

**NOTICE OF PENDENCY AND SETTLEMENT OF CLASS ACTION; SETTLEMENT
HEARING; AND CLAIM, CONSENT, AND EXCLUSION PROCEDURES**

Ilir Lita v. Bunim/Murray Productions, et. al. Superior Court of the State of California for the County of Los Angeles,
Case No. BC 350590

TO: All current and former employees of Bunim Murray Productions ("BMP") who were employed by BMP in California as a non-exempt employee at any time from April 12, 2002 through February 8, 2008 ("Class Members").

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PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS ARE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION. BMP'S RECORDS SHOW YOU MAY BE ENTITLED TO SHARE IN THE RECOVERY, BUT YOU MUST FOLLOW THE SPECIFIED PROCEDURES TO BE COMPENSATED.

I. INTRODUCTION

If you were employed by BMP in California in a non-exempt position at any time from April 12, 2002 through February 8, 2008 (the "Class Period"), you are a member of the proposed settlement class in this class action lawsuit (the "Class Members") and your rights will be affected as set forth in the proposed settlement described in this Notice (the "Settlement"). On February 8, 2008, the Court preliminarily approved the Settlement and conditionally certified a settlement class. You have received this Notice because BMP's records show you were employed by BMP in California in a non-exempt position at some time during the Class Period.

II. NATURE OF THE ACTION

On April 12, 2006, a complaint was filed against BMP in the Superior Court of the State of California for the County of Los Angeles. The Complaint was later amended. Currently, Named Plaintiff ILIR LITA ("Named Plaintiff") generally alleges that during the four year period preceding the filing of the Named Plaintiff's Complaint, BMP failed to correctly pay Class Members for all wages, and failed to compensate for all time worked, including for overtime, as required by California law. Named Plaintiff further alleges BMP failed to provide Class Members with properly itemized wage statements. Finally, the Named Plaintiff alleges that BMP failed to pay certain penalties and that these alleged practices also constituted unfair, unlawful or fraudulent business practices and unfair competition (collectively, the "Claims").

III. POSITIONS OF THE PARTIES

BMP has denied and continues to deny each of the claims and contentions alleged in the Action. BMP has repeatedly asserted and continues to assert defenses, and has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action. BMP also has denied and continues to deny, inter alia, the allegations that the Class Members have suffered damage; that BMP failed to pay Class Members all wages; that BMP failed to compensate Class Members for all time worked, including for overtime, that BMP failed to provide Class Members with properly itemized wage statements; that BMP engaged in any unlawful, unfair or fraudulent business practices; that BMP engaged in any wrongful conduct as alleged in the Action; or that the Class Members were harmed by the conduct alleged in the Action.

Counsel for the Named Plaintiff and the Class Members ("Class Counsel") have extensively investigated and researched the facts and circumstances underlying the issues raised in the Action, and the applicable law thereto. As a result of this investigation, Class Counsel disagrees with BMP and asserts that BMP did violate the law. Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against BMP through trial and through any possible appeals. Class Counsel have also taken into account the uncertainty and the risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation.

Class Counsel are also aware of the burdens of proof necessary to establish liability for the Claims, of BMP's defenses thereto, and of the difficulties in establishing damages for the Class Members. Class Counsel also have taken into account the extensive settlement negotiations conducted by Class Members and BMP (the "Parties"). Based on the foregoing, Class Counsel believe the proposed Settlement is fair, adequate and reasonable and in the best interests of the Class Members.

BMP has also concluded that the further defense of this litigation would be protracted and expensive for all Parties. BMP has, therefore, agreed to settle this Action in the manner and upon the terms set forth in the proposed Settlement to put to rest all claims that are or could have been asserted against it in the Action.

For purposes of the Settlement, the Court has certified a Class consisting of all current and former BMP employees who were employed by BMP in California as a non-exempt employee at any time from April 12, 2002 through February 8, 2008, inclusive.

IV. THE SETTLEMENT

The following is only a summary of the provisions of the proposed Settlement between the Named Plaintiff, the Class Members and BMP. The specific and complete terms of the proposed Settlement are described in the Stipulation and Settlement Agreement of Class Action Claims ("Settlement Agreement"), a copy of which is available for your review as set forth at the end of this Notice.

The Settlement has a maximum value of \$5,000,000 (the "Common Fund") on a claims-made basis. The Common Fund is made up of four parts: (1) the amounts claimed by Class Members, (2) a Fees Award to Class Counsel, (3) an Incentive Award to Named Plaintiff, and (4) costs of administration of the settlement. The amounts claimed by Class Members are explained in this Section. The Fees Award and Incentive Award are explained in Section VI below.

