

## **NOTICE**

**This Notice is being sent by Order of the Court of the State of California,  
County of San Francisco (Case No.05-439667)**

**THIS NOTICE CONCERNS YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY.**

**This Notice Is Given To Inform You Of The Proposed Settlement Of A Class Action. The Proposed Settlement was preliminarily approved by the Court on July 21, 2006. If The Settlement Is Given Final Approval By The Court, Certain Benefits May Be Available To You In Settlement Of Claims Relating To Advertising on the Eros Guide Website**

### **I. BACKGROUND**

A. In March 2005, Plaintiff Bettina Doe (the "Class Representative") filed a class action proceeding, in California state court, against Darkside Productions, Inc. (hereinafter "Darkside"). The original Complaint was amended on June 12, 2006. The First Amended Complaint alleges that, in violation of the Gender Tax Repeal Act (codified at Civil Code §51.6) and the Unfair Competition Law (codified at Business & Professions Code §17200 *et seq.*), during the class period described herein Darkside required individuals and entities to pay to advertise massage and escort services provided by women on Darkside's website, [www.erosguide.com](http://www.erosguide.com), but not individuals or entities that advertised massage and escort services provided by men. The First Amended Complaint seeks damages and injunctive relief against Darkside. Darkside denies any liability to Plaintiff and asserts various defenses to liability including that plaintiff lacks standing to bring this case and that it bases its pricing on the value provided to the advertiser (i.e. the amount of traffic to the advertisement) and the costs associated therewith by specific search term or category.

B. After the exchange of formal and informal discovery, the parties engaged in comprehensive settlement negotiations in front of the Honorable Ellen Sickle James. Following the parties' negotiations, and as a result of further investigation, the parties have reached an agreement (the "Settlement Agreement") providing for the settlement of the action subject to the Court's final approval. During the exchange of discovery, no personal information nor the identities of any of Darkside's advertisers were revealed to the Plaintiff or her counsel.

C. The Court has certified a class (the "Settlement Class"), for settlement purposes only, consisting of:

"All persons or entities who paid Darkside Productions, Inc. dba Eros Guide for advertising services provided by Darkside Productions, Inc. through the escorts or massage sections of any California portion of the [erosguide.com](http://erosguide.com) website from March 21, 2001 through April 5, 2005" (hereinafter "Settlement Class Members"). This class does not include persons who purchased only premium services including banners, secured placements, or featured entertainers.

D. The Class Representative and Class Counsel (listed below) believe that all of the claims asserted in the Actions have merit, but that the settlement, described below, is in the best interests of the Settlement Class. Class Counsel have evaluated information made available in the course of the action and have taken into account the risks and uncertainties of proceeding with this litigation. Based upon their consideration of these factors, and on the substantial time and expense that will be incurred if the Action proceeds to trial, the Class Representative and Class Counsel believe it is in the best interests of the Settlement Class to settle the actions on the terms described below.

E. Darkside, while denying any liability to the Class Representative or the Settlement Class and believing that the claims asserted by the Class Representative have no merit, has agreed to settle the actions for the purpose of avoiding the uncertainties and expense of, and diversion of business resources resulting from, further litigation.

F. This Court has preliminarily approved the Proposed Settlement. The Court has not determined the merits of Plaintiffs' claims or Darkside's defenses. This Notice does not imply that there have been or would be any findings of violation of the law by Darkside or that recovery could be had in any amount if the action was not settled.

## **II. TERMS OF THE PROPOSED SETTLEMENT**

The following is a summary of pertinent provisions of the Settlement Agreement and is not a complete statement of the settlement or of the action. To take effect, this Settlement must be finally approved by the Court.

### **A. Cash Payment**

Each Class Member who returns a Valid Claim indicating that such Class Member paid Darkside Productions, Inc. for advertising services provided by women through the escorts or massage sections of any California portion of the erosguide.com website, other than through Visiting Ads, is eligible to receive a check in the amount of \$300.00 per account. In addition, each Class Member who returns a Valid Claim indicating that such Class Member purchased a Visiting Ad for advertising services provided by women through the escorts or massage sections of any California portion of the erosguide.com is eligible to receive a check in the amount of \$30.00 per account.

To obtain the above payment(s), Settlement Class Members must timely submit a properly completed and verifiable Claim Form by September 19, 2006. You must mail your completed Claim Form to the Darkside Settlement Administrator c/o Desmond, Marcello & Amster, P.O. Box 451999, Los Angeles, CA 90045, postmarked no later than September 19, 2006. Darkside reserves the right to issue 1099 forms to the IRS for all class members submitting claims. A copy of the 1099 form will also be mailed to the class members at the address specified on the Claim Form. If you are receiving this Notice by email, the Claim Form is attached to this email message. If you are receiving this Notice by another method, you can obtain a Claim form by contacting the Settlement Administrator, Desmond, Marcello & Amster, at (800) 789-0683 or by visiting [www.dmaaction.com](http://www.dmaaction.com).

