

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA
(Case No. 07328773)

NOTICE OF PENDENCY OF CLASS ACTION

If you were employed as an auditor or surveyor by US-Reports, Inc. in California between June 1, 2003, and July 31, 2008, you may receive a payment from a class action settlement.

IMPORTANT: YOU MUST SIGN & MAIL OR FAX THE ENCLOSED CLAIM FORM ON OR BEFORE THE DEADLINE, MARCH 31, 2009, TO RECEIVE YOUR SHARE OF THE SETTLEMENT.

You received this notice because US-Reports' records identify you as a member of the settlement class. You may submit the enclosed Claim Form to get money from this settlement if you fall within the following class definition:

Any and all persons who have performed services for US-Reports, Inc. as auditors and surveyors within the State of California at any time between June 1, 2003, and July 31, 2008.

The purpose of this notice is to let you know that there is a class action lawsuit pending in the Alameda County Superior Court and you may be a member of the Class. This lawsuit was filed by Plaintiff Wallace Ralston in the Alameda County Superior Court, Case No. 07328773 ("the lawsuit"). The lawsuit alleged that US-Reports, Inc. ("Defendant") had in place a policy by which it unlawfully failed to fully reimburse their California auditors and surveyors for the reasonable business expenses they incurred. Defendant denies these allegations.

Important Dates Affecting Your Rights

- To get money from the Settlement you **must** complete the enclosed "CLAIM FORM", **sign it** under penalty of perjury, and return it to RG2 Claims Administration LLC at P.O. Box 59479, Philadelphia, PA 19102-9479, post-marked or faxed to the number shown on the bottom of each page of this Notice, on or before **March 31, 2009**.

It is strongly recommended that you retain proof of your timely mailing or fax transmission until receipt of your settlement payment.

Class Counsel, appointed and approved by the Court for Settlement purposes only, will represent you. The Claims Administrator will process the Claim Form and send you a check at a later date. **If you fail to timely return a completed and signed Claim Form, you will not receive any money from the Settlement and you will not be permitted to assert any claims based on the allegations in the class action.**

- If you do not wish to participate in or be bound by the Settlement, you must return to the Claims Administrator, RG2, at the address provided below or by fax, the enclosed "Request for Exclusion from the Class Action Settlement", post-marked or faxed on or before **March 31, 2009**. This Request for Exclusion must be signed and dated with your Social Security Number inserted.

If you request exclusion, you will neither receive any money from the Settlement, nor will you be considered to have released your claims alleged in the class action. If you request exclusion from the Class Action Settlement, you may not pursue any recovery under the Class Action Settlement. You may, however, pursue other remedies separate and apart from the Class Action Settlement that may be available to you.

Do NOT return both a Claim Form and a Request for Exclusion Form. Should you do so, your Request for Exclusion will be invalidated and you will be bound by the terms of the Settlement and paid according to Defendants' records and the terms of the Settlement.

The judgment will bind all Settlement Class Members who do not request exclusion. Any member who does not request exclusion may, if the member so desires, enter an appearance through his or her own lawyer.

- If you are a Class Member, and you do not exclude yourself from the Settlement Class (opt out), you may object to the settlement before final approval of the settlement by the Court. You may object to the proposed settlement, provided you do so in writing by the deadline below. You may also appear at the Final Approval hearing, either in person or through an attorney at your own expense, provided you have filed a written objection that also requests permission to be heard at the hearing. All written objections and supporting papers must (a) clearly identify the case name and number (Ralston v. U.S. Reports, Inc., Case No. 07328773), (b) be submitted to the Court either by mailing to the Clerk of Court, Superior Court of California, County of Alameda, 1225 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior Court, County of Alameda that includes a facility for civil filings, (c) also be mailed to the law firms representing the parties, and (d) be filed and postmarked on or before **March 31, 2009**.

The Proposed Settlement

There was a mediation between Plaintiff, Mr. Ralston and Defendant U.S.-Reports, Inc., on August 7, 2008, and as a result the parties to the lawsuit agreed to settle the matter.

The following is a summary of the Settlement provisions. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Settlement and Release Between Plaintiff and Defendants, ("Settlement Agreement"), a copy of which is filed with the Clerk of the Court.

Defendant has agreed to pay all valid and timely claims through the Claims Administrator in accordance with the terms of the Settlement Agreement, after Final Approval of the Class Action Settlement. U.S. Reports views the settlement as a compromise, and is not admitting to wrongdoing of any kind. These settlement payments will be distributed approximately fifteen days after the effective date of the Final Approval, provided there is no appeal of the Court's Final Approval of the Class Action Settlement.

Defendants agreed to pay a maximum settlement amount of up to \$285,000 to the members of the Settlement Class. This sum includes payment of all expenses and fees of the Claims Administrator which is anticipated to be no more than \$15,000, an enhancement of \$12,000 to Plaintiff Wallace Ralston, for the initiation of the lawsuit, prosecution and risks undertaken for costs in the event he was unsuccessful, and attorneys' fees and costs of \$75,000.

After the deduction of the Court-approved expenses from the Settlement Amount, the remaining sum ("net settlement amount"), which is estimated to be \$174,500 will be available to pay each member of the Settlement Class who submits a valid and timely Claim Form ("Qualified Claimant"). Each Qualified Claimant shall be entitled to a percentage share of the net settlement amount calculated by dividing each Qualified Claimant's individual weighted workweeks by the total class weighted workweeks. The individual weighted workweeks shall be equal to the (i) the number of work weeks worked by the Qualified Claimant in the class period prior to January 2, 2007, multiplied by .9; plus (ii) the number of workweeks worked by the Qualified Claimant in the class period on or after January 2, 2007, multiplied by 1.1.

In the event that the payments to all Qualified Claimants total less than 50% of the net settlement amount, then each Qualified Claimant's payment shall be increased pro-rata so that the total of all payment equals this 50% amount.

The Attorneys for the parties are as follows:

Counsel for Plaintiff, and Class Members

Daniel H. Qualls & Robin G. Workman
QUALLS & WORKMAN, LLP
244 California Street, Suite 410
San Francisco, CA 94111
Phone: (415) 782-3660
Fax: (415) 788-1028

Counsel for Defendant US-Reports Inc.

Donna M. Rutter
Felicia R. Reid
CURIALE DELLAVERSON HIRSCHFELD & KRAEMER, LLP
727 Sansome Street
San Francisco, CA 94111
Phone: (415) 835-9000
Fax: (415) 834-0443

The court-appointed Administrator for this Class Action Settlement is as follows:

Ralston Class Settlement
Class Action Claims Administrator
c/o RG2 Claims Administration LLC
P.O. Box 59479
Philadelphia, PA 19102-9479

It also is your responsibility to keep a current address on file with the Claims Administrator to ensure that you receive your settlement payment should the Court order final approval of the settlement.

Access To Court Records

The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Alameda County Superior Court's website, known as 'DomainWeb,' at www.alameda.courts.ca.gov/domainweb, or (b) in person in Room 109 at the Rene C. Davidson Courthouse at 1225 Fallon Street, Oakland, California 94612, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. The Case Number is 07328773.

If you have questions, you may call the Claims Administrator, toll free at (866-742-4955). Ask about the *Ralston Class Settlement*. You may also call any of the attorneys for Plaintiff listed in Section VI above. **PLEASE DO NOT CALL THE COURT.**

BY ORDER OF THE ALAMEDA COUNTY SUPERIOR COURT

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Questions? Call (866) 742-4955

Fax Number – Claims Administrator: (215) 979-1695