

If you are a veteran, the spouse of a veteran, or a member of the military, you could get a payment from a class action settlement.

*A federal court authorized this notice. This is **not** a solicitation from a lawyer.*

- A settlement has been reached with the United States Department of Veterans Affairs, the Secretary of the United States Department of Veterans Affairs, the Deputy Secretary of the United States Department of Veterans Affairs, and an employee of the United States Department of Veterans Affairs in their official capacities (together called the “Defendants”) stemming from the theft of computer equipment which was reported to contain personal information of military veterans, spouses of military veterans, and military personnel.
- Under the settlement, the Defendants will establish a \$20 million settlement fund to reimburse those affected for out-of-pocket expenses related to the theft of computer equipment which was reported to contain their personal information, as well as to cover lawyers’ fees, costs and expenses. Any money remaining in the settlement fund will be donated to the Fisher House Foundation, Inc. and The Intrepid Fallen Heroes Fund.
- Your legal rights are affected whether you act, or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM	The only way to ask for a payment.
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to be part of any other lawsuit against the Defendants about the legal claims resolved in this settlement.
OBJECT	Write to the Court about why you do not like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up your rights to sue the Defendants about the legal claims in this case.

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. If it does, and after any appeals are resolved, payments will be made to those who submit a valid claim form. Please be patient.

QUESTIONS? CALL 1-888-288-9625 TOLL FREE, OR VISIT WWW.VETERANSCONCLASS.COM

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BASIC INFORMATION

1. Why is this Notice being provided?

A Court authorized this notice because you have a right to know about a proposed settlement of this class action lawsuit and about all of your rights and options before the Court decides whether to give “final approval” to the settlement. If the settlement is approved, payments will be made to everyone who submits a valid claim form. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, and how to get them.

Judge James Robertson of the United States District Court for the District of Columbia is overseeing this class action. The case is known as *In Re: Department of Veterans Affairs (VA) Data Theft Litigation*, MDL No. 1796. The people who sued are called the “Plaintiffs,” and the organizations and people that they sued, the United States Department of Veterans Affairs, the Secretary of the United States Department of Veterans Affairs, the Deputy Secretary of the United States Department of Veterans Affairs, and an employee of the United States Department of Veterans Affairs in their official capacities, are called the “Defendants.”

2. What is this lawsuit about?

On May 3, 2006 computer equipment which was reported to contain personal information of military veterans, spouses of military veterans, and military personnel, was stolen from the home of an employee of Veterans Affairs. The laptop was reported to contain identifying information including names, social security numbers, and dates of birth for up to 17.5 million veterans, spouses of veterans, and military personnel as well as some disability ratings. The data did not include any health records or financial information. The lawsuit alleges that the Defendants violated federal law by not properly securing the information. The equipment was later recovered on June 28, 2006 by the Federal Bureau of Investigation, whose review of the equipment indicated that the data had not been accessed. The Defendants deny all of the Plaintiffs’ claims and say that they did nothing wrong.

3. Why is this a class action?

In a class action, one or more people called “Class Representatives” (in this case, Paul Hackett, Matthew Page, Michael Rosato, Murry Moskowitz, Bruce Ouellette, Charles L. Clark, James E. Malone, John Rowan, and Barry Jackson) sue on behalf of people who have similar claims. All of these people are a “Class” or “Class Members.” One judge resolves the issues for all Class Members, except for those who exclude themselves from the class.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or the Defendants. Instead, both sides agreed to settle this case to avoid the cost and risk of trial. The settlement does not mean that any law was broken or that the Defendants did anything wrong. The Defendants deny all legal claims in this case. The Class Representatives and their lawyers think the settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT

To see if you will be affected by this settlement or if you can get a payment from it, you first have to determine if you are a Class Member.

QUESTIONS? CALL 1-888-288-9625 TOLL FREE, OR VISIT WWW.VETERANSCLASS.COM

5. How do I know if I am part of the settlement?

The Court decided that the Class includes all military veterans, spouses of military veterans, and military personnel who had actual damages (see Question 6) from May 3, 2006 through February 11, 2009 that were directly related to the theft of computer equipment which was reported to contain personal information from the home of a VA employee on May 3, 2006. The Class also includes all representatives, heirs, administrators, executors, beneficiaries, agents, and assigns of these affected individuals.

6. What are actual damages?

Actual damages include any reasonable out-of-pocket expense incurred as a direct result of the theft, including those that were:

- ♦ used to protect or monitor your personal or financial information; or
- ♦ the result of physical symptoms of severe emotional distress.

Out-of-pocket expenses may include, for example, the purchase of credit monitoring to protect against identity loss and medical expenses incurred as a result of severe emotional distress.

