents the County of Sandoval by agreement and under his authority to initiate
27 litigation when in his judgment the public interest of the State requires such action. § 8-5-2,
28 N.M.S.A. 1978.

1 312. Defendants' acts violate, and Plaintiff is entitled to relief under, the New Mexico
2 Antitrust Act, Section 57-1-1 *et seq.*, N.M.S.A.1978. The State of New Mexico in its proprietary
3 role and its Political Subdivisions are entitled to treble damages and attorney's fees for
4 overcharges by, and unjust enrichment for, the Defendants. The State of New Mexico as
5 sovereign is entitled to civil penalties of \$250,000 against each Defendant.

6 **(Count Thirty-Two– New Mexico – New Mexico Unfair Practices Act)**

7 313. New Mexico realleges and incorporates all of the allegations above from
8 paragraphs 1 through 194.

9 314. Plaintiff State of New Mexico represents itself, its State Agencies, the County of
10 Sandoval, New Mexico, and, with the County of Sandoval, New Mexico serving as class
11 representative, a class of all New Mexico Political Subdivisions similarly situated as alleged
12 above. The Attorney General represents the State of New Mexico, its State Agencies and its
13 natural persons as a part of his inherent authority vested in him by the Legislature of the State of
14 New Mexico. Further, he represents the County of Sandoval by agreement and under his
15 authority to initiate litigation when in his judgment the public interest of the State requires such
16 action. § 8-5-2, N.M.S.A. 1978.

17 Defendants' acts violate, and Plaintiff is entitled to relief under, the New Mexico Unfair
18 Practices Act, Section 57-12-1 *et seq.*, N.M.S.A. 1978. The State of New Mexico in its
19 proprietary role, its Political Subdivisions and its natural persons are entitled to the greater of
20 treble damages or \$300.00 for overcharges by, and unjust enrichment for, the Defendants. The
21 State of New Mexico as sovereign is entitled to civil penalties of \$5,000 for each violation and
22 its attorney fees.

23 **(Count Thirty-Three– North Carolina)**

24 315. North Carolina realleges and incorporates all of the allegations above from
25 paragraphs 1 through 194.

26 316. Plaintiff State of North Carolina represents itself, and, as *parens patriae*, its State
27 Agencies and Political Subdivisions and persons doing business or residing in the State.

28 317. Defendants' acts as described above had the purpose and effect of suppressing

1 competition in the sale of DRAM in the State of North Carolina and elsewhere, and had a
2 substantial adverse impact on prices for DRAM and DRAM Containing Products in North
3 Carolina. These acts violate North Carolina's prohibitions on unreasonable restrains of trade in
4 N.C. Gen. Stat. §§ 75-1 and 75-2, monopolization in N.C. Gen Stat. § 75-2.1, and unfair methods
5 of competition and unfair or deceptive acts or practices in N. C. Gen. Stat. § 75-1.1.

6 318. Defendants' acts have caused substantial damage and injury to the State of North
7 Carolina, State Agencies and Political Subdivisions in North Carolina, and persons doing
8 business or residing in the State of North Carolina.

9 319. Plaintiff State of North Carolina, for itself and, as *parens patriae*, State Agencies
10 and Political Subdivisions in North Carolina and persons doing business or residing in North
11 Carolina, is entitled to monetary relief for injuries indirectly suffered by reason of the violations
12 alleged above.

13 320. Plaintiff State of North Carolina, for itself and on behalf of State Agencies and
14 Political Subdivisions in North Carolina, is entitled to three times the total damage sustained as a
15 result of the conduct described above, plus costs and reasonable attorneys' fees.

16 321. Plaintiff State of North Carolina, on behalf of persons doing business or residing
17 in the State, is entitled to disgorgement of ill-gotten gains pursuant to N.C. Gen. Stat. § 75-14
18 and restitution pursuant to N.C. Gen. Stat. § 75-15.1.

19 322. Pursuant to N.C. Gen. Stat § 75-15.2, plaintiff State of North Carolina is entitled
20 to a civil penalty of up to \$5,000 for each knowing violation, and in the case of continuing
21 violations is entitled to a civil penalty of up to \$5,000 for each week that such violation
22 continued pursuant to N.C. Gen Stat. § 75-8.

23 **(Count Thirty-Four– North Dakota – North Dakota State Antitrust Act)**

24 323. North Dakota realleges and incorporates all of the allegations above from
25 paragraphs 1 through 194.

26 324. Plaintiff State of North Dakota represents itself and its State Agencies.

27 325. Defendants' acts violate, and Plaintiff State of North Dakota on behalf of itself
28 and its State Agencies is entitled to relief under the North Dakota State Antitrust Act, N.D.C.C.

1 Sec. 51-08.1-01 *et seq.*

2 **(Count Thirty-Five– North Dakota – North Dakota Consumer Protection Act)**

3 326. North Dakota realleges and incorporates all of the allegations above from
4 paragraphs 1 through 194.

5 327. Plaintiff State of North Dakota represents itself, its State Agencies and its natural
6 persons.

7 328. Defendants’ acts violate, and Plaintiff State of North Dakota on behalf of itself, its
8 State Agencies, and its natural persons, is entitled to relief under the North Dakota Consumer
9 Protection Act, N.D.C.C. Sec. 51-15-01, *et seq.*

10 **(Count Thirty-Six– Northern Mariana Islands – CNMI Unfair Business Practices Act)**

11 329. The Commonwealth of the Northern Mariana Islands (“CNMI”) realleges and
12 incorporates all of the allegations above from paragraphs 1 through 194.

