PLEASE READ THIS NOTICE CAREFULLY. THIS IS <u>NOT</u> A NOTICE OF A LAWSUIT AGAINST YOU. IT IS A NOTICE OF SETTLEMENT BEING SENT TO YOU BY COURT ORDER. YOU MAY BENEFIT FROM READING THIS NOTICE.

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

PHILLIPS RANDOLPH ENTERPRISES, LLC, an Illinois Limited Company, individually, and on behalf of all others similarly situated,

Plaintiffs,

v.

No. 07 CH 14018

KEY-ART PUBLISHING CORPORATION, a foreign corporation, individually, and d/b/a EMPLOYMENT SOURCE MAGAZINE and c/b/a EMPLOYMENT SOURCE; DANIEL JOHNSON; JEFFREY JOHNSON; and JOHN DOES 1-10,

Defendants.

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

TO: All one thousand and fifty-six (1,056) persons and/or entities who are residents or citizens of the United States or its Territories and to whom advertisements were sent by fax by or on behalf of Key-Art Publishing Corporation during the period October 5, 2006 through October 13, 2006 (the "Class Period"), without prior express permission or invitation (the "Settlement Class").

IF YOU WISH TO RECEIVE CERTAIN RELIEF UNDER THE CLASS SETTLEMENT, YOU MUST RETURN THE CLAIM FORM AT THE END OF THIS NOTICE.

You may be a member of the Settlement Class as defined above. This Notice explains the nature of the lawsuit and the settlement terms, and informs you of your legal rights and obligations.

A. <u>WHAT THIS LAWSUIT IS ABOUT:</u> Plaintiff filed this action in the Circuit Court of Cook County, Illinois. On behalf of a putative class, Plaintiff alleged that Key-Art Publishing Corporation ("Key-Art"), Daniel Johnson and Jeffrey Johnson ("Defendants") violated the Telephone Consumer Protection Act, 47 U.S.C. § 227 ("TCPA"), and state laws by faxing, or causing to be faxed, an unsolicited advertisement to the Class (the "Litigation"). Defendants denied Plaintiff's allegations and raised defenses to Plaintiff's claims. To resolve the Litigation, the parties have reached a proposed settlement.

B. <u>**THE PROPOSED SETTLEMENT:**</u> The Court granted preliminary approval of a class-wide settlement and certified the settlement Class defined above, subject to a fairness hearing that will occur on September 12, 2008 at 10:30 a.m., in Room 2308 of the Richard J. Daley Center, 50 W. Washington St., Chicago, Illinois.

Plaintiff and Defendants have agreed to the settlement described below. If you remain in the Settlement Class and submit a Claim Form, you will be sent a check for your portion of the proceeds, up to \$500.00. If you do not wish to be bound by the settlement, you must opt out.

1. <u>**Recovery to Class Members:**</u> The parties have agreed that, as consideration for the settlement, the Defendants, or their insurer, shall pay the total of \$237,600 into a settlement fund (the "Settlement Fund").

The proceeds of the Settlement Fund will compromise the sole source of any recovery by Class Members. Each Class Member, including Plaintiff, <u>who timely submits a valid</u> <u>Claim Form</u> and does not exclude himself/herself/itself from this settlement will receive a pro rata share (not to exceed \$500) by check from the Settlement Fund. The recovery by Class Members is subject to a deduction for the Class Representative's Incentive Award (of \$7,500), as well as a deduction for attorneys' fees equal to one-third of the total amount of the Settlement Fund, plus reimbursed costs, and a further deduction for costs associated with notice to the Settlement Class and administration of the Settlement Fund. If the amount of claims by Class Members exceeds the amount available for distribution after payment of any amounts approved by the Court for any of the total remaining amount available for distribution in the Settlement Fund. Any remaining unclaimed portion of the Settlement Fund will be donated to charities approved by the Court.

2. <u>No Admission of Liability:</u> By settling this Litigation, Defendants are not admitting that they have done anything wrong. Defendants expressly deny that they have done anything wrong.

3. Release of Defendants: On the effective date of the settlement, as set forth in the Settlement Agreement, Plaintiff and Class Members who do not opt out as described below (whether or not they submit Claim Forms) will release Defendants and be forever barred from directly, indirectly, representatively or any other capacity filing, commencing, prosecuting, continuing, litigating, intervening in, participating in as a Class Member or otherwise, or receiving any benefits or other relief from any other lawsuit, any other arbitration, or any other administrative, regulatory or any other proceeding against any of the Defendants in any jurisdiction based upon or relating in any way to the claims and causes of action, or the facts and circumstances relating to the Litigation, as further defined in the Settlement Agreement; and all persons shall be forever barred from filing, commencing or prosecuting any other lawsuit as a class action against any of the Defendants (including by seeking to amend a pending complaint to include class allegations or by seeking class certification in a pending action in any jurisdiction) on behalf of Class Members who have not timely excluded themselves from the class if such other lawsuit is based on or related to the claims and causes of action or

facts and circumstances relating thereto, in the Litigation and/or the claims released by the Settlement Agreement.