As explained above, all current and former employees of BMP who were employed by BMP in California as a non-exempt employee at any time from April 12, 2002 through February 8, 2008 are defined as "Class Members." All Class Members are receiving this Notice. All Class Members who do not request to be excluded from the Settlement as set forth in Section VIII below will be "Class Members." Also excluded are Class Members who have already litigated or settled their claims against BMP. As a Class Member, if you wish to participate in the monetary recovery, you must sign and return the enclosed Claim Form/FLSA Consent Form as set forth below in Section V. You will then be a "Settlement Class Member." BMP has agreed to make available to the Class Members a minimum of \$1,700,000 to an approximate maximum of \$3,400,000 on a claims-made basis (the "Payout Amount"). Settlement Class Members will receive payment from the Payout Amount based on how long each of the Settlement Class Members worked in a non-exempt position for BMP in California during the Class Period. Each Settlement Class Member's share of the Payout Amount is referred to as that Settlement Class Member's "Gross Settlement Amount." From each Settlement Class Member's Gross Settlement Amount, standard payroll deductions will be made for state and federal withholding taxes and any other applicable payroll deductions owed by the Settlement Class member as a result of the payment, resulting in a "Net Settlement Amount." The Net Settlement Amount that will be paid to each Settlement Class Member is the Settlement Class Member's "Settlement Award." One half of the Settlement Awards will be paid within 30 days after the Effective Date. The other half of the Settlement Award will be paid six months later. A W-2 Form will be issued to each Settlement Class Member for payments made pursuant to this paragraph.

As part of this Settlement, BMP has agreed to modify its payroll practices for computing overtime. As of the date of Preliminary Approval, BMP shall cease paying hourly employees based on a "guarantee" of sixty hours, fifty-four hours or fifty hours per week. All non-exempt employees shall be entitled to overtime for hours beyond eight in a day or forty hours in a workweek in accordance with the applicable laws governing overtime wages to California employees. BMP will maintain accurate records which reflect actual hours worked and actual payments to employees for regular and overtime work in accordance with Labor Code Section 226.

V. CLAIM PROCEDURE FOR MONETARY RECOVERY/FLSA CONSENT PROCEDURE

A. The Settlement of this action includes claims under both California state and federal law. All Class Members receiving this Notice will be bound by the Settlement as to their state law claims unless they request exclusion as set forth below in Section VIII. However, only Class Members who complete, sign and return the enclosed Claim Form/FLSA Consent Form will become Settlement Class Members and receive payment. Federal law provides that Class Members will not be bound by the Settlement of this action unless they complete the enclosed Claim Form/FLSA Consent Form. This means that when you complete, sign and return the Claim Form/FLSA Consent Form, you are doing two things: (1) requesting a monetary award and (2) consenting to join the Released Federal Claims and to be represented by the Named Class Members and their counsel. You therefore have three options:

- If you wish to receive a Settlement Award, you must complete, sign and return the Claim Form/FLSA Consent Form as outlined below in subsection B. This will also indicate your consent to join the FLSA portion of the action. You will be bound by the Settlement as to both your state and federal claims.

- If you do not return the Claim Form/FLSA Consent Form or request exclusion, you will be bound by the Settlement as to your state claims but not as to your federal claims, and you will not receive a Settlement Award.
- If you wish to be excluded from the Settlement, you must follow the procedures outlined below in Section VIII. You will not be bound by the Settlement as to either your state or federal claims.

B. As a Class Member, if you wish to receive a recovery and consent to join the FLSA action, you must complete, sign and return in a proper and timely fashion the Claim Form/FLSA Consent Form to Desmond Marcello & Amster ("Claims Administrator"), located at P.O. Box 451999, Los Angeles, California 90045, via first class U.S. mail or equivalent, postage paid, postmarked on or before May 26, 2008. Any Claim Form/FLSA Consent Form that is not submitted by first class mail or equivalent, is postmarked after the applicable date, is not completely and legibly filled out, is not addressed to the proper address, or is not signed by the Class Member, will not constitute a valid claim and will be denied unless otherwise ordered by the Court.

C. BMP or the Claims Administrator, at the direction of BMP, shall review each Claim Form/FLSA Consent Form received and shall verify each form to reasonably ensure its validity and accuracy as may be reasonably necessary.

D. Each Class Member who submits a valid Claim Form/FLSA Consent Form shall be paid by check. The checks shall remain valid and negotiable for ninety (90) days from issuance and may thereafter automatically be canceled if not cashed.

VI. CLASS COUNSEL'S FEES AWARD, INCENTIVE AWARD, AND CLAIMS ADMINISTRATION EXPENSES

A. As part of the settlement, Class Counsel Schonbrun DeSimone Seplow Harris & Hoffman are seeking attorneys' fees and costs in a total amount of \$1,500,000 (the "Fees Award"). Class Counsel shall not be permitted to petition the Court for any additional payments for fees, costs or interest and the award shall be for all claims for attorneys' fees and costs past, present and future incurred in the Action. As part of the Settlement, you will not be required to separately pay Class Counsel for their representation of you in the Action.