13 330. Plaintiff CNMI represents itself, its Political Subdivisions and public agencies
14 and, as *parens patriae*, persons doing business or residing in the CNMI.

15 331. The effect of Defendants’ acts violated provisions of the CNMI Unfair Business
16 Practices Act, 4 CMC § 5201 *et seq.*

17 332. The CNMI, its Political Subdivisions and public agencies, have been injured in
18 their property by Defendants’ actions, along with residents and businesses of the CNMI.

19 333. Plaintiff CNMI, for its Political Subdivisions and public agencies, and, as *parens*
20 *patriae*, persons doing business or residing in the CNMI, is entitled to monetary relief for injuries
21 directly or indirectly suffered by the CNMI, its Political Subdivisions and public agencies, and
22 indirectly suffered by said persons by reason of the violations alleged above.

23 **(Count Thirty-Seven– Northern Mariana Islands – CNMI Consumer Protection Act)**

24 334. The CNMI realleges and incorporates all of the allegations above from paragraphs
25 1 through 194.

26 335. Plaintiff CNMI represents itself, its Political Subdivisions and public agencies
27 and, as *parens patriae*, persons doing business or residing in the CNMI.

28 336. The Defendants’ acts were unfair methods of competition and unfair or deceptive

1 acts or practices in the conduct of Defendants' sale of DRAM or DRAM Containing Products in
2 the CNMI, in violation of the CNMI's Consumer Protection Act, 4 CMC § 5101 *et seq.*

3 337. The CNMI, its Political Subdivisions and public agencies, have been injured in
4 their property by Defendants' actions, along with residents and businesses of the CNMI.

5 338. Plaintiff CNMI, for its Political Subdivisions, public agencies and, as *parens*
6 *patriae*, persons doing business or residing in the CNMI, is entitled to monetary relief for injuries
7 directly or indirectly suffered by the CNMI, its Political Subdivisions and public agencies, and
8 indirectly suffered by said persons by reason of the violations alleged above.

9 **(Count Thirty-Eight– Oregon)**

10 339. Oregon Attorney General Hardy Myers (Plaintiff State of Oregon) realleges and
11 incorporates all of the allegations above from paragraphs 1 through 194.

12 340. Plaintiff State of Oregon represents itself, its State Agencies, and, as *parens*
13 *patriae*, all its Political Subdivisions and natural persons who purchased DRAM or Dram
14 Containing Products.

15 341. Defendants' acts violate, and Plaintiff State of Oregon on behalf of itself, its State
16 Agencies, and, as *parens patria*, its Political Subdivisions and natural persons who purchased
17 DRAM or Dram Containing Products is entitled to relief under the Oregon Antitrust Act, ORS
18 646.705, *et seq.*

19 342. Defendants' acts of conspiracy and unreasonable restraint of trade and commerce
20 had the purpose and effect of suppressing competition in the sale of DRAM or DRAM
21 Containing Products in the State of Oregon and elsewhere, and had a substantial and adverse
22 impact on prices for DRAM or DRAM Containing Products in Oregon.

23 343. Defendants' acts have caused substantial injury and damage to the State of
24 Oregon, State Agencies in the State, Political Subdivisions in the State, and natural persons in the
25 State.

26 344. The Defendants' activities are a *per se* violation of Oregon's antitrust law, ORS
27 646.725. Pursuant to ORS 646.775, the Attorney General possesses authority to seek equitable
28 and monetary relief for injuries sustained by natural persons, State Agencies, or Political

1 Subdivisions.

2 345. In addition, the Court shall award the State of Oregon three times the total
3 damages sustained and its costs in the action, plus reasonable attorney fees.

4 **(Count Thirty-Nine– Rhode Island)**

5 346. Rhode Island realleges and incorporates all of the allegations above from
6 paragraphs 1 through 194.

7 347. Plaintiff State of Rhode Island represents itself, its State Agencies, Political
8 Subdivisions and Rhode Island consumers.

9 348. Defendants' acts violate the Rhode Island Antitrust Act, and Plaintiff State of
10 Rhode Island on behalf of itself, its State Agencies, Political Subdivisions and as *parens patriae*
11 on behalf of persons residing in Rhode Island, is entitled to injunctive relief, restitution
12 (including treble damages), civil penalties and reasonable attorneys' fees, costs and statutory
13 interest pursuant to R.I. Gen. Laws § 6-36-1 *et seq.*

14 **(Count Forty– South Carolina)**

15 349. South Carolina realleges and incorporates all of the allegations above from
16 paragraphs 1 through 194.

17 350. Plaintiff State of South Carolina represents itself and its State Agencies who
18 purchased DRAM or DRAM Containing Products.

19 351. Defendants' acts violate the South Carolina Unfair Trade Practices Act, Sections
20 39-5-10 *et seq.*, and the common law of the State of South Carolina. Plaintiff State of South
21 Carolina on behalf of itself and its State Agencies who purchased DRAM or DRAM Containing
22 Products is entitled to injunctive relief, restitution, civil penalties, and reasonable attorneys' fees
23 and costs under § 39-5-10 *et seq.*

24 **(Count Forty-One– Tennessee – Tennessee Consumer Protection Act)**

25 352. Tennessee realleges and incorporates all of the allegations above from paragraphs
26 1 through 194.

