

EXHIBITS TO MEMORANDUM OF LAW

1. Settlement Agreement, with following attached Exhibits:
 - A. Proposed Claim Form
 - B. Proposed Class Notice: Summary Notice (for mailing and posting), Longer Mailed Notice
 - C. Proposed Order Granting Final Approval of Class Action Settlement and Judgment
 - D. Proposed Order Preliminarily Approving Settlement
 - E. Gilardi & Co. LLC Notice Plan
 - F. Agreed upon text for radio advertisements
 - G. Injunction Notice
2. Current applicable strip search policies
3. Sample QCP audit report
4. Declaration of Alan Vasquez

Exhibit 1

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

PENNY ALLISON and ZORAN HOCEVAR,
individually and on behalf of a class of others
similarly situated,

Plaintiffs,

v.

THE GEO GROUP, INC, in its official and individual
capacities, and JOHN DOES 1 – 100, in their official
and individual capacities,

Defendants.

2:08-cv-00467-JD

Judge Jan E. DuBois

AMENDED SETTLEMENT AGREEMENT

Plaintiffs, by and through their counsel, and Defendant The GEO Group (“GEO” or “Defendant”), by and through its counsel, hereby enter into this Amended Settlement Agreement providing, subject to the approval of the Court, for Settlement of the claims herein described against GEO;

WHEREAS, Plaintiffs filed the above-captioned class action lawsuit (“Litigation”) against the Defendant The GEO Group, Inc. and John Does 1-100, alleging that Defendants had violated Plaintiffs’ constitutional rights under color of state law by illegally strip searching them in the absence of reasonable suspicion and others similarly situated upon entry into the Jails (as defined herein) after being charged with minor offenses;

WHEREAS, GEO, subsequent to the filing of (and as a result of) this action, immediately took substantial remedial steps to address the claims raised in this Litigation on or about January 30, including, but not limited to:

ensuring that all Jails (defined herein) complete a checklist or log documenting the basis for any strip search of new commitments;

ensuring that no person detained for misdemeanors, summary offenses, or other crimes that did not involve the possession or distribution of drugs, possession of weapons, crimes of violence, or felonies, who had no history of such charges, and did not behave in a manner at intake that would give intake officers reasonable suspicion, was strip searched upon intake at the Jails; and

amending its Quality Control Plan (“QCP”) internal auditing protocol to ensure compliance with the reasonable suspicion strip search policy.

WHEREAS, GEO has denied and continues to deny Plaintiffs' claims, and GEO denies any wrongdoing or liability of any kind to Plaintiffs or to any members of the Class (as defined herein);

WHEREAS, the Parties to this Settlement Agreement have conducted and are continuing to conduct a thorough examination and investigation of the facts and law relating to the matters in this Litigation and that such examination included documentary discovery in the course of the Litigation;

WHEREAS, GEO has concluded that Settlement is desirable in order to avoid the time, expense, and inherent uncertainties of defending protracted litigation and to resolve finally and completely all pending and potential claims of the Plaintiffs and all Class Members relating to alleged conduct involved in this Litigation;

WHEREAS, Plaintiffs and Class Counsel recognize the costs and risks of prosecuting this Litigation, and believe that it is in their interest, and the interest of all Class Members, to resolve this Litigation, and any and all claims against GEO, as well as all employees of GEO who may have devised, promulgated or enforced the policy or participated in the conduct that is the subject of this Settlement Agreement;

WHEREAS, substantial, adversarial settlement negotiations have taken place between the Parties, including mediation conducted by former United States Magistrate Judge James K. Melinson, and, as a result, this Settlement Agreement has been reached, subject to the Court approval process set forth herein;

WHEREAS, the Parties believe that this Settlement Agreement offers significant benefits to Class Members and is fair, reasonable, adequate and in the best interest of Class Members;

WHEREAS, this Settlement Agreement is made and entered into by and among GEO and Plaintiffs Penny Allison and Zoran Hocevar individually and on behalf of a class for purposes of settlement (the "Class") of similarly situated persons defined as:

All persons who were placed into the custody of one or more of the Jails after being detained for misdemeanors, summary offenses, or other crimes that did not involve the possession or distribution of drugs, possession of weapons, crimes of violence, or felonies, who had no history of such charges, and did not behave in a manner at intake that would give intake officers reasonable suspicion that the inmate was carrying or concealing contraband, but were strip searched upon their admission into one or more of the Jails pursuant to Defendants' then-existing strip search policy. Excluded from the class are Defendants and any and all of their respective affiliates, legal representatives, heirs, successors, employees or assignees. The Class Period is from January 30, 2006 to January 30, 2008 for George W. Hill Correctional Facility, Frio County Detention Center, Dickens County Detention Center, Tri-County Detention Center, and Newton County Correctional Center, and from January 30, 2005 to January 30, 2008 for Guadalupe County Correctional Facility.

NOW, THEREFORE, it is hereby stipulated and agreed, by and between the undersigned as follows:

I. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meaning set forth below. Where appropriate, terms used in the singular shall be deemed to include the plural and vice versa.

A. Claim Form. "Claim Form" shall mean a form in substantially the same form as that attached hereto as Exhibit A.

B. Claims Period. "Claims Period" shall mean the time period during which claims may be made by Settlement Class Members, extending from the Notice Date until the date 120 days thereafter, including weekends and holidays, provided that if the last day of the Claims Period falls on a weekend or Federal holiday, then the end of the Claims Period shall be the next following day that is not a weekend or Federal holiday.

C. Class Counsel. "Class Counsel" shall mean: Joseph G. Sauder and Benjamin F. Johns of Chimicles & Tikellis LLP, One Haverford Center, 361 W. Lancaster Ave., Haverford, PA 19041.

