# Notice of Pendency and Settlement of Class Action, Settlement Hearing and Claims Procedure

## This court-ordered notice may affect your legal rights. Please read it carefully.

If you purchased online advertising from Google between January 1, 2002 and the present, you are a class member in a class-action lawsuit, *Lane's Gifts and Collectibles et al. v. Google, Inc. et al.*, Case No. CV-2005-52-1, in the Circuit Court of Miller County, Arkansas. This notice is to inform you of the Court's certification of a class; the nature of the claims alleged; your right to participate in, or exclude yourself from, the class; a proposed settlement; and how you can claim an award of advertising credits under the settlement. If you purchased online advertising from Google on behalf of another party, please forward this notice to the advertiser.

- The settlement will provide advertising credits to class members who certify that they were the victims of "click fraud" or other invalid or improper clicks on online advertisements purchased from Google on or after January 1, 2002.
- The settlement will resolve claims that Google breached its contracts with advertisers and violated other laws by failing to adequately detect and stop "click fraud" or other invalid or improper clicks on online advertisements.
- If you are a member of the class, your legal rights are affected by whether you act or do not act.

YOUR LEGAL RIGHTS AND OPTIONS		
Do Nothing	You will automatically be eligible to submit a claim form for Google advertising credits and will give up your ability to sue Google over the subject matter of this case.	
Exclude Yourself	You will not be able to submit a claim form for Google advertising credits. This is the only option that allows you to bring or participate in another lawsuit against Google about the subject matter of this case.	
Object	Write to the Court and parties about why you don't like the settlement.	

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Awards of advertising credits will be made only if the Court approves the settlement. If someone appeals from the Court's approval of the settlement, awards of credits will not occur until the appeal is resolved.

#### WHAT IS THIS CASE ABOUT?

Plaintiffs Lane's Gifts and Collectibles and Max Caulfield d/b/a Caulfield Investigations allege that Google breached its contracts with class members, unjustly enriched itself, and engaged in a civil conspiracy by failing to adequately detect and stop "click fraud" or other invalid or improper clicks on online advertisements. Google denies plaintiffs' allegations and contends that all payments that it has received from class members for online advertising were legally and properly charged, and that it has neither breached its contracts with class members nor violated any other law through the actions alleged in the case. The Court has not made a determination whether plaintiffs' or Google's contentions are correct.

## WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of plaintiffs or Google. Instead, both sides agreed to a settlement. That way, both sides avoid the cost and uncertainty of further litigation.

### AM I AFFECTED BY THE SETTLEMENT?

If you fit within the definition of the class that the Court has certified, then you are a member of the class and you will be affected by the settlement. The class that the court has certified is defined as:

All persons or entities, together with any officer, employee or agent of the same, that purchased advertising on the Internet from Google on or after January 1, 2002, regardless where the ad was displayed.

# WHAT WILL I GET FROM THE SETTLEMENT?

Under the settlement, Google will establish a \$90 million settlement fund, of which a portion will be used to pay class counsel's fees and costs, and the remainder will be available to class members in the form of advertising credits that may be applied to up to 50% of the cost of future online advertising purchased from Google. To receive credits, you must submit a valid and timely claim form. Credits will be awarded on a *pro rata* basis, taking into account the amount that you paid to Google for the ads and the total amount of credits available. For example, if the amounts that you paid to Google for the affected ads were 1% of Google's revenues from online advertising since January 1, 2002, you would be eligible to receive 1% of the total available credits. You must certify in your claim form the percentage of your ads you believe were affected by "click fraud".

## **HOW DO I SUBMIT A CLAIM FORM?**

To receive a claim form, visit the following website between June 19, 2006 and August 4, 2006 and enter the requested information.

#### www.clicksettlement.com

If you do not submit your Claim Form by August 4, 2006, your claim will be deemed late and will be rejected.