27 353. Plaintiff State of Tennessee represents itself as authorized by Tenn. Code Ann. §
28 8-6-109.

1 354. Defendants' acts violate, Tenn. Code Ann. § 47-18-101 *et seq.* (The Tennessee
2 Consumer Protection Act of 1977). Plaintiff State of Tennessee is entitled to injunctive relief,
3 reasonable costs, attorneys' fees and civil penalties under § 47-18-108.

4 **(Count Forty-Two– Tennessee – Tennessee Unfair Trade Practices Act)**

5 355. Tennessee realleges and incorporates all of the allegations above from paragraphs
6 1 through 194.

7 356. The aforementioned practices by Defendants were, and are, in violation of the
8 Tennessee Unfair Trade Practices Act ("TTPA"), Tenn. Code Ann. § 47-25-101 *et seq.*, as the
9 Defendant's anticompetitive conduct affected Tennessee trade and commerce to a substantial
10 degree. Defendants' combination of activities to suppress competition by fixing the price of
11 DRAM sold in the United States resulted in intrastate conduct as DRAM and DRAM-containing
12 products were imported into the Tennessee and sold within the state of Tennessee.

13 357. During the relevant period, the sale, purchases and/or other trade activities
14 concerning DRAM and DRAM- containing products, or portions thereof, took place within the
15 State of Tennessee. DRAM was sent to computer manufacturer(s) located in Tennessee,
16 specifically Dell, Inc., which has a large manufacturing facility outside of Nashville, Tennessee.
17 Other OEM's shipped DRAM-containing products to locations throughout Tennessee to be sold
18 from retail locations in Tennessee and purchased by Tennessee consumers, educational
19 institutions, local government entities, and state government agencies. These transactions were
20 accomplished in whole and/or in part by transactions which were wholly intrastate.

21 358. During the relevant period, the State of Tennessee (excluding institutions of
22 higher learning and other independent agencies) purchased in excess of \$58 million worth of
23 DRAM-containing computers and other electronic equipment manufactured by OEMs such as
24 Compaq c/o Hewlett Packard Co., Dell Inc, Gateway Inc., Hewlett Packard Co., International
25 Business Machines Co. (IBM), Sun Microsystems of CA, Toshiba America, Inc., and Micron. In
26 addition, other Tennessee local government entities, school systems, residents and businesses
27 within the State of Tennessee purchased millions of dollars of DRAM-containing computers and
28 other electronic equipment.

1 unjust enrichment.

2 **(Count Forty-Four– Vermont)**

3 364. Vermont realleges and incorporates all of the allegations above from paragraphs 1
4 through 194.

5 365. Plaintiff State of Vermont represents itself, its State Agencies, and all Vermont
6 consumers, whether or not natural persons who purchased DRAM or DRAM Containing
7 Products.

8 366. Defendants' acts violate the Vermont Consumer Fraud Act, 9 V.S.A. §2451 *et*
9 *seq.*, and Vermont common law, and Plaintiff State of Vermont seeks the relief under the
10 Vermont Consumer Fraud Act on behalf of itself and its State Agencies, and on behalf of all
11 Vermont consumers, whether or not natural persons, who purchased DRAM or DRAM
12 Containing Products, including injunctive relief, civil penalties, damages (including treble
13 damages), and reasonable attorneys' fees and costs as provided in §§ 2458 and 2465.

14 **(Count Forty-Five– Washington)**

15 367. Washington realleges and incorporates all of the allegations above from
16 paragraphs 1 through 194.

17 368. Plaintiff State of Washington represents itself, its State Agencies and, as *parens*
18 *patriae*, all its natural persons who purchased DRAM or DRAM Containing Products.

19 369. Defendants' acts violate Wash. Rev. Code 19.86, including Wash. Rev. Code
20 19.86.030 and 040. Plaintiff State of Washington on behalf of itself, its State Agencies and, as
21 *parens patriae*, all natural persons who purchased DRAM or DRAM Containing Products, is
22 entitled to recover damages and attorneys' fees under § 19.86.090, injunctive relief and
23 restitution under § 19.86.080, and civil penalties under § 19.86.140.

24 **(Count Forty-Six– West Virginia)**

25 370. West Virginia realleges and incorporates all of the allegations above from
26 paragraphs 1 through 194.

27 371. Plaintiff State of West Virginia represents itself, its State Agencies and Political
28 Subdivisions, where such agencies and Political Subdivisions have not expressly opted out of

1 participation in this litigation, and its natural persons, as *parens patriae*.

2 372. The aforementioned practices by Defendants were in violation of the West
3 Virginia Antitrust Act, W.Va. Code § 47-18-1 *et seq.*

4 373. The State of West Virginia, its State Agencies, its Political Subdivisions and, as
5 *parens patriae*, its natural persons, who purchased DRAM or DRAM Containing Products, are
6 entitled to injunctive relief and civil penalties under W.Va. Code § 47-18-8 and treble damages,
7 attorneys' fees, filing fees and costs under W.Va. Code § 47-18-9.

8 **(Count Forty-Seven– Wisconsin)**

9 374. Wisconsin realleges and incorporates all of the allegations above from paragraphs
10 1 through 194.

11 375. Plaintiff State of Wisconsin represents itself and its State Agencies.

12 376. Defendants' acts were violations of the Wisconsin antitrust statute, Wis. Stat. §
13 133.03. These violations substantially affected the people of Wisconsin and had impacts within
14 the State of Wisconsin.