D. Class Members. "Class Members" refers to all persons who, during the Class Period, were placed into the custody of one or more of the Jails after being detained for misdemeanors, summary offenses, or other crimes that did not involve the possession or distribution of drugs, possession of weapons, crimes of violence, or felonies, who had no history of such charges, and did not behave in a manner at intake that would give intake officers reasonable suspicion justifying a strip search, but were strip searched upon their admission into one or more of the Jails pursuant to Defendants' then-existing strip search policy. Excluded from the class are Defendants and any and all of their respective affiliates, legal representatives, heirs, successors, employees or assignees.

E. Class Notice. "Class Notice" shall mean the Court-approved form of notice for mailing purposes in substantially the same form as Exhibit B.

F. Class Period. "Class Period" refers to the period between January 30, 2006 to January 30, 2008 for George W. Hill Correctional Facility, Frio County Detention Center, Dickens County Detention Center, Tri-County Detention Center, and Newton County Correctional Center, and from January 30, 2005 to January 30, 2008 for Guadalupe County Correctional Facility.

G. Class Representatives. "Class Representatives" shall mean Plaintiffs Penny Allison and Zoran Hocevar.

H. Class Settlement. "Class Settlement" shall mean the terms provided in this Settlement Agreement.

I. Court. "Court" shall mean the United States District Court for the Eastern District of Pennsylvania, The Honorable Jan E. DuBois presiding, or his duly appointed or designated successor.

J. Defendant. "Defendant" shall mean the GEO Group, Inc., and shall include all employees of GEO who may have devised, promulgated or enforced the policy or participated in the conduct that is the subject of this Settlement Agreement.

K. Defendant's Counsel. "Defendant's Counsel" shall mean Carolyn P. Short, Esq., Reed Smith LLP, 2500 One Liberty Place, 1650 Market Street, Philadelphia, PA 19103.

L. Distribution Amount. "Distribution Amount" shall mean the amount available from the Settlement Fund after payment of the costs of Class Notice and administration of the Settlement, attorneys' fees and expenses, and incentive awards to Class Representatives.

M. Effective Date. "Effective Date" shall mean thirty (30) days from the date on which the Settlement has been finally approved by the Court, and/or the date on which any appeals from final approval are resolved, whichever is later.

N. Final Approval Hearing. "Final Approval Hearing" shall mean the hearing at which the Court will consider and finally decide whether to enter the Final Judgment.

O. Final Judgment. "Final Judgment" shall mean that Court order that finally certifies the Class, approves this Settlement Agreement, approves payment of attorneys' fees and expenses, and makes such other final rulings as are contemplated by this Settlement Agreement, in substantially the same form as Exhibit C.

P. Initial Contribution. GEO will make available an amount from the Settlement Fund, not to exceed the sum of \$500,000.00 to be used by the Settlement Administrator to cover the costs of Notice and administration of the Settlement. Any unused portion of the \$500,000.00 by the Settlement Administrator will revert to GEO.

Q. Injunction Notice. The Notice attached hereto as Exhibit G, which advises of the Injunction.

R. Jails. George W. Hill Correctional Facility; Guadalupe County Correctional Facility; Frio County Detention Center; Dickens County Detention Center; Tri-County Detention Center; and Newton County Correctional Center.

S. Litigation. "Litigation" shall mean the above-captioned lawsuit pending in the United States District Court for the Eastern District of Pennsylvania as No. 08-00467.

T. Mediator. The "Mediator" shall mean The Honorable James R. Melinson, former United States Magistrate Judge of the United States District Court for the Eastern District of Pennsylvania.

U. Notice Program. “Notice Program” shall mean the program for disseminating the Class Notice to Settlement Class Members, including public dissemination of the Summary Notice, in accordance with the terms herein.

V. Notice Date. “Notice Date” shall mean the date upon which Class Notice is mailed in accordance with the terms herein.

W. Objection Date. “Objection Date” shall mean the date agreed upon by the Parties or otherwise ordered by the Court by which Settlement Class Members must submit any objection to the Settlement Agreement’s terms or provisions and submit any required statements, proof, or other materials and/or argument.

X. Opt-Out Deadline. “Opt-Out Deadline” shall mean the date agreed upon by the Parties or otherwise ordered by the Court by which any Settlement Class Members who do not wish to be included in the Class and participate in the Settlement must complete the acts necessary to properly effect such election to opt out.

Y. Opt-Out List. “Opt-Out List” shall mean a written list prepared by the Settlement Administrator of the names of all Settlement Class Members who submit timely Requests for Exclusion or Opt-Out Notices.

Z. Opt-Out Notice. “Opt-Out Notice” or “Opt-Out” shall mean a Request for Exclusion.

AA. Parties. “Parties” shall mean the Plaintiffs and Defendant.

BB. Plaintiffs. “Plaintiffs” shall mean Penny Allison and Zoran Hocevar.

CC. Preliminary Approval Order. “Preliminary Approval Order” shall mean the Order of the Court preliminarily approving this Settlement Agreement and conditionally certifying a provisional Class, in substantially the same form as Exhibit D.

DD. QCP. QCP shall mean Defendant’s Quality Control Plan, an internal audit protocol.

EE. Release. “Release” shall mean the release described in Section VII herein.

FF. Released Claims. “Released Claims” shall mean and include any and all claims or causes of action by or on behalf of any and all Settlement Class Members (and their predecessors, successors, heirs, administrators, executors, agents, trustees, representatives, and assigns) that are released by the Release described in Section VII herein.

GG. Released Parties. “Released Parties” shall mean all persons or entities against whom Released Claims will be released pursuant to the Release described in Section VII herein.

