

**IN THE CIRCUIT COURT OF THE 19th JUDICIAL CIRCUIT
LAKE COUNTY, ILLINOIS**

ROSS GOOD, individually and as the)
representative of a class of similarly-situated)
persons,)

Plaintiff,)

v.)

No. 09 CH 3731

ROGAN SHOES INCORPORATED,)

Defendant.)

NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

TO: All persons to whom Defendant provided an electronically printed credit or debit card receipt at the point of sale or transaction during the period of June 4, 2008 through June 30, 2009 and which receipt displayed the expiration date of the purchaser's credit/debit card or more than the last five digits of the card number. (the "Class").

This Notice explains the nature of the lawsuit and the settlement terms and informs you of your legal rights and obligations.

A. WHAT THIS LAWSUIT IS ABOUT: Plaintiff filed this action in the Circuit Court of Lake County, Illinois. On behalf of a putative class, Plaintiff alleged that Defendant violated the Fair and Accurate Transactions Act of 2003 ("FACTA") by printing the expiration date of credit/debit cards on electronically printed receipts issued to customers at the point of sale. FACTA prohibits printing the card expiration date on the receipt and allows for an action against the Defendant to recover either actual damages or statutory damages of between \$100 and \$1,000 per receipt if it is proven that Defendant willfully violated FACTA. Defendant denied Plaintiff's allegations and raised defenses to the claims.

B. THE PROPOSED SETTLEMENT: The Court granted preliminary approval of a class-wide settlement, and certified the settlement class defined above, subject to a final fairness hearing that will occur on May 18, 2010 at 9:15 a.m. in Room C-302 in the Lake County, IL courthouse at 18 N. County Street, Waukegan, IL 60085. You are not required to attend. Plaintiff and Defendant have agreed to the settlement described

below. If you remain in the Class and Plaintiff prevails against or reaches a settlement with Defendant's insurers, a Settlement Fund will be created and Class Counsel will publish a supplemental notice advising of the creation of the Settlement Fund and informing class members how to file claims to receive compensation. If you do not wish to be bound by the settlement, you must opt out as described below.

1. Recovery to Class Members: Defendant has agreed to allow a judgment to be entered against it and in favor of the Class (represented by Plaintiff *and* his attorneys) in the amount of \$15,999,999.96, (the "Judgment") enforceable only against the proceeds of Defendant's four insurance policies. On behalf of the Class, Plaintiff and his attorneys will seek to recover the Judgment for the Class members. Defendant also agreed to pay \$50,000.00 to be used to pay the costs of providing notice to the Class, an incentive award of \$5,500 to Plaintiff and \$4,000 to David Hammerl, a former plaintiff, and litigation expenses incurred in this case to date. In addition Defendant agreed to injunctive relief requiring it to comply with FACTA.

Each Class member, including Plaintiff, who does not exclude himself or herself from the Class, will be entitled to receive a pro rata share (not to exceed \$1,000.00 regardless of the number of receipts received) of the Judgment or any settlement thereon approved by the Court. Payment to class members shall be by check, which shall be void 90 days after issuance, if and when Plaintiff prevails against or reaches a settlement with Defendant's insurers to collect the Judgment or some portion thereof. Plaintiff's attorneys will pursue litigation against Defendant's insurers to attempt to recover the Judgment amount or some portion thereof. This effort might not be successful. The Judgment is subject to further litigation and compromise, and a deduction for attorney's fees equal to one-third (plus litigation expenses) of the amounts recovered from the insurers. Any remaining portion of the Judgment will be paid to charities approved by the Court.

Upon the Effective Date, Class Counsel shall endeavor to collect the Judgment from Defendant's insurer. Class Counsel will not settle or compromise the amount of the Judgment without the approval of the Court. Class members are expressly advised that the Court may, if it finds it is in the best interests of the Class to do so, approve a compromise or settlement of the Judgment which reduces the amount of the Judgment and thereby the amount of the Settlement Fund to be distributed to the Class. By remaining in the class, you are agreeing to any compromise of the Judgment which may be approved by the Court. If they are successful in collecting the Judgment or a portion thereof, Class Counsel will issue a Supplemental Notice to the Class which will require class members to submit a claim form to participate in the monetary recovery under the Settlement Agreement. The Supplemental Notice will be made by publication and will also be posted on the Settlement Website.