B. Also as part of the preliminary approval of the Settlement, the Named Plaintiff is seeking an Incentive Award in the amount of \$1,000.00. This Incentive Award shall be paid out of and deducted from the Common Fund.

C. The parties agree that the incentive payment to the Named Plaintiff and amount of attorneys fees are both fair and reasonable.

D. BMP will be responsible for making payments to the Claims Administrator in connection with the administration of this Settlement.

VII. BINDING EFFECT/RELEASE OF CLAIMS

A. Release of Claims Affecting All Class Members

All Class Members, *i.e.*, all Class Members who have not validly requested exclusion, will be bound by the terms of the proposed Settlement with regard to their state law claims if it is approved and if the Final Judgment of the Court dismissing the Action is entered and becomes final. If the proposed Settlement is approved, all Class Members will have released the "Released Parties" from the "Released Claims" as defined below and will be permanently barred from suing or otherwise making a claim against any of the Released Parties that is in any way related to the Released Claims. This is more completely set forth as follows:

1. As of the Effective Date (as defined in the Settlement Agreement), the Class Members, including the Named Plaintiff, release BMP and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys and each of their company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents (the "Released Parties"), from the "Released Claims." For purposes of this Agreement, the "Released Claims" are defined as:

all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal constitution, statute, rule or regulation, including state wage and hour laws, whether for economic damages, non-economic damages, restitution, penalties or liquidated damages, arising out of, directly relating to, or in connection with:

- (1) the causes of action asserted in the Class Action, including any and all claims for failure to compensate Class Members for all time worked, including overtime hours, for failure to pay all unpaid wages, for failure to provide a properly itemized wage statement under California Labor Code § 226, for conversion of wages and other compensation, and, as related to the foregoing, for alleged unlawful, unfair and/or fraudulent business practices under California Business and Professions Code § 17200, *et seq.*; and
- (2) any and all facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act, which are or could be the basis of claims (a) BMP owes Class Members for any wages; (b) BMP failed to pay all unpaid wages at the time of termination or resignation; (c) that BMP failed to provide properly itemized wage statements in compliance with California Labor Code § 226; (d) that BMP converted the compensation of the Class Members; and/or (e) that BMP owes wages, penalties, punitive damages, interest, attorneys' fees or other damages of any kind based on a failure to comply with these state wage and hour laws, at any times on or before the last day of the Class Period (whether based on California state wage and hour law, contract, or otherwise).
- (3) provided, however, the Released Claims do not include any claims for alleged discrimination, wrongful termination, meal or rest period violations or any other claim that is not arising out of or related to the claims or causes of action identified in subparagraphs (1) and (2) above.

2. With respect to the Released Claims, the Released Claims include any unknown Released Claims that the Class Members do not know or suspect to exist in their favor at the time of the release, which, if known by them, might have affected their settlement with, and release of, the Released Parties or might have affected their decision not to object to this Settlement. Thus, with respect to the Released Claims, the Class Members stipulate and agree that, upon the Effective Date, the Class Members shall be deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which Section provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Class Members may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, they shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims.

3. The Class Members agree not to sue or otherwise make a claim against any of the Released Parties based on known or unknown Released Claims.

B. Release Of Claims Affecting Only Class Members Who Return A Claim Form/FLSA Consent Form.

All Settlement Class Members, *i.e.*, all Class Members who have submitted a valid Claim Form/FLSA Consent Form, will be bound by the terms of the proposed Settlement with regard to their federal law claims if it is approved and if the Final Judgment of the Court dismissing the Action is entered and becomes final. If the proposed Settlement is approved, all Settlement Class Members will have released the "Released Parties" from the "Released Federal Claims" as defined below and will be permanently barred from suing or otherwise making a claim against any of the Released Parties that is in any way related to the Released Federal Claims. This is more completely set forth as follows:

1. As of the Effective Date (as defined in the Settlement Agreement), the Settlement Class Members, including the Named Plaintiff, in addition to releasing the Released Parties as outlined in Section VII,

A above, release the Released Parties from the "Released Federal Claims." For purposes of this Agreement, the "Released Federal Claims" are defined as:

all claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal constitution, statute, rule or regulation, including without limitation the Fair Labor Standards Act and other federal wage and hour laws, whether for economic damages, non-economic damages, restitution, penalties or liquidated damages, arising out of, directly relating to, or in connection with:

(1) the causes of action asserted in the Class Action, including any and all claims for alleged failure to compensate Class Members for all time worked, including overtime hours, in accordance with federal law; and or

(2) any claim that BMP owes wages, commissions, penalties, liquidated damages, interest, attorneys' fees or other damages of any kind based on a failure to comply with these federal wage and hour laws, at any times on or before the last day of the Class Period (whether based on federal wage and hour law, contract, or otherwise).