HH. Request for Exclusion. “Request for Exclusion” shall mean any request by any Settlement Class Member for exclusion from the Class in compliance with Section V herein.

II. Second Contribution. GEO will make available an amount from the Settlement Fund \$1,000,000.00, by check or wire transfer, into the Settlement Fund. Any unused portion of the \$1,000,000.00 will revert to GEO.

JJ. Settlement. "Settlement" shall mean the agreement by the Plaintiffs and Defendant to resolve the Litigation, the terms of which have been memorialized in this Settlement Agreement.

KK. Settlement Administrator. "Settlement Administrator" shall mean the qualified party selected by the Parties and designated in the Preliminary Approval Order to administer the Settlement, including implementing the Notice Program. Neither Plaintiffs nor the Defendant shall have any responsibility for any acts or omissions of the Settlement Administrator. The Parties have agreed to select Gilardi & Co. LLC as the Settlement Administrator.

LL. Settlement Agreement. "Settlement Agreement" shall mean this Settlement Agreement, including any amendment hereto pursuant to Section X.D hereof, and all the exhibits attached hereto.

MM. Settlement Class Members. "Settlement Class Members" shall mean all persons in the Class who do not exclude themselves pursuant to Section V herein.

NN. Settlement Fund. "Settlement Fund" shall mean a fund or funds, governed by terms to be agreed to between Class Counsel and Defendant's Counsel which shall be earmarked specifically for this case and remain in GEO's operating expenses until such time as to be utilized to administer the monetary requirements of the Settlement. Defendant shall provide documentation verifying that the Settlement Amount is available, has been earmarked for the sole purpose of this case, and will not be utilized for any other payments or purposes.

OO. Settlement Amount. "Settlement Amount" shall mean the amount of Two Million Nine Hundred and Ninety-Nine Thousand Dollars (\$2,999,000.00) to be paid by or on behalf of the Defendant.

PP. Settlement Website. "Settlement Website" means a website established by the Website Administrator to provide information about the Settlement with a World Wide Web address of www.multistatestripsearchsettlement.com or, if unavailable, a mutually agreed upon address.

QQ. Strip Search Policy. "Strip Search Policy" shall mean the written policy, to govern the conduct of all strip searches by Defendant, their agents, and employees upon a person's entry into a Jail in place as of and after January 31, 2008.

RR. Third Contribution. GEO will make available an amount from the Settlement Fund \$1,499,000.00, by check or wire transfer, into the Settlement Fund pursuant to the terms of this Settlement Agreement. Any unused portion of the \$1,499,000.00 will revert to GEO.

II. REQUIRED EVENTS

Promptly after execution of this Settlement Agreement by all Parties:

1. Class Counsel and Defendant's Counsel shall use their best efforts to cause the Court to enter the Preliminary Approval Order and the Final Judgment in substantially the forms attached hereto as Exhibits D and C, respectively.

2. The Parties to the Settlement Agreement shall jointly move for entry of a Preliminary Approval Order in substantially the same form as Exhibit D, which by its terms shall:

a. Preliminarily approve the terms of the Settlement Agreement, including the certification of the Class for purposes of this Settlement Agreement only, as within the range of fair, reasonable and adequate Settlement for purposes of issuing notice;

b. Approve the contents of the Class Notice and methods in the Notice Plan; and

c. Schedule a Final Approval Hearing to review comments regarding the proposed Class Settlement and to consider the fairness, reasonableness, and adequacy of the proposed Class Settlement and the application for an award of attorneys' fees and reimbursement of expenses, and to consider whether the Court should issue a Final Judgment (in substantially the same form as Exhibit C) approving the Class Settlement, granting Class Counsel's application for fees and expenses, granting the incentive awards application by the Class Representatives, and dismissing the Litigation with prejudice.

3. Class Counsel and Defendant's Counsel will use their best efforts, consistent with the terms of this Settlement Agreement, to promptly obtain a Final Judgment.

4. In the event that the Court fails to issue the Preliminary Approval Order or fails to issue the Final Judgment, Class Counsel and Defendant's Counsel agree to use their best efforts, consistent with this Settlement Agreement, to cure any defect identified by the Court; provided, however, that in no event shall Defendant be required to agree to any such cure that would increase the cost or burden of the Settlement Agreement to the Defendant.

5. The Parties acknowledge that prompt approval, consummation, and implementation of the Settlement set forth in this Settlement Agreement are essential. The Parties shall cooperate with each other in good faith to carry out the purposes of and effectuate this Settlement Agreement, shall promptly perform their respective obligations hereunder, and shall promptly take any and all actions and execute and deliver any and all additional documents and all other materials and/or information reasonably necessary or appropriate to carry out the terms of this Settlement Agreement and the transactions contemplated hereby. Any disputes regarding the Parties' obligations under this paragraph shall be submitted for decision by Judge Jan E. DuBois or his designated representative and his decision shall be binding on the Parties.

6. Neither this Settlement Agreement nor any negotiations shall be construed, offered, received as, or deemed to be, evidence of an admission or concession by Plaintiffs or the Class of lack of merit, or by Defendant of any liability or wrongdoing whatsoever, whether as alleged in the Complaint or otherwise. Defendant specifically denies that the conduct alleged in the Complaint gives rise to any such liability and that any class relating to such allegations properly could be certified as a class for litigation purposes.