7. Am I included if I already got a letter from the VA about this issue?

Maybe. You are included in the settlement if you had out-of-pocket expenses directly related to the theft of computer equipment which was reported to contain your personal information. If you did not have any out-of-pocket expenses, you are not included in the settlement.

8. If I am included, does that mean that my identity was stolen?

No. The FBI has recovered the stolen computer equipment and is highly confident that it has not been accessed.

9. What if I am not sure whether I am included in the settlement?

If you are not sure whether you are in the Class, or have any other questions about the settlement, call the toll-free number, 1-888-288-9625 or visit www.VeteransClass.com. You also may write with questions to VA Settlement, PO Box 6727, Portland, OR 97228-6727.

THE SETTLEMENT BENEFITS—WHAT YOU GET IF YOU QUALIFY

10. What does the settlement provide?

The Defendants will establish a \$20,000,000 settlement fund to make payments to Class Members who had eligible out-of-pocket expenses, as well as to cover lawyers' fees, costs and expenses. Any money remaining in the settlement fund after paying Class Members, lawyers' fees, costs and expenses will be donated to the Fisher House Foundation, Inc. and The Intrepid Fallen Heroes Fund. The Settlement Agreement, available at www.VeteransClass.com, describes all of the details about the proposed settlement.

QUESTIONS? CALL 1-888-288-9625 TOLL FREE, OR VISIT WWW.VETERANSCONCLASS.COM

11. How much money could I get?

If you submit a valid claim you will be paid the actual cost of your out-of-pocket expenses up to \$1,500. The minimum payment for each valid claim will be \$75. However, if the total amount needed to pay valid claims exceeds the amount left in the settlement fund after deducting lawyers' fees, costs and expenses, each Class Member's payment will be reduced and paid in proportion to all Class Members' payments.

HOW TO GET BENEFITS—SUBMITTING A CLAIM FORM

12. How do I get a payment from the settlement?

To ask for a payment, you must complete and submit a claim form. You can get a claim form at www.VeteransClass.com or by calling 1-888-288-9625. Please read the instructions carefully, fill out the claim form, attach the required documentation, and mail it postmarked no later than **November 27, 2009** to:

VA Settlement Claims
PO Box 6727
Portland, OR 97228-6727

13. When will I get my payment?

Payments will be mailed to Class Members who send in valid claim forms on time, after the Court grants "final approval" of the settlement and after any appeals are resolved, if any (see the section "The Court's Fairness Hearing" below). It is uncertain when any appeals will be resolved and resolving them can take time. Please be patient.

14. What if I disagree with the amount of my payment?

There is a process in the settlement to resolve disagreements about the amount of your payment. You will get additional details about this process in the letter you receive from the claims administrator. The Settlement Agreement, available at www.VeteransClass.com, also provides more information.

15. What am I giving up as part of the settlement?

If the settlement becomes final, Class Members will be releasing the Defendants from all of the claims described and identified in section J (2) of the Settlement Agreement. This means you will no longer be able to sue the Defendants regarding any of the claims described in the Settlement Agreement if you are a Class Member. The Settlement Agreement is available at www.VeteransClass.com. The Settlement Agreement describes the released claims with specific descriptions in necessary, accurate legal terminology, so read it carefully. You can write to the lawyers representing the Class listed in Question 19 for free or you can talk to your own lawyer, at your own expense, if you have any questions about the released claims or what they mean.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want to keep the right to sue the Defendants about the issues in this case, then you must take steps to get out. This is called excluding yourself from—or is sometimes referred to as “opting out” of—the Class.

16. If I exclude myself, can I get anything from this settlement?

No. If you exclude yourself, you may not apply for reimbursement of out-of-pocket expenses and you cannot object to the proposed settlement. However, if you ask to be excluded, you may sue or continue to sue the Defendants about the same claims resolved by this settlement in the future. You will not be bound by anything that happens in this lawsuit.

17. If I do not exclude myself, can I sue later?

No. If you are a Class Member, unless you exclude yourself, you give up the right to sue the Defendants for all of the claims that this settlement resolves. If you are a Class Member and want to start your own lawsuit, or be part of any other lawsuit relating to these claims, you must exclude yourself from this Class.

18. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter or other written document by mail saying that you want to be excluded from *In Re: Department of Veterans Affairs (VA) Data Theft Litigation*, MDL No. 1796. Be sure to include your full name, address, reason why you want to opt-out of the settlement, as well as proof you had out-of-pocket expenses from May 3, 2006 to February 11, 2009, your signature, and the date. You must mail your request for exclusion so that it is received no later than **June 29, 2009** to:

CLAIMS ADMINISTRATOR
VA Settlement Exclusions PO Box 6727 Portland, OR 97228-6727

You cannot ask to be excluded on the phone, by email, or at the website.