2. Further Prosecutions Enjoined: On the Effective Date, Plaintiff and any Class member who does not opt out as described below will be forever barred and

permanently enjoined from directly, indirectly, representatively or in any other capacity, filing, commencing, prosecuting, continuing, litigating, intervening in, participating in as class members or otherwise, or receiving any benefits or other relief from any other lawsuit, any other arbitration, or any other administrative, regulatory, or other proceeding against Defendant in any jurisdiction based on or relating in any way whatsoever to the claims and causes of action, or the facts or circumstances relating thereto, in or underlying the Action and/or the settled claims as defined in the Agreement; and all persons shall be forever barred and permanently enjoined from filing, commencing, or prosecuting any other lawsuit as a class action against Defendant (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 the facts and circumstances relating thereto, in this Action and/or the settled claims.

3, Incentive Award: Plaintiff's attorneys will request that the Court authorize an incentive award of \$5,500.00 to Plaintiff and \$4,000 to David Hammerl, a former Plaintiff, for serving as the Class Representative.

C. PLAINTIFF'S COUNSEL'S OPINION OF THE VALUE OF THE

SETTLEMENT: In an individual FACTA, action, a prevailing plaintiff may recover either actual damages or from \$100.00 to \$1,000.00 per receipt in statutory damages if it can be proven that Defendant willfully violated FACTA. If a plaintiff does not prevail, he would not receive payment. Here, Class Counsel will argue that the Defendant's four insurance policies cover the judgment. The available insurance is \$1 million per occurrence/\$2 million aggregate for each of two primary policy periods and \$6 million general aggregate for each of the two umbrella policies. Defendant printed over 385,000 non-compliant credit/debit card receipts. Defendant's assets and income are limited and Defendant could not pay \$1,000.00 for each of its noncompliant receipts. Defendant's four insurance policies are the only meaningful source of recovery, but the insurers have denied coverage and argued they owe no money.

D. 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 attorneys. The hearing will be on May 18, 2010 at 9:15 a.m., in Room C-302 in the Circuit Court of Lake County, Courthouse located at 18 N. County Street, Waukegan, 11, 60085. 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.

E. YOUR THREE OPTIONS:

1. Do Nothing If you do nothing, you will remain a member of the class. If Class Counsel is successful in recovering on the Judgment against Defendants'

Insurers, a Settlement Fund will be created and Class Counsel will publish a supplemental notice to the Class informing class members how to file a claim to receive a pro-rata share of the Settlement Fund up to a maximum amount. You will be bound by the judgment and be bound by the injunction against prosecuting claims against Defendant and you will ultimately release your claims against Defendant.

2. You can opt out of the settlement: 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 Lake County, 18 N. County Street, Waukegan, IL 60085. Your request for exclusion must be filed on or before May 3, 2010 and it must list your name, street address, and the name and number of this case. You must also serve copies of the request for exclusion on one of the attorneys for the Plaintiff and on the attorney for Defendant, at the following addresses, postmarked by the same date:

Plaintiff's Attorneys/Class Counsel

Phillip A. Bock
BOCK & HATCH, LLC
134 N. LaSalle Street, Suite 1000
Chicago, IL 60602

Defendant's Attorneys:

Bart Murphy
ICE MILLER
2300 Cabot Drive, Suite 455
Lisle, IL 60532

3. You can object to the settlement: If you object to the settlement, and wish to submit an objection rather than simply excluding yourself from the class action, you must submit your objection in writing to the Clerk of the Circuit Court of Lake County, 18 N. County Street, Waukegan, IL 60085. The objection must be filed by May 3, 2010 and must refer to the name and number of the case. You must also serve copies of your objection on each of the attorneys for the Plaintiff and for Defendant listed above, postmarked by the same date. Any objection must include your name, street 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 in the best interests of the Class. If you file an objection and wish it to be considered, you must appear at the final approval hearing before Judge Mitchell Hoffman in Room C-302 on May 18, 2010 at 9:15 a.m. **YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT.** Please note that it is not sufficient to simply state that you object. You must state reasons why you believe the settlement should not be approved.

If the Court does not approve the settlement, the case will proceed as if no settlement has been attempted.

This description of the case is general and does not cover all of the issues and proceedings, To see the complete file, including a copy of the settlement agreement, you can visit the office of the Clerk of the Circuit Court of Lake County, 18 N. County Street, Waukegan, IL 60085. The Clerk will make the files relating to the lawsuit available to

you for inspection and copying at your own expense. You may also view the settlement agreement and other documents on the settlement website:

www.roganshoessettlement.com

F. INQUIRIES: Any questions you or your attorney may have concerning this Notice should be directed to Phillip A. Bock of Bock & Hatch, LLC at the address listed above. You can call him at 312/658-5500. Include the case number, your name, and your street address on any correspondence.

Please do not contact the Clerk of the Court or Defendant's attorneys, because they cannot answer your questions or give you advice about this settlement.

BY ORDER OF THE COURT

HONORABLE MITCHELL HOFFMAN