7. In the event that the Court does not approve any part of this Settlement Agreement and settlement, then this entire Settlement Agreement and settlement shall become null and void except that Plaintiffs, Class Counsel, and Defendant may agree in writing to proceed with a modified settlement and apply for Court approval of that modified settlement. In the event that this Settlement Agreement shall become null and void for any reason, the provisions of Rule 408 of the Federal Rules of Evidence will apply to it and all negotiations surrounding it. No admission of law or fact, or combination thereof, will be found to exist as a result of this Settlement Agreement. If this Settlement Agreement fails to be approved or otherwise fails to be consummated in accordance with its terms:

a. Plaintiffs shall be entitled to continue this action on behalf of themselves and the Class in accordance with the rulings, circumstances, and procedural posture that existed in this case on July 17, 2009, the date on which Plaintiffs, Class Counsel, and Defendant agreed to the terms of this settlement.

b. Defendant shall retain all rights to continue its defense to this case in accordance with the rulings, circumstances, and procedural posture that existed in this case on July 17, 2009, the date on which Plaintiffs, Class Counsel, and Defendant agreed to the terms of this settlement.

III. SETTLEMENT TERMS

A. Provision of New Policies and Corrections Officer Training

1. Effective January 31, 2008, GEO stopped strip searching detainees admitted to the Jails without reasonable suspicion (to the extent that the Jails had ever strip searched detainees without reasonable suspicion).

2. Defendant's current written Strip Search Policy is constitutional and complies with state and federal law.

3. GEO's Corporate Policies and Procedures Manual will include a copy of the Strip Search Policy, as will the Policies and Procedures Manuals effective at each Jail.

4. All correction officers at the Jails have access to applicable Strip Search Policy and are trained on search policy.

5. Current and new corrections officers who work in the Jails' intake units have been, and will continue to be, trained regarding the Strip Search Policy and when strip searches may and may not be performed.

6. Defendant will take reasonable steps to ensure that all corrections officers abide by the Strip Search Policy at the Jails.

7. The parties agree that Defendant's commitment to perform only lawful strip searches at intake at the Jails is an essential term to the Settlement Agreement. Accordingly, the parties jointly request an Injunction Order from the Court to ensure GEO's compliance with the revised, lawful Strip Search Policy set forth in its Corporate Policies and Procedures Manual. This Injunction Order shall remain in force for a period of eighteen (18) months from the date that Final Approval is granted to this Settlement. During this eighteen-month period, the Court shall have continuing jurisdiction to ensure compliance with this provision.

- a. Every six months, Defendant will report to the Court and Class Counsel the results of the strip search policy compliance portion of its internal QCP audit, including attaching the relevant QCP audit excerpt relating to strip searches.
- b. In the event that any of the Jails fail to follow this reasonable suspicion policy (or otherwise perform illegal strip searches of pre-trial detainees upon their admission to the Jail), any persons who are committed to the Jails Defendant operates during the period of time covered by the injunction order and who claim to have been strip searched without reasonable suspicion may seek appropriate relief from this Court to ensure that Defendant only conducts lawful strip searches.
- c. Plaintiffs and Class Counsel will not seek Court intervention for an alleged violation of the revised strip search policy, including any request for further relief or contempt, without first providing Defendants with notice of the relevant information concerning the alleged violation. After such notice, the Parties shall thereafter meet and discuss the allegations of non-compliance and shall see to resolve any differences without Court intervention. If the parties are unable to reach an agreement, Class Counsel may seek relief from the Court.
- d. The Injunction Notice, attached as Exhibit G, will be posted in both English and Spanish for the duration of the Injunction.
- e. This Injunction remains in effect only so long as the law in the Third Circuit continues to require reasonable suspicion for strip searches of pretrial detainees. Should the applicable law change, Defendant may petition the Court to have the Injunction lifted.

B. Settlement Fund

1. Within five (5) days of entry of the Preliminary Approval Order, GEO will make available the Initial Contribution, not to exceed the sum of \$500,000.00 to be used by the Settlement Administrator to cover the costs of Notice and administration of the Settlement. If, at any time, whether by order of any court or because the Defendant is exercising any option to withdraw, the Settlement does not become final, then any unspent money remaining from this sum shall be returned to GEO with no obligation on the part of any party to repay any portion of the money actually spent.

2. Within five (5) days of the expiration of the Claims Period, GEO will pay into the Settlement Fund the Second Contribution of \$1,000,000.00. The entire amount of the Second Contribution shall be set aside by GEO and earmarked for the sole purpose of funding the Settlement Fund, as needed.

3. The remaining monetary obligation of \$1,499,000.00, the Third Contribution, will be paid into the Settlement Fund within five (5) days of the Effective Date. In the event the amount of claims received: (a) do not exceed the amount of Second Contribution, GEO does not have to pay the Third Contribution into the Settlement Fund until it receives notice, if any, from the Settlement Administrator that such contribution is needed to satisfy any claims; or (b) exceeds the amount of the Second Contribution but does not rise to the level of the Third Contribution amount, GEO shall pay into the Settlement Fund an amount of the Third Contribution identified by the Settlement Administrator as necessary to satisfy the claims received. Provided, however, that the entire amount of the Third Contribution shall be set aside by GEO and earmarked for the sole purpose of funding the Settlement Fund, as needed.

4. All administrative expenses, including the costs of settlement administration, website administration and the provision of notice to Class Members, as well as the amounts awarded by the Court for attorneys' fees and costs, and incentive awards to the Class Representatives, will be deducted from the Settlement Fund prior to determining the Distribution Amount.

C. **Payments to Class Members**

1. The Settlement Fund will be distributed as follows: each Settlement Class Member who submits a timely Claim Form and is a member of the Class will be entitled to receive a *pro rata* share of that Settlement Fund, not to exceed \$400.00 per Settlement Class Member. Any unused portion of the Settlement Fund will revert to GEO. Both the reverter and the \$400 per claim cap are critical, essential and nonnegotiable terms of the settlement, and that nonacceptance of these terms makes this agreement null and void, unless both parties agree to any changes in a signed writing.