4. <u>Incentive Award:</u> Plaintiff's counsel will request the Court to approve the payment of an incentive award of up to \$7,500 to the named Plaintiff for its services as Class Representative on behalf of the Settlement Class. This Incentive Award will be paid out of the proceeds of the Settlement Fund.

C. <u>PLAINTIFF COUNSEL'S OPINION OF THE VALUE OF THE SETTLEMENT:</u>

In an individual action, a prevailing plaintiff may recover \$500 in statutory damages under the TCPA (\$1,500 if a willful violation is shown). If the plaintiff does not prevail, he would receive nothing. Under certain state laws, prevailing plaintiffs may recover greater or lesser amounts for claims about unsolicited faxed advertisements. Those state laws may also contain defenses that do not exist under the TCPA and which may prohibit any recover whatsoever.

Class Counsel believes that the settlement is fair and reasonable and that the Class Members should accept the settlement, which provides that all Class Members who timely submit a valid Claim Form will receive a monetary recovery for their claims. This monetary recovery may, but is not guaranteed to, equal the \$500 amount a plaintiff would be entitled to recover under the TCPA. In light of the risks and expenses of litigation and the potential defenses of the Defendants, Class Counsel believes it is in the best interests of the Class that the case be settled and that the settlement terms are fair and reasonable.

D. <u>CORRECT NAME:</u> If any of the persons to whom this Notice is sent have died or are divorced or changed their name, you should mail a letter to either of Plaintiff's counsel listed below explaining who you are and why the claim belongs to you, and include any supporting documentation. Plaintiff's attorney is:

Thomas A. Zimmerman, Jr. ZIMMERMAN LAW OFFICES, P.C. 100 W. Monroe Street, Suite 1300 Chicago, IL 60603 (312) 440-0020

E. FAIRNESS HEARING: The Court will hold a hearing on the fairness of the proposed settlement. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed settlement, including the amount of the award of costs and attorney's fees to Plaintiff's counsel, and the amount of the incentive award to the Class Representative. The hearing will take place on September 12, 2008, at 10:30 a.m., in Room 2308 in the Richard J. Daley Center, 50 W. Washington St., Chicago, Illinois. You are **not** obligated to attend this hearing unless you plan to object to the settlement. The fairness hearing may be continued to a future date without further notice to the Class.

If the settlement is not approved, the case will proceed as if no settlement has been attempted. There can be no assurance if the settlement is not approved that the Class will recover more than is provided in this settlement, or anything at all.

F. <u>YOUR OPTIONS:</u>

1. <u>You can remain in the Class:</u> If you wish to receive a portion of the settlement proceeds, you must complete, sign, and return a Claim Form, indicating that you wish to participate in the settlement. <u>Your Claim Form must be faxed or postmarked on or before September 2, 2008.</u> You will be represented by Plaintiff's attorneys without additional charge. If you prefer, you may enter your own appearance or ask the Court to allow you to participate in the settlement through your own attorney. If you wish to participate on your own or through your own attorney, you must file an appearance with the Court and serve a copy on Plaintiff's counsel and Defendants' counsel listed below. If you participate through your own attorney, rather than through Plaintiff's counsel, it will be at your own expense.

Only those class members who complete and return a valid Claim Form at the end of this notice postmarked or faxed on or before September 2, 2008 may receive payment under this settlement. You must fully complete and sign the Claim Form or your claim will be rejected.

Any party who returns a Claim Form or otherwise does not exclude him/herself from the settlement, as described below, will be bound by the Settlement Agreement, including the release of Defendants, as approved by the Court.

2. <u>You can opt out of the settlement:</u> You have the right to exclude yourself from both the class action and the settlement by filing a written request for exclusion with the Clerk of the Circuit Court of Cook County, 50 W. Washington St., Room 802, Chicago, Illinois 60602. By excluding yourself from the settlement you will not be legally entitled to receive any of the relief provided by Defendants under the settlement. <u>The request</u> for exclusion must be filed with the Clerk of the Court on or before August 15, 2008, and must list your name, address, fax number, and the name and number of this case. You must also mail copies of the request for exclusion to each of the attorneys whose address is provided below, and <u>such mailing must be postmarked by August 15, 2008</u>.

