

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MULTNOMAH

LISA HAINES and MATTHEW BOBBITT,

Plaintiffs,

vs.

THE FUTURE SHOP, a corporation,

Defendant.

)  
) Case No. 9803-01653

) CLASS ACTION

) **NOTICE OF PENDENCY AND**  
) **SETTLEMENT OF CLASS ACTION**

**TO:** Former Oregon Future Shop Employees (the "Class Members")

NOTICE IS HEREBY GIVEN, pursuant to Rule 32 of the Oregon Rules of Civil Procedure and an Order of the Circuit Court for the State of Oregon, Multnomah County (the "Court"), dated June 15, 1999, that a hearing will be held in Courtroom 228 of the Multnomah County Courthouse, 1021 SW Fourth Avenue, Portland, Oregon, at 9:00 a.m. on July 22, 1999, to determine:

(1) Whether a proposed settlement of the above-entitled litigation, the terms of which are set forth in a Settlement Agreement filed with the Court, is fair, reasonable, adequate, and made in good faith; and

(2) Whether a final judgment should be entered thereon, dismissing the litigation on the merits, with prejudice.

## SUMMARY OF LITIGATION AND PROPOSED SETTLEMENT

This class action was filed on March 6, 1998. Plaintiffs allege that certain Oregon former Future Shop employees that were terminated between March 6, 1996 and June 1, 1999, were not timely paid earned wages as required in ORS 652.140. This class of former employees is referred to as Settlement Class I. Plaintiffs also allege that defendant improperly deducted "float loans" from certain Future Shop former employees' final paychecks between March 6, 1996 and June 1, 1999 in violation of ORS 652.610(3). This class of former employees is referred to as Settlement Class II. Defendant denies plaintiffs' claims. In March 1999, defendant announced it would cease doing business in Oregon, and liquidate its assets.

Following a year of hard fought litigation and an extensive mediation, the parties agreed to a settlement of this matter, pursuant to which defendant will pay \$260,000 into a Settlement Fund.

Each claimant will be paid pursuant to a formula approved by the court that is based on an estimate of the maximum recoverable penalty for each claimant. Settlement Class I will receive approximately 85% of the Net Settlement Fund (after allowance for attorney fees, costs, class representative incentive awards, and costs of administration). The parties estimate that there are approximately 282 members of Settlement Class I. Each member of Settlement Class I that files a claim will receive approximately 65% of the maximum recoverable penalty under ORS 652.150 for the alleged violation of ORS 652.140.

Settlement Class II will receive approximately 15% of the Net Settlement Fund. The parties estimate that Settlement Class II has about 220 members. Each member of Settlement Class I that files a claim will receive approximately 50% of the maximum recoverable penalty under ORS 652.615 for the alleged violation of ORS 652.610(3). Any amounts not claimed by class members within 90 days of the effective date of the settlement will revert to Future Shop.

Plaintiffs' counsel believe that this is an extraordinary result in light of the challenges in obtaining and then collecting a judgment, and considering the complex issues regarding liability, and the amount of any penalty that might be recoverable for violations of ORS Chapter 652.

### HOW TO REMAIN A MEMBER OF THE CLASS

If you desire to remain a class member, you do not have to do anything. If you remain a class member and the court approves the proposed settlement, you will receive a distribution from the Settlement Fund if you submit a claim as described below. If you remain a member of the class, you will also be bound by the proposed settlement, in the event it is approved by the court.

The settlement shall be in full and final disposition of the claims asserted in this lawsuit. Plaintiffs and all members of Settlement Classes I and II shall release and forever be enjoined from filing or prosecuting any and all claims against Future shop and its past or present employees, agents, servants, officers, directors, shareholders, predecessors, parents, partners, subsidiaries, representatives, attorneys, insurers, divisions, affiliates and their successors and assigns and all persons acting by, through, under or in concert with any of them, that may have been asserted in this lawsuit, or any other relief arising from or relating thereto, including, but not limited to, all claims for unpaid wages or other compensation, liquidated damages, alleged violations of ORS Chapter 652, including but not limited to ORS 652.140, ORS 652.150 and ORS 652.610, attorneys' fees or costs.

If you desire to be excluded from the class, you must submit a "Request for Exclusion." Any person who elects to be excluded from the Class shall not be represented by plaintiffs' counsel or be entitled to participate in the distribution of any settlement; and any such person shall not be bound by any judgment or settlement of the action.

Any Request for Exclusion must be properly completed and mailed by first class mail, postmarked no later than July 1, 1999, ADDRESSED TO:

Barton C. Bobbitt, P.C.  
DUNCAN HONN, P.C.  
4386 SW Macadam Avenue, Suite 401  
Portland, OR 97201

The Request for Exclusion must be typed or printed legibly, and must set forth: (i) at the top, the caption Lisa Haines, et al. v. The Future Shop, Case No. 9803-01653, (ii.) The name, address, and telephone number of the class member, and (iii) the signature of the Class member.

### HOW TO CLAIM YOUR SHARE OF THE NET SETTLEMENT AMOUNT

To claim any payments from the Settlement Fund, you must complete, sign and submit the accompanying proof of claim form and send it, to:

Barton C. Bobbitt, P.C.  
DUNCAN HONN, P.C.  
4386 SW Macadam Avenue, Suite 401  
Portland, OR 97201

To be considered, your proof of claim form must be completed and postmarked on or before September 15, 1999.

### CLASS MEMBER RIGHTS AND OBLIGATIONS

Any class member may object to the Settlement Agreement if, on or before July 15, 1999, 1999, the class member files with the Court notice of intention to appear (setting forth each objection and the basis therefor) and copies of any papers in support of the objection(s), and serves such papers on the following parties:

Steve D. Larson  
STOLL STOLL BERNE LOKTING & SHLACHTER P.C.  
209 S.W. Oak Street, Fifth Floor  
Portland, Oregon 97204

Barton C. Bobbitt, P.C.  
DUNCAN HONN, P.C.  
4386 SW Macadam Avenue, Suite 401  
Portland, OR 97201

Paul M. Ostroff  
LANE POWELL SPEARS LUBERSKY LLP  
520 SW Yamhill Street, Suite 800  
Portland, OR 97204

Objections will be considered at the hearing on July 22, 1999, at which class members who file timely objections will have the right to appear and be heard. Any class member who does not make his, her or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness and adequacy or reasonableness of the proposed settlement.