2. No Class Member shall be entitled to more than his or her individual share of the Settlement Fund regardless of the number of times he or she has been strip searched at a GEO Jail.

3. No portion of the Settlement Fund shall be disbursed before the Effective Date, except as set forth in Section III (B)(1) above and III (E) below.

4. Both parties anticipate that late claims may be filed subsequent to the end of the claims period. Late claims may be allowed, if submitted on or before the date of the Final Approval Hearing, for good cause shown as agreed by the Parties. To the extent that the Parties cannot agree that good cause is shown, the Settlement Administrator shall make the final decision regarding whether to allow a late claim. All late claims will be approved by the Court prior to being paid as part of the distribution of the Settlement.

5. The Parties expressly agree that the funds paid herein are not intended to be payment for economic damages or for punitive damages, but are intended to be payment for

damages on account of alleged personal injuries, including but not limited to bodily injury, mental and emotional distress, and pain and suffering, arising from an occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended. Despite the Parties' intentions, the Parties make no representations regarding the taxability or non-taxability of any payments made hereunder, and the Parties agree that neither Party shall be responsible for payment of any taxes on the amounts paid hereunder to Plaintiffs, Class Representatives, Class Members, or the Settlement Administrator. All payment of taxes or other assessments to state or federal authorities on the amounts paid under this Settlement Agreement, if any, shall be the sole responsibility of Plaintiffs, Class Representatives, Class Members, the Settlement Administrator and Class Counsel with respect to their portion of the Settlement Funds; Plaintiffs, Class Representatives, Class Members, the Settlement Administrator and Class Counsel hereby agree to indemnify and hold harmless Defendant from any such liability.

D. Attorneys' Fees and Expenses

Class Counsel will petition the Court for an award of attorneys' fees in the amount not to exceed 30% of the entire Settlement Amount, and may also petition the Court for an award of costs, based on documentation, not to exceed \$7,500.00. The Parties agree that Defendant has the right to oppose Class Counsel's application for said award of fees and costs and has the right to oppose any appeal filed by Class Counsel relative to their application for an award of attorneys' fees. Any award of attorneys' fees includes any and all applicable taxes. In the event that the Court does not approve the requested amount of attorneys' fees of 30% of the Settlement Fund, and costs of up to \$7,500.00, and approves some lesser amount, that fact will not void this Settlement Agreement; provided, however, that Class Counsel reserves the right to appeal any such decision, and GEO retains the right to contest any such appeal. The Parties agree that the Settlement will proceed as specified in this Agreement regardless of the amount of attorneys' fees and costs approved and awarded by the Court. Class Counsel will be paid for their attorneys' fees and costs within ten (10) days of the Effective Date.

E. Partial Distribution Pending Appeal

In the event that Final Approval of the Settlement is appealed by either party or a third party objector, and if the payment of some portion of the Settlement Fund is not subject to dispute, that undisputed portion of the Settlement Fund shall be distributed in accordance with this agreement. In the event that Final Approval of the Settlement is overturned on appeal, all unpaid funds will remain with Defendant, as per the Settlement Fund, with the exception of the initial contribution, detailed in Section III(B)(1).

IV. *NOTIFICATION TO CLASS MEMBERS*

A. Responsibilities of the Settlement Administrator

1. The Settlement Administrator shall implement and administer the Notice Program.
2. The parties will request that the Court appoint the Settlement Administrator as an officer of the Court for the purpose of implementing the terms of this Settlement Agreement. The Settlement Administrator shall be subject to judicial immunity to the fullest extent permitted

by law. The Settlement Administrator shall be subject to the jurisdiction of the Court with respect to any dispute arising between the Settlement Administrator and the Parties regarding the implementation of the terms and conditions of the administration agreement.

3. The Settlement Administrator shall be responsible for, without limitation: (i) responding to requests for Claim Forms; (ii) mailing the Class Notices; (iii) arranging for the publication of the Summary Notice; (iv) responding to requests for a copy of the Class Notice and other settlement documents; (v) communicating with Class and Defendant Counsel regarding Claim Forms, Objections, and Requests for Exclusion; (vi) otherwise administering the Notice Program; (vii) providing Spanish language services to assist Spanish-speaking persons with completion of Claim Forms; (viii) distributing payments to the Settlement Class Members; and (ix) maintain the Settlement Website at www.multistatestripsearchsettlement.com, or, if unavailable, a mutually agreed upon address by the Parties. The Notice Program shall comply with all requirements of applicable law. The Settlement Administrator will maintain an appropriate insurance policy to protect against any violation of its fiduciary duty to the Court, Class Members, Defendant or Class Counsel.

4. The Settlement Administrator will provide information about the Settlement to Class Members, including notice and claims documents, court documents, and a copy of the Settlement Agreement.

B. Notice

1. Beginning no later than sixty (60) days from the date of this Order Preliminarily Approving Settlement ("Notice Date"), the Settlement Administrator shall cause to be disseminated the notices. Such Notice Program will be completed expeditiously pursuant to the terms of the Settlement Agreement. Prior to the Final Approval Hearing, Plaintiffs and/or the Settlement Administrator shall serve and file a sworn statement attesting to compliance with the provisions of this section.

2. Notice will be provided to the Class by direct mailing of Class Notice and a Claim Form to all potential Class Members at their last known or readily ascertainable address. GEO has advised Class Counsel that it does not have readily ascertainable address information for the majority of potential Class Members at Frio County Detention Center; Dickens County Detention Center; Tri-County Detention Center; and Newton County Correctional Center; for these Jails, notice will be mailed to all readily ascertainable Class Member addresses. GEO has advised Class Counsel that it does have readily ascertainable address information for the vast majority of potential Class Members at George W. Hill Correctional Jail; for this Jail, notice will be mailed to all readily ascertainable Class Member addresses. GEO has advised Class Counsel that it has readily ascertainable address information for all incoming inmates at the Guadalupe County Correctional Jail; notice will be mailed to all addresses for incoming inmates at this Jail. For all Jails, the mailed notice will be provided in English, and the Summary Notice will be in both English and Spanish. Address information will be updated through the National Change of Address Database prior to mailing.

