

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

The Estate of Jim Garrison, in possession of JIM R.)	
GARRISON, LYON H. GARRISON, VIRGINIA J.)	
GARRISON, ELIZABETH Z. GARRISON and)	CIVIL NO.
EBERHARD D. GARRISON, individually,)	CV 95-8328 RMT (SHx)
and on behalf of all those similarly situated,)	
)	CLASS ACTION
Plaintiffs,)	
)	
vs.)	NOTICE OF PENDENCY
)	OF CLASS ACTION
WARNER BROS., a Delaware corporation,)	
PARAMOUNT PICTURES CORP., et al.)	
)	
Defendants.)	
)	

**PLEASE READ THIS NOTICE CAREFULLY
YOUR RIGHTS MAY BE AFFECTED BY A LAWSUIT
NOW PENDING IN THIS COURT**

DESCRIPTION OF PENDING LAWSUIT

Pursuant to Rule 23(c)(2) of the Federal Rules of Civil Procedure and Order of the United States District Court, this is to advise you that there is now pending in the United States District Court for the Central District of California a class action lawsuit for alleged violation of federal and state antitrust laws arising out of standard net profits contracts entered into by directors, producers, actors and authors of books, stories and scripts and other creative personnel (referred to as "Talent") with one or more of the Defendants or their affiliates during the period January 1, 1988 through the present. The lawsuit was filed by the Estate of Jim Garrison in possession of Jim R. Garrison, Lyon H. Garrison, Virginia J. Garrison, Elizabeth Garrison Fallen and Eberhart D. Garrison ("Plaintiffs"). The defendants in the lawsuit are Warner Bros. as successor to Warner Bros. Inc., Paramount Pictures Corp., Sony Pictures Entertainment Inc., Columbia Pictures, Inc., Tristar Pictures, Inc., Walt Disney Pictures and Television, Twentieth Century Fox Film Corporation, Universal City Studios, Inc., Metro-Goldwyn-Mayer Pictures, Inc., United Artists Pictures, Inc. and the Motion Picture Association of America ("Defendants").

The lawsuit charges that the Defendants conspired to fix, depress, maintain and stabilize prices paid to Talent for their ideas and labor to be used in the making of motion pictures, in violation of federal and state antitrust laws. Specifically, the lawsuit charges that Defendants conspired to fix the terms of standard form contracts that provide for Talent to receive a percentage of the "net profits" of motion pictures. The lawsuit also charges that Defendants have conspired among themselves to refuse to deal with anyone who will not accept a standard form net profits contract. The lawsuit seeks treble damages, injunctive relief, attorneys' fees and costs from Defendants.

The Defendants deny the claims and charges made in the lawsuit, and specifically deny that they have conspired in any manner to fix the prices paid to Talent or to refuse to deal with Talent.

The Court has not ruled on the merits of Plaintiffs' charges or on the denials and other defenses made by the Defendants. This Notice should not be understood as an expression of any opinion by the Court as to the merits of any claims or defenses asserted by the Plaintiffs or the Defendants. The purpose of this notice is to advise you of this lawsuit and its potential effect on your rights.

CLASS ACTION RULING

By Order dated August 28, 1996, the United States District Court for the Central District of California ruled that Plaintiffs may maintain their claims under federal and state antitrust laws both on behalf of themselves and on behalf of the following class:

"All directors, producers, actors and authors of books, stories and scripts and other creative personnel commonly referred to as "Talent" who entered into standard net profit contracts with one or more of the Defendants or their affiliates during the period January 1, 1988 through the present. Excluded from the class are the Defendants herein and their respective affiliates, subsidiaries or controlled person or entity of any such Defendant."

The Court has named Plaintiffs as representatives of the class. Counsel for Plaintiffs and the class are:

COTCHETT & PITRE 840 Malcolm Road, Suite 200 Burlingame, California 94010 (650) 697-6000	GIRARDI & KEESE 1126 Wilshire Boulevard Los Angeles, California 90071 (213) 977-0211	ENGSTROM, LIPSCOMB & LACK 10100 Santa Monica Boulevard, 16th Floor Los Angeles, California 90067-4107 (310) 552-3800
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This ruling by the Court that a class action may be maintained does not mean that any money or injunctive relief will be obtained for members of the class, because the claims brought by Plaintiffs are contested and have not yet been decided. Rather, the ruling means that the final outcome of this lawsuit, whether favorable to Plaintiffs or to Defendants, will apply in like manner to every class member; that is, to all Talent described above who do not timely elect to be excluded from the class (see below).

The class is limited to those persons who entered into standard net profits contracts with one or more of the Defendants or their affiliates. If you entered into a contract with someone other than one of the Defendants or their affiliates, you are not a member of the class on whose behalf this suit will be maintained.