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer in the case?

The Court appointed John Murdock and Jeffrey Goldenberg, Murdock, Goldenberg, Schneider & Groh, LPA of Cincinnati, Ohio; Douglas Rosinski and Donald Cockrill, Olegtree, Deakins, Nash, Smoak & Stewart, P.C. of Columbia, South Carolina; Marc Mezibov, The Law Offices of Marc Mezibov of Cincinnati, Ohio; Gary E. Mason, The Mason Law Firm, L.L.P. of Washington, District of Columbia; and Mark Smilow, Weiss & Lurie of New York, New York as “Class Counsel” to represent Class Members. You will not be charged for these lawyers. If you want to be represented by your own lawyer in this case, you may hire one at your own expense.

QUESTIONS? CALL 1-888-288-9625 TOLL FREE, OR VISIT WWW.VETERANSCONCLASS.COM

20. How will the lawyers be paid?

Class Counsel will ask the Court for attorneys' fees of up to 25% of the settlement fund, plus reimbursement of costs and expenses. Class Counsel will also request that the nine Named Plaintiffs who helped the lawyers on behalf of the whole Class split an \$18,000 incentive award. The Court may award less than these amounts. The payment of attorneys' fees, incentive awards and reimbursement of costs and expenses will be deducted from the settlement fund prior to making payments to Class Members.

OBJECTING TO THE SETTLEMENT

21. How do I tell the Court that I do not like the settlement?

You can object to the settlement if you do not like some part of it. You must give reasons why you think the Court should not approve the settlement. To object, send a letter saying that you object to the proposed settlement in *In Re: Department of Veterans Affairs (VA) Data Theft Litigation*, MDL No. 1796. Be sure to include: your name, address, telephone number, and your signature; the reasons why you object to the settlement; copies of any legal support or evidence you would like the Court to consider; proof that you are a Class Member; and whether you or your attorney will appear at the fairness hearing (see Question 24 below). Mail the objection to the three different places listed below so that it is received no later than **June 29, 2009**. Note: You may mail it to the Court, but it must be received by the Court and filed by that date.

COURT	CLASS COUNSEL	DEPARTMENT OF JUSTICE
Clerk of the Court United States District Court for the District of Columbia 333 Constitution Ave. Washington, DC 20001	Jeffrey S. Goldenberg, Esq. Murdock Goldenberg Schneider & Groh, LPA 35 East Seventh St., Suite 600 Cincinnati, OH 45202	Eric Womack, Esq. Department of Justice PO Box 883 Washington, DC 20044

22. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you do not like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you cannot object to the settlement because the case no longer affects you. In addition, if you exclude yourself you will not be able to receive a payment from the settlement.

THE COURT'S FAIRNESS HEARING

23. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at 10:00 a.m. on **July 28, 2009**, at the United States District Court for the District of Columbia, 333 Constitution Avenue, Washington, District of Columbia. At the Fairness Hearing, the Court will consider whether the proposed settlement is fair, reasonable, and adequate. The Court also will consider Class Counsel's request for attorneys' fees, costs and expenses, and the incentive awards. If there are objections, the Court will consider them.

QUESTIONS? CALL 1-888-288-9625 TOLL FREE, OR VISIT WWW.VETERANSCONCLASS.COM

The Fairness Hearing may be moved to a different date without additional notice, so it is recommended that you periodically check www.VeteransClass.com for updated information.

24. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend the hearing at your own expense. If you send in a written objection, you do not have to come to the Fairness Hearing to talk about it. As long as you mailed your written objection and it was received on time, the Court will consider it. You also may pay your own lawyer to attend the Fairness Hearing, but is not necessary.

25. May I speak at the hearing?

To speak at the Fairness Hearing, you must send a letter or other written document saying that the letter or document is your "Notice of Intent to Appear" in *In Re: Department of Veterans Affairs (VA) Data Theft Litigation*, MDL No. 1796. Be sure to include your name, address, telephone number, signature, and copies of any documents you have proving that you are a Class Member. Send your Notice of Intent to Appear so that it is received no later than **June 29, 2009**, to the addresses listed in Question 21. You cannot speak at the hearing if you exclude yourself from the settlement.

IF YOU DO NOTHING

26. What happens if I do nothing at all?

If you are a Class Member and do nothing, you will not get a payment from this settlement. And, unless you exclude yourself, you will not be able to start a lawsuit, or be part of any other lawsuit against the Defendants about the claims in this case, ever again.

GETTING MORE INFORMATION

27. How do I get more information about the settlement?

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement at www.VeteransClass.com. You also may write with questions to VA Settlement, PO Box 6727, Portland, OR 97228-6727 or call 1-888-288-9625.