3. Notice will also be provided to the Class by way of radio advertisements as agreed by the parties pursuant to the Gilardi & Co. LLC Notice Plan (attached as Exhibit F). The

parties have agreed on the content of the radio advertisements (attached as Exhibit G). For the geographic areas where Frio County Detention Center, Dickens County Detention Center, Guadalupe County Correctional Facility, and Newton County Correctional Center are located, ten (10) of the radio advertisements will be broadcast in Spanish.

4. Additional notice will be provided to the Class by way of posting of the Summary Notice and Claim Form at the Jails GEO currently operates, and at appropriate probation and parole offices for the duration of the notice period. The posted Summary Notice will be in English and-Spanish.

5. The Settlement Administrator shall also provide a copy of the Class Notice and Claim Form to anyone who requests notice through written communication to the Settlement Administrator, or through a toll-free telephone number to be established by the Settlement Administrator. Notices will be available in both English and Spanish. The Settlement Administrator will also provide downloadable copies of notices, Claim Forms, court decisions and other information to Class members through The Settlement Website at www.multistatestripsearchsettlement.com, or, if unavailable, a mutually agreed upon address, in both English and Spanish.

6. If, after the initial mailing, any Class Notices are returned as undeliverable, the Settlement Administrator will make reasonable efforts to attempt to locate the relevant Settlement Class Members by way of a national locator database or service and, if another address is found, re-mail the Notice to that new address.

7. Prior to the final approval hearing, the Settlement Administrator shall provide an affidavit to the Court, with a copy to Class Counsel and Defendant's Counsel, attesting to the measures undertaken to provide Notice of the Settlement. The Settlement Administrator will also provide an Affidavit attesting to activity on the Settlement Website, including number of visitors and number of documents downloaded.

8. The Settlement Administrator (and any person retained by the Settlement Administrator) shall sign a confidentiality agreement in a form agreed to by the Parties, which shall provide that the names, addresses and other information about specific Class Members and/or specific Class Members that is provided to it by Defendant, Class Counsel, or by individual Class Members, shall be treated as confidential and shall be used only by the Settlement Administrator as required by this Settlement Agreement.

9. Claim Forms must be postmarked on or before the 120th day from the Notice Date in order to be considered timely submitted.

10. The Settlement Administrator will advise Class and Defendant Counsel with information regarding who has filed Claim Forms within three (3) business days of receipt of a Claim Form. If information on a submitted Claim Form is insufficient, unreadable, or left blank, the Settlement Administrator shall contact the person who submitted the Claim Form and work to complete the information. Class Members will be required to submit a copy of a government-issued form of photo identification along with the Claim Forms. To the extent that a Class Member does not have government-issued photo identification, the Class Member can indicate

so on the Claim Form, and the Settlement Administrator will contact the Class Member to obtain additional identification from the Class Member. The Parties will jointly determine whether to approve Claim Forms from Class Members who do not have a government-issued form of photo identification. To the extent that the Parties cannot agree, the Settlement Administrator shall make the final decision regarding whether to allow a claim from a person without appropriate photo identification.

11. Defendant shall have the right to challenge submitted Claims Forms as not meeting the Class definition.

12. Settlement Administrator employees who are fluent in oral and written Spanish will assist Settlement Class Members whose primary language is Spanish in completing Claim Forms.

13. The Settlement Administrator shall have final authority to determine whether individuals who have submitted Claim Forms qualify as Settlement Class Members.

V. REQUESTS FOR EXCLUSION BY SETTLEMENT CLASS MEMBERS

A. The provisions of this paragraph shall apply to any Request for Exclusion. Any Settlement Class Member may make a Request for Exclusion by mailing or delivering such request in writing to the Settlement Administrator within forty-five (45) days from the Notice Date. Any Request for Exclusion must be postmarked not later than the Opt-Out Deadline. Any Request for Exclusion shall state the name, address and telephone number of the person requesting exclusion and contain a clear statement communicating that such person elects to be excluded from the Settlement, does not wish to be a Settlement Class Member and elects to be excluded from any judgment entered pursuant to the Settlement.

B. Any Settlement Class Member who submits a timely Request for Exclusion may not file an objection to the Settlement and shall be deemed to have waived any rights or benefits under this Settlement Agreement.

C. Not later than three (3) business days after the deadline for submission of Requests for Exclusion, the Settlement Administrator shall provide an Opt-Out List to Class Counsel and to Defendant's Counsel together with copies of each Request for Exclusion. Class Counsel and Defendant's Counsel shall jointly report the names appearing on the Opt-Out List to the Court at the time of the Final Approval Hearing.

D. Class Counsel agrees that they will not represent any individuals who opt out from the Settlement in asserting claims against the Defendant that are the subject of this Agreement.

VI. OBJECTIONS BY SETTLEMENT CLASS MEMBERS

A. Any Settlement Class Member who wishes to be heard orally at the Final Approval Hearing, or who wishes for any objection to be considered, must file a written notice of objection by the Objection Date. Any Objection must be postmarked not later than the Objection Date. Such objection shall state the name, address and telephone number of the person and

provide proof of membership in the Class, as well as a detailed statement of each objection asserted, including the grounds for objection and reasons for appearing and being heard, together with any documents such person wishes to be considered in support of the objection.