#### WHAT ARE THE ATTORNEYS GOING TO BE PAID?

The Court will decide the amount of fees to be paid to class counsel and the extent to which the expenses that they incurred in working on the case should be reimbursed. Class counsel intend to seek a maximum of  $33 \frac{1}{3}$  percent of the settlement fund, or \$30 million, in attorneys' fees and expenses in this case. Under the settlement, Google has agreed that it will not oppose an award of up to \$30 million to class counsel.

## WHEN WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court has scheduled a hearing on July 24 and 25 beginning at 9:00 a.m. to consider whether the settlement is fair, reasonable and adequate and to determine the amount of the fees and expenses to be awarded to class counsel. The hearing will be held in the Juvenile Courtroom at 305 E 5th Street, Texarkana, Arkansas 71854. It is possible that the hearing may be postponed.

### **HOW DO I REMAIN A CLASS MEMBER?**

You do not need to do anything to remain a class member. You will be bound by all orders and judgments of the Court, whether favorable or not. You will be represented by class counsel. You do not have to pay class counsel.

If you remain in the class, you will be eligible to submit a claim form for Google advertising credits online between June 19, 2006 and August 4, 2006. In return you will be giving up any claim for damages against Google relating to the subject matter of this case.

#### WHAT AM I GIVING UP TO RECEIVE ADVERTISING CREDITS OR STAY IN THE CLASS?

Unless you exclude yourself (opt out), you are staying in the class, and that means you can't sue, continue to sue, or be part of any other lawsuit against Google relating to the subject matter of this case. It also means that all of the Court's orders will apply to you and legally bind you. The legal issues in this case involve allegations that Google breached its contracts with advertisers and violated other laws by failing to adequately detect and stop "click fraud" or other invalid or improper clicks on online advertisements.

Any member of the class who does not opt out fully and finally releases and waives all claims, demands, rights, liabilities, and causes of action of any nature that were asserted or might have been asserted, under any law whatsoever, that arise out of, relate to, or are in connection with the legal claims against Google in this case, or any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act, which are or could be the basis of claims that the monies Google received for online advertising on or after January 1, 2002 should not have been charged, received or held by Google. Class members who do not opt out also fully and finally release all of those same matters against all of Google's partners who published online ads provided by Google.

## HOW DO I EXCLUDE MYSELF (OPT OUT) FROM THE CLASS?

You may exclude yourself (opt out) from the class if you mail a signed letter asking to be excluded from the Class to the following address:

Google Settlement Opt Out c/o Gilardi & Co. LLC P.O. Box 808070 Petaluma, CA 94975-8070

The letter asking to be excluded must be postmarked no later than thirty (30) days after the date this Notice was sent. If you are excluding yourself, the letter must contain your name and address and say that you want to be excluded from the settlement. If you are excluding your company, your letter must contain your company's name and address, your position in the company, and a statement that you are authorized to act on behalf of the company. If you exclude yourself (opt out), you will not participate in the settlement or receive any of the benefits of the settlement. If you wish to remain a class member, DO NOT send a letter asking to be excluded.

## HOW DO I OBJECT TO THE SETTLEMENT OR THE ATTORNEYS' FEES?

If you don't like the settlement and wish to object, you must say so **in writing**. Mail a letter saying what you do not like about the settlement to all of these addresses:

Clerk of the Miller County Circuit Court	George L. McWilliams
400 Laurel	Patton, Roberts, McWilliams & Capshaw, LLP
Texarkana, AR 71854	2900 St. Michael Drive, Fourth Floor
	Texarkana, TX 75503
Daralyn J. Durie	
Keker & Van Nest, LLP	
710 Sansome St.	
San Francisco, CA 94111	

The deadline for objection is thirty (30) days after the date this Notice was sent. If you want to object, you must mail your letter early enough so that it is received by the deadline.

If you make an objection by the deadline, and you also want to speak at the hearing, you must ask the Court for permission to do so. You may choose to be represented by counsel, but you will have to pay that counsel.