Attorneys for Plaintiff and the Class:

Thomas A. Zimmerman, Jr. ZIMMERMAN LAW OFFICES, P.C. 100 West Monroe Street, Suite 1300 Chicago, IL 60603 www.attorneyzim.com

Attorney for Defendants:

Thomas P. Cimino, Jr. VEDDER PRICE P.C. 222 N. LaSalle Street, Suite 2300 Chicago, IL 60601 www.vedderprice.com

3. <u>You can object to the settlement:</u> If you object to the settlement, and wish to submit an objection rather than simply excluding yourself from the class action settlement, you must submit your objection in writing to the Clerk of the Circuit Court of Cook County, 50 W. Washington St., Room 802, Chicago, Illinois 60602. <u>The objection must be filed with the Clerk of the Court on or before August 15, 2008</u>, and must refer to the name and number of this case. You must also send a copy of your objection by first class mail to the attorneys for the Plaintiff and Defendants listed above, and <u>such</u>

mailing must be postmarked by August 15, 2008. Any objection must include your name and address, the name and number of this case, and a statement of the reasons why you believe that the Court should find that the proposed settlement is not fair or is not in the best interests of the class. <u>You may also appear</u> at the fairness hearing before the Court on September 12, 2008 at 10:30 a.m. and request to be heard by the Court as to your objection. YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU WISH TO PRESENT AN ARGUMENT TO THE COURT AS TO YOUR OBJECTION. Please note that it is not sufficient to simply state that you object. Your objection should state the reasons why you object to the settlement or why it should not be approved.

4. <u>You can do nothing:</u> You may choose to do nothing in which case you will remain a member of the Class and be bound by the release and prohibited from prosecuting claims against the Defendants, BUT YOU WILL NOT RECEIVE A SHARE OF THE SETTLEMENT PROCEEDS UNLESS YOU SUBMIT A CLAIM FORM.

G. <u>ATTORNEY'S FEES AND COSTS:</u> Plaintiff's counsel will request the Court to order an award of attorney's fees and costs to Plaintiff's counsel for their services as Class Counsel. Plaintiff's counsel will request approval of the Court for attorney's fees in an amount not to exceed one-third of the amount of the Settlement Fund, plus costs. Defendants will not oppose or cause to be opposed an application by Plaintiff's counsel for attorney's fees up to that amount, plus costs.

H. <u>THIS NOTICE ONLY PROVIDES A GENERAL DESCRIPTION</u>: This description of the case is general and does not cover all of the issues and proceedings thus far. In order to see the complete file, including a copy of the Settlement Agreement, you should visit the office of the Clerk of the Circuit Court of Cook County, 50 W. Washington St., Room 802, Chicago, Illinois. The Clerk will make the files relating to the Lawsuit available to you for inspection and copying at your own expense.

I. <u>INQUIRIES:</u> Any questions you or your attorney may have concerning this Notice should be directed to Class Counsel, Thomas A. Zimmerman, Jr., at the address listed above. Please include the case name and number, your name, your fax number, and your current street address on any letters, not just the envelope. Please do not contact the Clerk of the Court or the Defendants' attorneys, because they cannot answer your questions or give you advice about this settlement.

By Order of the Court Dated: June 19, 2008

CIRCUIT COURT OF COOK COUNTY, ILLINOIS, CHANCERY DIVISION

CLAIM FORM

RE: PHILLIPS RANDOLPH ENTERPRISES, LLC V. KEY-ART PUBLISHING CORPORATION, et al. CASE NO. 07 CH 14018 (Circuit Court of Cook County, Illinois)

<u>IMPORTANT</u>: THIS CLAIM FORM MUST BE <u>POSTMARKED OR FAXED</u> TO CLASS COUNSEL LISTED BELOW ON OR BEFORE <u>SEPTEMBER 2, 2008</u>, IN ORDER TO RECEIVE YOUR SHARE OF ANY FUTURE RECOVERY FROM THE SETTLEMENT FUND. MAIL OR FAX THIS CLAIM FORM TO THE FOLLOWING CLASS COUNSEL:

> Thomas A. Zimmerman, Jr. Zimmerman Law Offices, P.C. 100 West Monroe Street, Suite 1300 Chicago, IL 60603 Facsimile: 312/440-4180

Please print the following information. You must provide all information requested and sign the Claim Form or the claim will be rejected.

Name:

Address:

City/State/Zip Code:

Your fax number that received Key-Art's fax between October 5-13, 2006:

<u>NOTE</u>: You may submit this Claim Form if you received an advertising fax from **Key-Art Publishing Corporation** during the timeframe listed above.

I am (or the business or entity that I represent is) the only person or entity entitled to receive the settlement benefit being sought and I (and/or the business or entity that I represent) had ownership, authority or control over the fax number(s) listed above between the respective dates listed above. I received the above-described facsimile advertisement between the date(s) indicated above.

Date:

(YOUR SIGNATURE) YOU MUST SIGN