15 377. Plaintiff State of Wisconsin, on behalf of itself and its State Agencies, all of
16 whom were indirect purchasers of DRAM or DRAM Containing Products, or are assignees of
17 antitrust claims from other indirect purchasers of DRAM or DRAM Containing Products, is
18 entitled to recover damages under Wis. Stat. § 133.14, an injunction under § 133.16, and treble
19 damages and attorneys' fees under § 133.18.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray:

A. The state antitrust law claims alleged in the Second and Third Claims for Relief brought as a part of a class action as asserted in Paragraphs 208-215, 233-238 and 313-318 of this Complaint may be maintained as a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure;

B. That the Defendants' contract, conspiracy or combination alleged herein be adjudged and decreed to be:

1. A restraint of trade or commerce in violation of Section 1 of the Sherman Act, as alleged in the First Claim for Relief; and

2. An unlawful combination, trust, agreement, understanding, and/or concert of action in violation of state antitrust laws in the First, Second and Third Claims for Relief herein;

C. That Plaintiffs recover damages, as provided by federal and state antitrust laws under the First, Second, and Third Claims for Relief for conduct occurring during the time period of approximately March 1, 1999, to June 30, 2002, as well as similar conduct by at least some Defendants regarding at least some OEMs prior to that time period, and that a joint and several judgment in favor of Plaintiffs be entered against the Defendants in an amount to be trebled in accordance with such laws where applicable;

D. That Defendants, their affiliates, successors, transferees, assignees, and the officers, directors, partners, agents, and employees thereof, and all other persons acting or claiming to act on their behalf, be permanently enjoined and restrained from in any manner: (1) continuing, maintaining, or renewing the conduct, contract, conspiracy or combination alleged herein, or from entering into any other conspiracy alleged herein, or from entering into any other contract, conspiracy or combination having a similar purpose or effect, and from adopting or following any practice, plan, program, or device having a similar purpose or effect; (2) communication or causing to be communicated to any other person engaged in the sale of DRAM, information concerning bids of competitors; (3) entering into agreements for the sale, transfer, assignment or lease, of DRAM producing assets directly, through joint ventures or otherwise without first

1 providing Plaintiffs appropriate notice and disclosures; and (4) conducting further sales in the
2 U.S. without instituting compliance programs;

3 E. That the Plaintiffs be awarded restitution, including disgorgement of profits
4 obtained by Defendants as a result of their acts of unfair competition and acts of unjust
5 enrichment and/or any acts in violation of state antitrust, consumer protection, or other statutes
6 and laws, and the maximum civil penalties allowed by the laws of their respective States;

7 F. That the Plaintiffs be awarded pre- and post-judgment interest, and that the interest
8 be awarded at the highest legal rate from and after the date of service of the initial complaint in
9 this action;

10 G. That the Plaintiffs recover their costs of this suit, including reasonable attorneys'
11 fees as provided by law; and

12 H. That the Plaintiffs have such other, further, and different relief as the case may
13 require and the Court may deem just and proper under the circumstances.

14 **JURY TRIAL DEMAND**

15 Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiffs demand a
16 trial by jury for all issues so triable.

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1 Dated: November 7, 2007

2 Respectfully submitted,

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12 **UNITED STATES DISTRICT COURT**
 13 **NORTHERN DISTRICT OF CALIFORNIA**
 14 **OAKLAND DIVISION**

15 In re DYNAMIC RANDOM ACCESS) Case No. M-02-1486-PJH
 16 MEMORY (DRAM) ANTITRUST) MDL No. 1486
 17 LITIGATION)

18 This Document Relates to:) **[PROPOSED] ORDER GRANTING**
 19 ALL INDIRECT PURCHASER ACTIONS) **FINAL APPROVAL OF SETTLEMENTS,**
 20 and) **PLANS OF DISTRIBUTION AND**
 21 *State of California et al. v. Infineon*) **CLAIMS PROTOCOLS, CERTIFYING**
Technologies AG, et al.) **SETTLEMENT CLASSES, FINALLY**
 22 *State of New York v. Micron Technology Inc., et*) **ADOPTING SPECIAL MASTER'S**
al.) **REPORT AND RECOMMENDATIONS,**
 23 *State of California et al. v. Samsung Electronics*) **PARTS I AND II; FINAL JUDGMENT OF**
Co., Ltd., et al.) **DISMISSAL WITH PREJUDICE**
 24 *State of California et al. v. Winbond Electronics*)
Co.)

25 *Petro Computer Systems, Inc. v. Hitachi, Ltd.*) Case No. C 06-4333 PJH
 26 *Petro Computer Systems, Inc. v. Mitsubishi*) Case No. C 06-6436 PJH
Electric Corporation, et. al.) Case No. C 07-1347 PJH
 27) Case No. C 07-2589 PJH
) Case No. C 12-5213 PJH
) Case No. C 12-5214 PJH
 28)

1	<i>Petro Computer Systems, Inc. v. Toshiba Corporation, et. al.</i>)	
2	<i>State of California et al., v. Toshiba Corporation et al.,</i>)	Case No. C 12-5215 PJH
3	<i>State of California et al., v. Mitsubishi Electric Corporation, et. al.</i>)	Case No. C 12-5230 PJH
4	<i>State of California et al., v. Hitachi, Ltd.</i>)	Case No. C 12-5229 PJH
5)	Case No. C 12-5231 PJH