B. The agreed-upon procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Settlement Class Members' objections to the Settlement Agreement, in accordance with such Settlement Class Members' due process rights. The Preliminary Approval Order and Class Notice will require all Settlement Class Members who have any objections to file such notice of objection or request to be heard with the Clerk of the Court, and serve by mail or hand delivery such notice of objection or request to be heard, including all papers or evidence in support thereof, upon one of the Class Counsel and Defendant's Counsel, at the addresses set forth in the Class Notice, no later than the Objection Date. The Preliminary Approval Order will further provide that objectors who fail to properly or timely file their objections with the Clerk of the Court, along with the required information and documentation set forth above, or to serve them as provided above, shall not be heard during the Final Approval Hearing, nor shall their objections be considered by the Court.

C. In accordance with law, only Settlement Class Members who have objected to the Settlement pursuant to the terms immediately above may appeal any Final Judgment. The proposed Final Judgment shall provide that any Settlement Class Member who wishes to appeal the Final Judgment, which appeal will delay the distribution of the Settlement to the Class, shall post a bond with this Court in an amount to be determined by the Court as a condition of prosecuting such appeal.

VII. *RELEASE, DISMISSAL OF ACTION, AND JURISDICTION OF COURT*

A. By this Settlement Agreement and specifically as provided in this Paragraph, Defendant, and all of its respective affiliates, parent corporations, subsidiaries, predecessors, operating units, related corporations, affiliates, successors and assigns, officers, agents, representatives, insurers, and all of their employees, supervisors, officers, directors, and agents, officials, insurers, attorneys and any person or entity which can be held jointly and severally liable with any of them, are released from any and all claims, causes of action, liabilities, demands, and causes of action, fixed or contingent, that were or could have been asserted by the named Plaintiffs or any member of the Class against the Released Parties, or any of them, based upon or related in any way to the strip searches that are the subject of this Litigation, including all laws (whether statutory or common law), and including but not limited to claims under any federal, state, or other governmental statute, regulation or ordinance.

B. This Settlement Agreement does not affect the rights, if any, of Settlement Class Members who timely and properly exclude themselves from the Settlement.

C. The administration and consummation of the Settlement as embodied in this Settlement Agreement shall be under the authority of the Court. The Court shall retain jurisdiction to protect, preserve, and implement the Settlement Agreement, including, but not limited to, the Release. The Court expressly retains jurisdiction in order to enter such further orders as may be necessary or appropriate in administering and implementing the terms and

provisions of the Settlement Agreement, including, but not limited to, orders enjoining Settlement Class Members from prosecuting claims that have been released pursuant to the Settlement Agreement.

D. Upon the Effective Date: (i) the Settlement Agreement shall be the exclusive remedy for any and all Released Claims of Settlement Class Members; (ii) the Released Parties shall not be subject to liability or expense of any kind to any Settlement Class Members or their successors, predecessors or assigns except as set forth herein; and (iii) Settlement Class Members and their successors, predecessors and assigns shall be permanently barred from initiating, asserting, or prosecuting any and all Released Claims against any Released Party in any federal or state court in the United States or any other tribunal. As set forth above, Class Counsel shall be paid their Court-approved attorneys' fees and costs within ten (10) days of the Effective Date.

E. Tolling of Statute of Limitations. Defendant agrees that, with respect to any claims asserted in the Litigation that are subsequently asserted by any member of the Class who has properly opted out of the Settlement, Defendant shall not assert any statute of limitations, repose, or laches defense unless such defense (i) existed as of January 30, 2008, the date this class action was filed or (ii) arose after a Request for Exclusion was effected pursuant to Section V, or (iii) a combination thereof. Further, in the event that the Court does not approve this Settlement Agreement, or an appellate court reverses the Court's order approving this Settlement Agreement, Defendant agrees that, with respect to any claims asserted in the Litigation that are subsequently asserted or maintained in any existing or subsequently filed class action lawsuit, or by any member of the Class, Defendant shall not assert any statute of limitations, repose or laches defense that is premised upon the time period of January 31, 2008 through and including the date of the latter of either: the entry of the Court's order disapproving this Settlement Agreement or the appellate court's decision reversing the Court's order approving this Settlement Agreement. This tolling will cease thirty (30) days after one of the events detailed in the preceding sentence comes to pass.

VIII. INCENTIVE AWARDS TO CLASS REPRESENTATIVES

Given the efforts of the named Plaintiffs on behalf of the Class, Defendant will not oppose an application for awards of \$2,500.00 each on behalf of the Class Representatives Penny Allison and Zoran Hocevar. It is agreed between the Parties that the Class Representatives provided substantial assistance to Class Counsel in their prosecution of this action. Class Representatives are also eligible for payment of the maximum \$400.00 awards to be paid to Settlement Class Members.

IX. REPRESENTATIONS, WARRANTIES AND COVENANTS

A. Class Counsel, who are signatories hereof, represent and warrant that they have the authority, on behalf of Plaintiffs, to execute, deliver, and perform this Settlement Agreement and to consummate all of the transactions contemplated hereby. This Settlement Agreement has been duly and validly executed and delivered by Class Counsel and Plaintiffs and constitutes their legal valid and binding obligation.

B. Defendant, through their undersigned attorneys, represent and warrant that they have the authority to execute, deliver, and perform this Settlement Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by Defendant of this Settlement Agreement and the consummation by them of the actions contemplated hereby have been duly authorized by all necessary corporate action on the part of Defendant. This Settlement Agreement has been duly and validly executed and delivered by Defendant and constitutes their legal, valid, and binding obligation.