### **B. Release**

If the Settlement is finally approved by the Court, Settlement Class Members who have not filed a valid and timely request for exclusion shall be forever barred from suing Darkside and its agents, employees, lawyers, officers and directors for any and all claims and causes of action, whether now known or now unknown, which Class Members have against Darkside (including its agents, employees, lawyers, officers, directors, representatives, successors and assigns) arising out of or related to the events or incidents referred to in or related to the pleadings in this action, and shall be deemed to have waived the provisions of Civil Code section 1542 as to the Class Claims which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

### **III. YOUR RIGHTS TO PARTICIPATE IN, EXCLUDE YOURSELF FROM, OR OBJECT TO THE SETTLEMENT**

A. If you wish to participate in the Settlement, you do not need to appear at the hearing discussed below. However, in order to receive any of the settlement remedies, you must properly complete and return the Claim Form by September 19, 2006. You can obtain assistance in completing the Claim Form by contacting Class Counsel listed below.

B. If you do not wish to remain a member of the Class, you may exclude yourself from the Class. If you request to be excluded from the Class, you will **not** be entitled to receive any benefits from the Settlement, you may **not** object to the Settlement, and you will retain any individual rights you have with respect to the claims asserted in the Actions. **If you wish to be excluded from the Class, you must send a letter clearly identifying yourself and stating you wish to be excluded from the Class to the Darkside Settlement Administrator c/o Desmond, Marcello & Amster, P.O. Box 451999, Los Angeles, CA 90045, postmarked no later than September 5, 2006.** Any request for exclusion must clearly indicate that you request to be excluded from the Class, and must include your legal name, your address, and the account name. This information will not be disclosed to the general public. If a list of the legal names of all class members who requested to be excluded from this lawsuit is filed with the Court, it will be done under seal to protect your identity from disclosure.

**If you do not request exclusion, then:**

**(1) you will be bound by the final judgment entered in this class action; and**

**(2) you may, if you so elect, object to the proposed settlement.**

C. You may, if you desire, appear at the Settlement Hearing to object to the proposed Settlement or to the application for attorneys' fees and reimbursement of expenses, if you do not request to be excluded from the Class. If you intend to appear to object, you may also send a written objection to the Court no later than 16 court days before the Settlement Hearing. Any such objection must be sent to Department 301, Superior Court of the State of California for the County of San Francisco, 400 McAllister St., San Francisco, California 94102 and must include a reference to case no. 05-439667. Copies of such objections should also be sent to:

Class Counsel:  
James A. Quadra, Esq.  
Moscone, Emblidge & Quadra, LLP  
180 Montgomery Street, Suite 1240  
San Francisco, California 94104-4238

and to Darkside's counsel:

Robert A. Curtis, Esq.  
Foley, Bezek, Behle & Curtis, LLP  
15 West Carrillo Street  
Santa Barbara, California 93101

**You have the right to consult and/or retain an attorney of your choice at your own expense, to advise you regarding the settlement and your rights in connection with the settlement and the Settlement Hearing as described in Section IV.A. below**

**IV. SETTLEMENT FAIRNESS HEARING ATTORNEYS' FEES AND EXPENSES, AND OTHER PAYMENTS**

A. At 9:30 a.m. on September 5, 2006, a hearing will be held in Department #301 of the Superior Court of the State of California for the County of San Francisco, located at 400 McAllister St., San Francisco, California 94102, to determine whether the Settlement should be approved by the Court as fair, reasonable, and adequate, and whether judgment should be entered thereon ("Settlement Hearing").

B. The Court will also consider at the Settlement Hearing the request of Class Counsel for a payment of attorneys' fees and reimbursement of expenses in the amount of \$325,000 and a special payment to the Class Representative in the amount of \$15,000, for the services they have rendered in the action, which Darkside has agreed to pay as a part of this Settlement over and above the other remedies described in this Notice.

C. **If you remain in the Class, your attendance at the Settlement Hearing is not required.** However, you may be heard orally at the Settlement Hearing in opposition to the proposed Settlement. You may also enter an appearance through an attorney, at your own expense. If you do not do so, you will be represented in the action by Class Counsel.

D. Pending final determination of whether the Proposed Settlement should be approved, you and your representatives are barred from filing any lawsuit asserting any claims against Darkside that relate to the settled claims as defined above.

**V. FURTHER INFORMATION**

A. For more details of the matters involved in this Action, you may inspect the case files at the Superior Court of the State of California for the County of San Francisco, Docket Number 05-439667 .

B. Inquiries regarding the Settlement benefits and procedures may be directed to the Darkside Settlement Administrator c/o Desmond, Marcello & Amster, P.O. Box 451999, Los Angeles, CA 90045 or the Class Counsel listed above.

**\*\*\* Please do not reply to this e-mail message. \*\*\***

**PLEASE DO NOT CALL, OR DIRECT ANY INQUIRIES TO THE COURT,  
TO DARKSIDE OR TO DARKSIDE'S COUNSEL**

If you are having trouble viewing this message, go to [www.dmaaction.com](http://www.dmaaction.com)