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1 The Indirect Purchaser Plaintiffs and the Attorneys General have jointly moved the Court to:

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3 (1) Grant final approval to settlements with defendants Samsung, Winbond, Infineon,
4 Elpida, NEC, Micron, Mosel, Hynix, Nanya, Toshiba, Hitachi, and Mitsubishi, as those entities are
5 defined in their respective Settlement Agreements (collectively, the “Settlements” and the “Settling
6 Defendants”) and certify the settlement classes defined in the Settlement Agreements pursuant to
7 Rule 23, Federal Rules of Civil Procedure;

8 (2) Grant final approval to the plans for distributing the settlement proceeds to members
9 of the Indirect Purchaser Settlement Class and to members of the Government Purchaser Settlement
10 Classes (“Plans of Distribution”) that are recommended in the “Report and Recommendations of
11 Special Master, Part I: Settlement Class Certifications And Plans Of Allocation And Distribution Of
12 The Settlement Proceeds To The Settlement Classes” (“Report, Part I”), filed January 8, 2013 (Dkt.
13 No. 2132) at ¶¶ 24, and 293 – 363;

14 (3) Grant final approval to the protocols for claims processing for the Indirect Purchaser
15 Settlement Class that were recommended in the “Report and Recommendations of Special Master,
16 Part II: Notice Programs, Claim Procedures and Processing” (“Report, Part II”), filed June 24, 2013
17 (Dkt. No. 2147) at ¶¶ 29 – 38;

18 (4) Adopt, as a final matter, the findings of fact, conclusions of law and
19 recommendations contained in the Special Master’s Report, Part I, and in the Special Master’s
20 Report, Part II, as to the process employed in arriving at and fixing the protocols for claims
21 processing for the Indirect Purchaser Settlement Class pursuant to Rule 53(f)(2), Federal Rules of
22 Civil Procedure.

23 A hearing was held on June 25, 2014, and these matters having come on before the Court to
24 determine whether to finally approve the Settlements, the plans of distribution and the claims
25 protocols, and whether to adopt as a final matter the findings, conclusions and recommendations in
26 the Report, Parts I and II. Six (6) objections were filed on behalf of a total of thirteen (13) members
27 of the Indirect Purchaser Settlement Class. These objections were directed to the certification of the
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1 Indirect Purchaser Settlement Class, the form of notice to that Class, and the plan of distribution
2 proposed for that Class. The substance of these objections falls broadly into the following
3 categories: (1) that the Indirect Purchaser Settlement Class fails to satisfy the requirements of Rule
4 23(b)(3) of the Federal Rules of Civil Procedure because it includes residents of states whose courts
5 construe their antitrust laws in accordance with *Illinois Brick Co. v. Illinois*, 431 U.S. 720 (1977)
6 (“non-repealer states”); (2) that the proposed plan of distribution for the Indirect Purchaser
7 Settlement Class is unfair and unreasonable because it provides for the payment of claims from
8 residents of non-repealer states *pro rata* with the claims of residents of states whose courts or
9 legislatures have determined that their antitrust laws are not constrained by *Illinois Brick* (“repealer
10 states”); (3) that the proposed plan of distribution for the Indirect Purchaser Settlement Class is
11 unfair and unreasonable because it contains contingent provisions that under certain circumstances
12 would trigger the *cy pres* distribution of a portion of the settlement proceeds; (4) that neither the
13 settlements nor the plan of distribution can be approved until the contingent *cy pres* recipients are
14 determined; and (5) that the notice given to the Indirect Purchaser Settlement Class was insufficient
15 because it did not provide putative class members with information from which to compute the
16 amount of money that they will receive from the settlement funds. No objections were raised to the
17 certification of the Government Purchaser Settlement Classes, to the plans of distribution
18 recommended by the Special Master for those classes, or to the claims protocols for the Indirect
19 Purchaser Settlement Class. No objectors appeared at the hearing.

20
21 The Court having carefully reviewed the Settlement Agreements, and Plaintiffs’ motions for
22 final approval of the settlements, approval of the plans of distribution and claims processing
23 protocols and the adoption of the Report Parts I and II (Dkt. Nos. 2213 and 2215), the objections
24 raised to the approval of the Settlements, certification of the Indirect Purchaser Settlement Class, the
25 plan of distribution recommended by the Special Master for the Indirect Purchaser Settlement Class,
26 and to the class notice (Dkt. Nos. 2198, 2199, 2200, 2201, 2202, 2204, 2225, 2226 and 2228), and
27 the Plaintiffs’ responses to these objections in their motions for final approval and for adoption of
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1 the plans of distribution and claims protocols, the arguments of counsel, and the records on file in
2 this action, and having addressed these objections and other issues at the hearing, the Court has
3 rejected these objections and determined that: (1) the Settlements as set forth in the Settlement
4 Agreements with the Settling Defendants should be given final approval; (2) the plans of
5 distribution for the Indirect Purchaser Settlement Class and the Government Purchaser Settlement
6 Classes, as set out in the Report, Part I, should be approved and adopted by this Court; (3) the claims
7 processing protocols for the Indirect Purchaser Settlement Class, as set out in the Report, Part II,
8 should be approved and adopted by this Court; (4) Plaintiffs' motion for final adoption of the
9 findings of fact, conclusions of law and recommendations set out in the Report, Parts I and II should
10 be granted; and (5) there is no just reason for delay in the entry of Judgment, which shall constitute a
11 final adjudication of this case on the merits as to the Settling Defendants. Accordingly, good cause
12 appearing therefor, it is:

13
14 ORDERED, ADJUDGED AND DECREED that:

15 1. The Court has jurisdiction over the subject matter of this litigation, and all actions
16 within this litigation, and over the parties to the Settlement Agreements, including all members of
17 the Indirect Purchaser Settlement Class, the Government Purchaser Settlement Classes, the
18 Plaintiffs, and the Settling Defendants, and any person or entity claiming by, for, or through the
19 Settling Parties with regard the Released Claims, as defined in the Settlement Agreements.

