

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

IN RE LITERARY WORKS IN ELECTRONIC :
DATABASES COPYRIGHT LITIGATION :

X

M.D.L. No. 1379

Supplemental Notice Of Class Action Settlement And Notice Of Rescheduled Fairness Hearing

Starting in April 2005, notice of a proposed class action settlement in the above lawsuit was published in many newspapers and magazines. Notice of the proposed settlement was also mailed to thousands of potential members of the Class. The Notice was also posted at the settlement website, www.copyrightclassaction.com. A supplemental notice, reflecting the changes described below, is now available at the website. You are encouraged to visit the website and review the updated notice.

I. Background

After the Notice of Class Action Settlement was given, plaintiffs learned that during the settlement negotiations, one or more of the Database Defendants had licensed Subject Works to two new databases that had not been sued in the case – Amazon.com and Highbeam Research.

The parties dispute whether the licensing of Subject Works to Amazon.com and Highbeam during the settlement process was a violation of the Settlement Agreement. After a further round of intensive negotiations with the mediators, the parties agreed on a resolution of the dispute and signed an Amendment To The Settlement Agreement (“Amendment”).

II. Terms Of The Amendment

- The Amendment provides that if (i) a class member registered his or her copyright in a Subject Work before the licensing of that work to Amazon.com or Highbeam; and (ii) the class member’s claim under the settlement for that work would otherwise be a valid claim under Category B of the Plan of Allocation, then the claim will be reclassified and paid under the more favorable Category A. Almost all Subject Works carried by Amazon.com were licensed on April 1, 2005, and almost all Subject Works carried by Highbeam were licensed in November 2003. Go to www.copyrightclassaction.com and click on Settlement Agreement to see the full text of the Amendment.

- The Amendment clarifies that the nonexclusive license the Settlement Agreement provides to defendants and the Participating and Supplemental Participating Publishers, for Subject Works not “taken down” by class members, permits such entities to electronically license the works to any other person or entity, including other databases such as Highbeam and Amazon.com.

- The Amendment provides that all class members who have submitted claims and not exercised their takedown right will be given a second chance to exercise the right, so long as they do so by September 30, 2005. If you have submitted a claim and did not request takedown for a Subject Work for which you now wish to exercise your takedown right, please visit www.copyrightclassaction.com.

III. 30 Day Period For Exclusion, Inclusion And Objections

If after reading this Supplemental Notice you would like to exclude yourself from the Class, object to the settlement as amended insofar as the changes effected by the Amendment are concerned, or opt back in to the Class if you have already excluded yourself, then you must follow the same procedures for exclusions and objections that are set forth in the original Notice of Class Action Settlement, at www.copyrightclassaction.com no later than September 12, 2005.

IV. Rescheduled Hearing On Final Approval Of Settlement

The hearing on whether the settlement should be granted final approval, previously scheduled for July 28, 2005, **has been rescheduled** and will now be held on September 27, 2005, at 10:00 a.m., in Courtroom 618 of the United States District Court for the Southern District of New York, United States Courthouse, 40 Centre Street, New York, New York 10007. At the hearing, the Court will determine whether the proposed settlement as amended is fair, adequate and reasonable and should be approved. At the hearing, the Court will also consider plaintiffs’ motion for attorneys’ fees and reimbursement of expenses and for a special award to the Representative Plaintiffs, and a related motion on the allocation of plaintiffs’ attorneys’ fees. You may attend the hearing if you wish, but are **not** required to do so to participate in the settlement.

For more information, please visit www.copyrightclassaction.com.

PLEASE DO NOT TELEPHONE OR ADDRESS ANY INQUIRIES TO THE COURT.

Dated: July 28, 2005

BY ORDER OF THE COURT:
The Honorable George B. Daniels
United States District Court
for the Southern District of New York