2. With respect to the Released Federal claims, the Released Federal Claims include any unknown Released Federal Claims that the Settlement Class Members do not know or suspect to exist in their favor at the time of the release, which, if known by them, might have affected their settlement with, and release of, the Released Parties or might have affected their decision not to object to this Settlement. With respect to the Released Federal Claims, the Settlement Class Members stipulate and agree that, upon the Effective Date, the Settlement Class Members shall be deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which Section provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Settlement Class Members may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Federal Claims, but upon the Effective Date, they shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Released Federal Claims.

3. The Settlement Class Members agree not to sue or otherwise make a claim against any of the Released Parties based on known or unknown Released Federal Claims.

VIII. PROCEDURE FOR EXCLUSION

Class Members may exclude themselves from the Settlement as to their state law claims by mailing to Desmond Marcello & Amster ("Claims Administrator"), located at P.O. Box 451999, Los Angeles, CA 90045, on or before May 26, 2008, a written statement expressing their desire to be excluded from the Settlement as to their state law claims in the litigation. If you wish to request exclusion from the Settlement as to your state law claims in this class action lawsuit, your written statement must include your name (and former names, if any), current address, telephone number, social security number, and the dates of your employment by BMP. In addition, it must be postmarked on or before May 26, 2008. Requests for exclusion that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void and ineffective. Persons who are eligible to and do submit valid and timely requests for exclusion from the Settlement as to their state law claims will not receive Settlement Awards, nor will they be bound by the terms of the proposed Settlement as to their state law claims, if it is approved, or the Final Judgment in this Action.

IX. SETTLEMENT HEARING/OBJECTIONS TO THE PROPOSED SETTLEMENT

A hearing (the "Settlement Hearing") will be held before the Honorable Victoria G. Cheney on **June 25, 2008** at **8:30 a.m.** in Department 324 of the Superior Court for the State of California for the County of Los Angeles, California located at 600 South Commonwealth Avenue, Los Angeles, California 90005 (the "Court"), to determine whether the proposed Settlement of the Action is fair, adequate and reasonable and should be approved by the Court and whether the Action should be dismissed on the merits with prejudice. The hearing may be adjourned by the Court from time to time as the Court may without further notice direct.

Any Class Member may appear in person or through counsel at the Settlement Hearing and be heard as to why the proposed Settlement of the Action should not be approved as fair, adequate and reasonable, or why a Final Judgment dismissing the Action against BMP with prejudice should or should not be entered. No Class Member, however, shall be heard or entitled to object and no papers or briefs submitted by any such person shall be received or considered by the Court unless written notice of intention to appear at the Settlement Hearing, together with copies of all papers and briefs proposed to be submitted to the Court at the Settlement Hearing, shall have been filed with the Court and have been served personally on or before May 26, 2008, or if by mail then postmarked no later than [REDACTED], 2008, upon all of the following:

Michael Morrison
Schonbrun DeSimone Seplow Harris &
Hoffman LLP
723 Ocean Front Walk, Suite 100
Venice, California 90291
Attorneys for Class

Charles F. Barker
Jason Kearnaghan
Sheppard Mullin Richter & Hampton LLP
333 South Hope St., 48th Floor
Los Angeles, California 90071
Attorneys for Defendant

Any member of the Settlement Class who does not make and serve his or her written objections in the manner provided above shall be deemed to have waived such objections and shall be foreclosed from making any objections (by appeal or otherwise) to the proposed Settlement.

Any Class Member who is satisfied with the proposed Settlement need not appear at the Settlement Hearing.

X. EXAMINATION OF PAPERS AND INQUIRIES

The foregoing is only a summary of the Action and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Action and the proposed Settlement, you may refer to the pleadings, the Stipulation and Settlement Agreement of Class Action Claims, and other papers filed in the Action, which may be inspected at the Office of the Clerk of the Superior Court for the State of California for the County of Los Angeles, California 90005, during regular business hours of each Court day.

All inquiries by Class Members regarding this Notice and/or the Settlement should be directed to counsel for the Class:

Michael Morrison
Schonbrun DeSimone Seplow Harris &
Hoffman LLP
723 Ocean Front Walk, Suite 100
Venice, California 90291
Attorneys for Class

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, BMP, OR BMP'S ATTORNEYS WITH INQUIRIES.

Dated: __February 8, 2008

BY ORDER OF THE COURT
HON. VICTORIA G. CHENEY
JUDGE OF THE SUPERIOR COURT