20 2. The following classes are certified for settlement purposes only, pursuant to Rule 23,
21 Federal Rules of Civil Procedure, bearing in mind that this litigation presented a series of difficult
22 factual, legal and procedural issues, many of which remained undecided at the time of the
23 Settlements. The Settlements resolve the litigation to give certainty to the parties, and nothing in
24 this Order, other than the findings and conclusions of the Court as expressly set forth in this Order,
25 resolves those issues:

26 The Indirect Purchaser Settlement Class: All natural persons and
27 non-governmental entities, who, at any time during the period
28 from January 1, 1998 through December 31, 2002, purchased
dynamic random access memory ("DRAM") devices and

1 components, including all products containing DRAM, anywhere
2 in the United States indirectly from the defendants, their parents,
3 subsidiaries and affiliates. Excluded from this definition are
4 defendants and their parents, subsidiaries and affiliates, legal
5 representatives, successors, assigns or co-conspirators; all
6 governmental entities; any judicial officer presiding over the
7 settled litigation and the members of his/her immediate family
8 and judicial staff.

9 The Samsung/Winbond Government Purchaser Settlement Class:

10 All state government entities, all political subdivisions and all
11 public colleges and universities in Class States Alaska, Delaware,
12 Ohio and Pennsylvania, all political subdivisions in New Mexico
13 and all political subdivisions, the University of California and the
14 State Bar of California in Class State California who purchased
15 DRAM or DRAM-containing products directly or indirectly from
16 Samsung and Winbond between January 1, 1998 and December
17 31, 2002;

18 The Multi-Defendant Government Purchaser Settlement Class:

19 All political subdivisions in Class State New Mexico and all
20 political subdivisions, the University of California and the State
21 Bar of California in Class State California who purchased DRAM
22 or DRAM-containing products directly or indirectly from
23 Infineon, Elpida, NEC, Mosel, Micron, Hynix, Nanya, Mitsubishi,
24 Toshiba and Hitachi between January 1, 1998 and December 31,
25 2002.

26 3. Within the context of and for the purposes of the approval of the Settlements, the
27 Court finds that the requirements of Rule 23(a), Federal Rules of Civil of Procedure, have been
28 satisfied by each of the above-described classes in that: (a) there are numerous putative class
members, making joinder of all class members impracticable; (b) there are questions of fact and law
that are common to all members of the class; (c) the claims of the named plaintiffs who are class
representatives are typical of the claims of the absent members of the class; (d) the named plaintiffs
who are class representatives have and will fairly and adequately protect the interests of the absent
members of the class; and (e) the counsel for the class are skilled and experienced litigators who
have and will adequately advance the interests of the class. The Court adopts as a final matter the
findings of fact and conclusions of law set forth in the Report, Part I, as to satisfaction of the
requirements of Rule 23(a) by each of the above-described classes, as if fully set forth herein.

4. Within the context of and for the purposes of the approval of the Settlements, the
Court further finds that the requirements of Rule 23(b)(2) and (b)(3), Federal Rules of Civil

1 Procedure, have been satisfied for settlement purposes by each of the above-described classes in
2 that: (a) the defendants have acted on grounds that apply generally to the class; (b) questions of fact
3 and law common to the class members predominate over any questions affecting only the claims of
4 individual class members; and (c) a class action is superior to other available methods for the fair
5 and efficient adjudication of this controversy. The Court adopts as a final matter the findings of fact
6 and conclusions of law set forth in the Report, Part I, as to satisfaction of the requirements of Rule
7 23(b)(2) and (b)(3) by each of the above-described classes, as if fully set forth herein.

8
9 5. The Court hereby appoints as a final matter the plaintiffs named in the *Petro*
10 Complaint as the representatives of the Indirect Purchaser Settlement Class, and Indirect Purchasers'
11 Co-Lead Counsel, Cooper & Kirkham, Gustafson Gluek, The Mogin Law Firm and Straus & Boies,
12 as counsel for the class. The Court adopts as a final matter the findings of fact and conclusions of
13 law set forth in the Report, Part I, as to the qualification of these firms to serve as class counsel, as if
14 fully set forth herein.

15 6. The Court hereby appoints as a final matter as the representatives of the
16 Samsung/Winbond Government Purchaser Settlement Class, the States of Alaska, Delaware, Ohio
17 and Pennsylvania, and for California class members, the City and County of San Francisco, Santa
18 Clara County and the Los Angeles Unified School District, and for New Mexico class members, the
19 Rio Rancho Public Schools. The Court further appoints as a final matter as the representatives of
20 the Multi-Defendant Government Purchaser Settlement Class, for California class members, the City
21 and County of San Francisco, Santa Clara County and the Los Angeles Unified School District, and
22 for New Mexico class members, the Rio Rancho Public Schools. The Court appoints as a final
23 matter Emilio E. Varanini, Deputy Attorney General of the California Attorney General's Office, as
24 counsel for each of the government purchaser classes. The Court adopts as a final matter the
25 findings of fact and conclusions of law set forth in the Report, Part I, as to the qualification of Mr.
26 Varanini to serve as class counsel, as if fully set forth herein.

