

R. Lawrence Angove
President & Chief Executive Officer

Update:

San Francisco and Seattle

February 3, 2012

To: All U.S ADP Members

Fr: Larry

Re: Current Status of Industry Legal Actions

San Francisco

Early last month, Judge Armstrong postponed the hearing she had set for mid-January on the industry's opt-in ordinance litigation to February 7.

It was very difficult at that time for industry counsel Mayer Brown to get information from the Judge's staff regarding what specifically was to occur on February 7. It was surmised that argument on the pending preliminary injunction motion might be on her agenda.

Yesterday, the industry was advised that Judge Armstrong has decided to continue the hearing again, precluding any appearances on the 7th.

The industry was told that it could expect a notice of rescheduled hearing soon. Judge Armstrong could take testimony or simply decide the motion on the papers that have been filed previously.

The Mayer Brown lawyers are attempting to impress upon Judge Armstrong the need for expeditious action, given the imminence of the May 1 effective date of the ordinance and the demonstrated adverse effects on customer willingness to purchase advertising in the face of the uncertainty surrounding the litigation.

Seattle

Argument on the industry's appeal of the denial of injunctive relief in Seattle is scheduled for February 9 before a panel of the Ninth Circuit Court of Appeals in Pasadena, California.

I will keep you apprised of all impactful activity in both actions.

Should you have questions or comments, please contact me on my direct line at 231.935.4608.