



Issue Date: 11 April 2018

CASE NO.: 2017-SOX-00053

In the Matter of:

CLAUDIA DE LEON,
Complainant,

v.

**WELLS FARGO BANK, N.A., WELLS
FARGO & CO.,**
Respondents.

**ORDER APPROVING REVISED SETTLEMENT
AGREEMENT AND DISMISSING CASE**

The parties have settled this matter under the whistleblower protection provisions of the Sarbanes-Oxley Act, 18 U.S.C. § 1514A. A settlement requires the administrative law judge's approval. *See* 29 C.F.R. § 1980.111(d)(2).

On February 9, 2018, the parties submitted a proposed settlement agreement for review and approval. I disapproved the proposal without prejudice because the release Complainant was required to provide was so broad that she could not reasonably be expected to know whom she was releasing. The parties submitted revisions, most recently on April 5, 2018, attached in unredacted form as Exhibit A to Respondents' motion to seal the agreement.

I am detaching the unredacted proposed settlement agreement (marked as Exhibit A to Respondents' motion to seal). I am provisionally sealing that document until I rule on the motion to seal. The unredacted proposed settlement agreement will be docketed on April 10, 2018. That is the document that I am reviewing for approval. I will approve the agreement as revised and docketed on April 10, 2018, with some caveats.

First, some of the provisions in the settlement agreement extend to claims beyond the scope of the Act. I limit my review to the Sarbanes-Oxley Act claim only; anything beyond that exceeds this Office's jurisdiction and the scope of my review. For example, some language in the agreement purports to settle, release, or otherwise address claims or potential claims that go beyond the scope of the Sarbanes-Oxley Act. This order does not concern the settlement or

release of any claims other than those arising under the Sarbanes-Oxley Act based on conduct through the date of the agreement.

Second, whatever the parties might agree concerning confidentiality, the records of this Office are subject to the Freedom of Information Act. If a request is received for access to the settlement agreement under FOIA, the Department of Labor will provide the litigants with pre-disclosure notification and an opportunity to respond before any disclosure is made. *See* 29 C.F.R. § 70.26. I will affix a statement to the settlement agreement to notify the FOIA office of this requirement. Nothing about this is a finding that the settlement agreement or any portion of it is or is not exempt from disclosure under the Freedom of Information Act, nor does it indicate that the Department of Labor ultimately will grant or decline disclosure of the settlement agreement to any person requesting it under FOIA. I will rule separately on Respondents' motion to seal the unredacted agreement at this Office.

Third, the parties choose California law to control any dispute between them concerning the Agreement. *See* ¶ 16. As I construe this provision, it is not intended to and does not limit the authority of any federal court or the Secretary of Labor. It is an agreement between the parties, limited in its application to themselves. For the federal courts and the Secretary, the law and regulations of the United States control.¹

That said, the proposed settlement agreement is fair and reasonable as to the claim under the Sarbanes-Oxley Act. It adequately protects Complainant. None of its terms is against public policy. The proposed settlement is therefore APPROVED, and the parties are ORDERED to comply with its terms. *See* 29 C.F.R. § 1980.111(d)(2). This matter is DISMISSED.

SO ORDERED.

STEVEN B. BERLIN
ADMINISTRATIVE LAW JUDGE

¹ *See Hildebrand v. H. H. Williams Trucking, LLC*, ARB No. 11-030, ALJ No. 2010-STA-056, slip op. at 3 (ARB Sept. 26, 2011).