1 7. The “Indirect Purchaser Plaintiffs’ and Attorneys General’s Notice of Exclusions,”
2 filed May 15, 2014 (Dkt. No. 2205) set out the names of five (5) individuals who elected to exclude
3 themselves from the Indirect Purchaser Plaintiff Settlement Class and the *parens patriae* actions,
4 and the two (2) Oregon governmental entities who elected to exclude themselves pursuant to the
5 Oregon notice provisions. Such persons/entities are not included in or bound by this Final
6 Judgment. Such persons/entities are not entitled to any recovery from the settlement proceeds
7 obtained through the Settlements.

8 8. Prior to receipt of these requests for exclusion, Notice of this litigation and the
9 proposed settlements was given to putative members of the Indirect Purchaser Settlement Class,
10 including those covered by the *parens patriae* actions, the Government Purchaser Settlement
11 Classes, and by the Oregon Attorney General pursuant to the notice requirements of OR. REV. STAT.
12 §646.775 (2)(a), all in accordance with this Court’s “Order Granting Preliminary Approval of Joint
13 Settlements, Conditionally Certifying Settlement Classes, Adopting Special Master’s Report and
14 Recommendations, Parts I & II, Disseminating Notice To the Settlement Classes, and Scheduling
15 Fairness Hearing,” filed January 17, 2014 (Dkt. No. 2174), (“Preliminary Approval Order”). The
16 Court confirms its prior findings that the Notices given pursuant to the Preliminary Approval Order
17 were the best notice practicable under the circumstances. The Court further confirms its prior
18 findings that said notices provided due, adequate, and sufficient notice of these proceedings and of
19 the matters set forth herein, including the proposed settlements set forth in the Settlement
20 Agreements, and that said notice fully satisfied the requirements of due process, the Federal Rules of
21 Civil Procedure, and all applicable state laws.

22 9. The Court finds that the Settling Defendants have provided a notice of proposed
23 settlement that complies with the requirements of the Class Action Fairness Act, 28 U.S.C. §§ 1711-
24 15.

25 10. The Court hereby finally approves and confirms the Settlements set forth in the
26 Settlement Agreements with the Settling Defendants and finds that said settlements are, in all
27

1 respects, fair, reasonable, and adequate pursuant to Rule 23(e), Federal Rules of Civil Procedure,
2 and all applicable state laws.

3
4 11. The Court hereby dismisses on the merits and with prejudice the individual, *parens*
5 *patriae*, governmental entity, and class claims asserted by the Plaintiffs against the Settling
6 Defendants, with all parties to bear their own costs and attorneys' fees except as provided for in the
7 Agreements and by order of this Court. All parties will seek the dismissal of any state court actions
8 covered by the terms and provisions of the Settlement Agreements.

9 12. As provided in each of the Settlement Agreements, the Settling Defendants and all
10 persons and entities who are defined as Releasees are hereby and forever released and discharged
11 with respect to any and all claims or causes of action which the Plaintiffs and members of the
12 certified Settlement Classes and any person or entity defined in the Settlement Agreements as
13 Releasors had or have arising out of or related in any way to any of the Released Claims as defined
14 in the Settlement Agreements.

15 13. Private claims against the Settling Defendants and Releasees are released by two
16 Settling Plaintiff groups: the class of Indirect Purchasers as certified above and the Attorneys
17 General through their *parens patriae* claims. The releases are as follow:

18 The Settling Defendants and Releasees, as defined above, shall be completely
19 released, acquitted, and forever discharged from any and all claims, demands,
20 actions, suits, causes of action, whether class, individual, or otherwise in nature
21 (whether or not any Settling Plaintiff has objected to the settlement or makes a
22 claim upon or participates in the Settlement Fund), whether directly,
23 representatively, derivatively or in any other capacity that Releasors, as defined
24 above, or each of them, ever had, now has, or hereafter can, shall, or may have on
25 account of, related to, or in any way arising out of, any and all known and
26 unknown, foreseen and unforeseen, suspected or unsuspected injuries, damages,
27 and the consequences thereof in any way arising out of or relating in any way to
28 any act or omission of the Settling Defendants Releasees (or any of them)
concerning the pricing, production, development, or sale of DRAM products or
products containing DRAM up to December 31, 2002, based on the conduct
alleged and causes of action asserted or that could have been asserted, in
complaints filed in the Actions by the Settling Plaintiffs, or in any similar action
filed in any federal or state court, including, without limitation, any claims arising

1 under any federal or state antitrust, unjust enrichment, unfair competition, trade
2 practice statutory or common law, and consumer protection law (to the extent that
3 a consumer protection claim would be based on allegations of an antitrust or
4 unfair competition violation) (the “Released Claims”). Releasers shall not, after
5 the date of this Agreement, seek to establish liability against any Settling
6 Defendants Releasee based, in whole or in part, upon any of the Released Claims,
7 or conduct at issue in the Released Claims. The Settling Parties contemplate and
8 agree that the Settlement Agreements may be pleaded as a bar to a lawsuit, and an
9 injunction may be obtained, preventing any action from being initiated or
10 maintained in any case sought to be prosecuted on behalf of indirect DRAM
11 purchasers with respect to the claims released in this paragraph. This release,
12 discharge, and covenant not to sue does not include claims by any of the Settling
13 Plaintiffs other than the claims set forth therein and does not include other claims,
14 such as those solely arising out of product liability or warranty claims in the
15 ordinary course of business.