CONSEQUENCES OF CLASS MEMBERSHIP OPTION TO REQUEST EXCLUSION FROM THE CLASS

If you come within the definition of the class, you are a member of that class. As a member of that class you have the following options:

1. You May Remain A Member of the Class and Be Represented by Class Counsel.

If you wish to remain a member of the class, you are not required to do anything at this time. If you choose to take no action and remain a member of the class:

(a) Your interests will be represented by Plaintiffs as class representatives and their counsel.

(b) You will be bound by any judgment or other final disposition of the lawsuit, whether that disposition is favorable or unfavorable. If the judgment is favorable to the class of which you are a member, you may participate, upon the filing of a valid and timely claim, in a distribution of any monetary recovery obtained in the lawsuit. If the judgment is unfavorable to the class, you will be bound by that judgment and any claims that you may have against the Defendants which were addressed in this lawsuit will be forever barred.

(c) You may be required as a condition to participating in any recovery to present evidence concerning your individual contract(s) with the Defendants.

(d) You will be entitled to notice of any ruling affecting the size of the class and also to notice of, and an opportunity to be heard respecting, any proposed settlement or dismissal of the class claims.

2. You May Remain A Member Of the Class and Hire Your Own Attorney to Represent You

If you elect to remain a member of the class and you do not wish to be represented by Plaintiffs and their counsel, you may enter an appearance through your own attorney. To do so, you must file an Entry of Appearance with the Clerk of the Court at the address set forth below and send a copy of the Entry of

Appearance to counsel for the class representatives and counsel for Defendants identified at the end of this Notice. Such Entry of Appearance must be postmarked no later than December 16, 1997. You will then continue as a member of the class with representation by your own attorney, and you will be responsible for the fees and costs of that attorney.

3. You May Request Exclusion From the Class.

If you are a member of the class, you may elect to exclude yourself from the class. If you wish to exclude yourself from the class you must request exclusion in writing, including your name and address, and send it by mail to the Clerk of the Court at the following address:

Clerk of the Court
Net Profits Contracts Antitrust Litigation
P. O. Box 990
Corte Madera, CA 94976-0990

A form "Request for Exclusion" is enclosed with this Notice and may be used to request exclusion from the class.

The written request to exclude yourself from the class must be postmarked no later than December 16, 1997. If you elect to be excluded from the class:

- (a) You will not be bound by any disposition of the class action;
- (b) You will not be entitled to share in any proceeds from any judgment or settlement obtained in connection with the class action; and
- (c) You will retain any claims you may have against the Defendants.

FURTHER PROCEEDINGS

Plaintiffs and Defendants are in the process of conducting discovery and investigation with respect to the facts and law pertaining to the lawsuit. Trial of this lawsuit is not yet scheduled.

NOTICE TO ATTORNEYS OF RECORD

Copies of all documents filed with the Clerk of the Court (other than a written request for exclusion from the class) should be sent to the following:

Counsel for Class Representatives:
JACK P. HUG, ESQ.
COTCHETT & PITRE
840 Malcolm Road, Suite 200
Burlingame, California 94010

Liaison Counsel for Defendants:
ROBERT M. SCHWARTZ, ESQ.
O'MELVENY & MYERS, LLP
1999 Avenue of the Stars, Suite 700
Los Angeles, California 90067-6035

ADDITIONAL INFORMATION

The pleadings and all other records in this litigation may be examined and copied, subject to the Orders of the Court, at any time during regular office hours in the office of the Clerk of the United States District Court, Central District of California which is located at 312 North Spring Street, Los Angeles, California 90012-4793. Certain pleadings and records in this litigation may be filed under seal and may not be examined or copied without first obtaining an Order from the Court.

**DO NOT CALL THE COURT OR THE CLERK OF THE COURT
ADDRESS ALL INQUIRIES IN WRITING.**

DATED: September 16, 1997

CLERK, U.S. DISTRICT COURT,
CENTRAL DISTRICT OF CALIFORNIA
312 North Spring Street

Los Angeles, CA 90012

REQUEST FOR EXCLUSION

**Read the Enclosed Legal Notice
Carefully Before Filling Out This Form**

**Please type or print the information,
other than your signature, requested below.**

The undersigned has read the Notice of Pendency of Class Action, dated September 16, 1997, and does NOT wish to remain a member of the Plaintiff Class certified in the case of *Garrison v. Warner Bros., et al.*, Case No. CV95-8328 RMT (SHx), pending in the United States District Court for the Central District of California, Western Division.

Date:

Your name

Your organization or representative, if any

Your street address or P.O. Box Number

Your City, State and Zip Code

Your signature

Title of signer, if any

If you want to exclude yourself from the class, you must complete and return this form by mailing it, via first class mail, on or before December 16, 1997, to:

Clerk of the Court
Net Profits Contracts Antitrust Litigation
P. O. Box 990
Corte Madera, CA 94976-0990

A separate request for exclusion should be completed and timely mailed for each person or entity electing to be excluded from the class.