X. MISCELLANEOUS PROVISIONS

A. This Settlement Agreement, and the exhibits and related documents hereto as well as any payment of moneys, or any other action taken, by the Defendant pursuant to any provision of this Settlement Agreement are not, and shall not at any time be construed or deemed to be, or to evidence, any admission against or concession by Defendant with respect to any wrongdoing, fault, or omission of any kind whatsoever, regardless of whether or not this Settlement Agreement results in entry of a Final Judgment as contemplated herein. Defendant denies any liability to Plaintiffs and to all Members of the Class. This provision shall survive the expiration or voiding of the Settlement Agreement.

B. This Settlement Agreement is entered into only for purposes of Settlement. In the event that the Effective Date does not occur for any reason or the Final Judgment is not entered, then this Settlement Agreement, including any Releases or dismissals hereunder, is canceled. In the event this Settlement Agreement is cancelled or deemed cancelled, no term or condition of this Settlement Agreement, or any draft thereof, or of the discussion, negotiation, documentation or other part or aspect of the Parties' settlement discussions shall have any effect, nor shall any such matter be admissible in evidence for any purpose, or used for any purposes whatsoever in the Litigation or in any other litigation, and all Parties shall be restored to their prior rights positions as if the mediation had never occurred and the Settlement Agreement had not been entered into.

C. The headings of the sections and paragraphs of this Settlement Agreement are included for convenience only and shall not be deemed to constitute part of this Settlement Agreement or to affect its construction.

D. This Settlement Agreement, including all exhibits attached hereto, may not be modified or amended except in writing signed by all of the Parties or their counsel.

E. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

F. This Settlement Agreement shall be governed by and construed in accordance with the substantive laws of the Commonwealth of Pennsylvania, without giving effect to any choice or conflict of law provision, or rule that would cause the application of the laws of any other jurisdiction.

G. Except as otherwise provided in this Settlement Agreement, each party to this Settlement Agreement shall bear his or its own costs of the Litigation.

H. If any clause, provision or paragraph of this Settlement Agreement shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision or paragraph of this Settlement Agreement, and this Settlement Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable clause, paragraph, or other provisions had not been contained herein.

I. The Parties to this Settlement Agreement reserve the right, by agreement and subject to the Court's approval, to grant any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

J. All applications for Court approval or Court orders required under this Settlement Agreement shall be made on notice to Plaintiffs and Defendant.

K. The determination of the terms of, and the drafting of, this Settlement Agreement, including its exhibits, has been by mutual agreement after negotiation, with consideration by and participation of all Parties and their counsel. Since this Settlement Agreement was drafted with the participation of all Parties and their counsel, the presumption that ambiguities shall be construed against the drafter does not apply. Each of the Parties was represented by competent and effective counsel throughout the course of Settlement negotiations and in the drafting and execution of this Settlement Agreement, and there was no disparity in bargaining power among the Parties to this Settlement Agreement. In entering into this Settlement Agreement, none of the Parties relied on advice received from any other Party or any other Party's counsel.

L. Integrated Agreement

1. All of the exhibits to this Settlement Agreement are material and integral parts hereof, and are fully incorporated herein by reference.

2. This Settlement Agreement and the exhibits thereto constitute the entire, fully integrated agreement among the Parties and cancel and supersede all prior written and unwritten agreements and understandings pertaining to the Settlement of the Litigation.

M. Notice:

1. Any notice, request or instruction or other document to be given by any party to this Settlement Agreement to any other party to this Settlement Agreement (other than class notification) shall be in writing and delivered personally or sent by registered or certified mail, postage prepaid:

If to Defendant to: Carolyn P. Short, Reed Smith LLP, 2500 One Liberty Place, 1650 Market Street, Philadelphia PA 19103.

If to Class Counsel or Plaintiffs to: Joseph G. Sauder and Benjamin F. Johns of Chimicles & Tikellis LLP, One Haverford Center, 361 W. Lancaster Ave., Haverford, PA 19041

N. Dispute Resolution. The Parties agree that any disputes regarding the terms and conditions of this Settlement Agreement shall be submitted to the Retired Magistrate Judge

Melinson, who shall attempt to mediate such dispute, and if such dispute cannot be resolved via mediation, shall decide such dispute. Judge Melinson's decision shall be final and binding.

IN WITNESS WHEREOF, Plaintiffs and Defendant and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: _____

David Rudovsky
Jonathan H. Feinberg
KAIRYS RUDOVSKY MESSING &
FEINBERG
The Cast Iron Building
718 Arch Street, Suite 501
Philadelphia, PA 19106
215.925.4400

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Charles Schaffer
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Jennifer R. Clarke
THE PUBLIC INTEREST LAW CENTER OF
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Philadelphia, PA 19107
215.627.7100

Joseph G. Sauder
Benjamin F. Johns
CHIMICLES & TIKELLIS LLP
One Haverford Center
361 W. Lancaster Ave
Haverford, PA 19041
610.642.8500

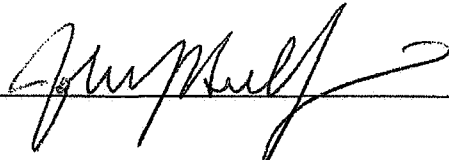
Christopher G. Hayes
LAW OFFICES OF CHRISTOPHER G.
HAYES
225 South Church Street
West Chester, PA 19382
610.431.9505

ATTORNEYS FOR PLAINTIFFS

Dated:

3/1/10

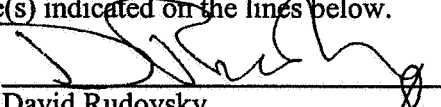
THE GEO GROUP, INC.



Melinson, who shall attempt to mediate such dispute, and if such dispute cannot be resolved via mediation, shall decide such dispute. Judge Melinson's decision shall be final and binding.

IN WITNESS WHEREOF, Plaintiffs and Defendant and their respective counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: 2/1/10


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