16 Because both Settling Plaintiff groups are giving complete releases of the Released Claims, this
17 Court need not determine and has not determined which of the two Settling Plaintiff groups is
18 releasing or may release any of the Released Claims.

19 14. The Settling Defendants are enjoined for a period of three years from the execution
20 of their various Settlement Agreements from engaging in certain conduct specified therein, but
21 generally falling into the broad categories of price fixing, market allocation and bid rigging, with
22 respect to the sale of any DRAM product for delivery in the United States, which constitutes
23 horizontal conduct that are *per se* violations of Section 1 of the Sherman Act, including,
24 participating in meetings, conversations, and communications with each other and other DRAM
25 manufacturers (other than among affiliated entities) in the United States and elsewhere to discuss the
26 prices of DRAM to be sold to original equipment manufacturers of personal computers and servers
27 (“OEM customers”) and exchanging information on sales of DRAM to OEM customers, for the
28 purpose of monitoring and enforcing adherence to agreed-upon prices. The Settling Defendants are
also required pursuant to the terms of their various Settlement Agreements to establish, within
ninety days of final approval, if not already established, and maintain for a period of three years
thereafter, a program to provide relevant antitrust compliance education to the Settling Defendants’
officers and employees with responsibility for pricing and sales of DRAM in and to the United

1 States regarding the legal standards imposed by federal and state antitrust laws, and to certify to a
2 designated representative of the plaintiffs by appropriate letter that it is fully compliant with the
3 provisions of their respective Settlement Agreements.
4

5 15. The Court hereby adopts and fixes the Plans for Distribution for the Indirect
6 Purchaser Settlement Class and the Government Purchaser Settlement Classes that are
7 recommended by the Special Master in the Report, Part I, at ¶¶ 24, and 293 – 363. The Court also
8 adopts as a final matter the findings of fact, conclusions of law and recommendations contained in
9 the Special Master’s Report, Part I, as to the process employed in arriving at and fixing, and the
10 fairness, reasonableness and adequacy of the Plans of Distribution for the Settlement Classes.

11 16. The Court hereby adopts and fixes the claims processing protocols for the Indirect
12 Purchaser Settlement Class that are recommended by the Special Master in the Report, Part II, at ¶¶
13 29 – 38. The Court also adopts as a final matter the findings of fact, conclusions of law and
14 recommendations contained in the Special Master’s Report, Part II, as to the process employed in
15 arriving at and fixing, and the fairness, reasonableness and adequacy of the claims processing
16 protocols for the Indirect Purchaser Settlement Class.

17 17. The Court has carefully and fully reviewed and considered all of the objections to the
18 proposed settlements, the objections to the certification of the Indirect Purchaser Settlement Class,
19 the objections to the proposed plan of distribution for the Indirect Purchaser Settlement Class and to
20 the form of notice to that Class, and, for the reasons set forth in Plaintiffs’ responses to the
21 objections, as further developed at the fairness hearing, the Court concludes that none of these
22 objections raises any grounds to decline certification of the Indirect Purchaser Settlement Class, to
23 deny final approval to the Settlements or to fail to adopt the plan of distribution for the Indirect
24 Purchaser Settlement Class, and accordingly the Court hereby OVERRULES each of the objections.

25 18. Without affecting the finality of this Judgment in any way, this Court hereby retains
26 continuing and exclusive jurisdiction over: (a) implementation of the terms and conditions of the
27 Settlement Agreements; (b) disposition of the Settlement Funds as defined in each Agreement and
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1 distribution to class members pursuant to further orders of this Court; (c) the designation of *cy pres*
2 recipients and the *cy pres* disposition of settlement funds should that become necessary; (d) the
3 Settling Defendants until the Final Judgment contemplated hereby has become effective and each
4 and every act agreed to be performed by the parties has been performed pursuant to the Settlement
5 Agreements; and (e) all parties and Releasors and Releasees for the purpose of enforcing and
6 administering the Settlement Agreements and the mutual releases, including the execution and filing
7 of any documents contemplated by, or executed in connection with, the Settlement Agreements.
8

9 19. In the event that a settlement does not become effective in accordance with the terms
10 of any of the relevant Settlement Agreements, then the judgment shall be rendered null and void and
11 shall be vacated as to that Agreement, and in such event, all orders entered and releases delivered in
12 connection herewith shall be null and void and the parties to that Agreement shall be returned to
13 their respective positions *ex ante*.

14 20. The Court finds, pursuant to Rules 54(a) and (b), Federal Rules of Civil Procedure,
15 that this Final Judgment should be entered and further finds that there is no just reason for delay in
16 the entry of this Final Judgment, as a Final Judgment, as to the parties to the Agreements.
17 Accordingly, the Clerk is hereby directed to enter the Judgment of dismissal with prejudice as to
18 Settling Defendants, forthwith.

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20 Dated: June 27, 2014

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PHYLLIS HAMILTON
Judge of the United States District Court

