

EXHIBIT A

EMAIL NOTICE

From: [tobedetermined]@gardencitygroup.com

Subject: Federal Court's Notice of Proposed Class-Action Settlement. Please Read.

Notice from Federal Court. Please Read.

You may be eligible to receive a benefit from a class-action settlement if you funded a PayPal transaction using a source other than your credit card between February 1, 2004 and the present.

A federal court has directed that this notice be sent to inform you of a proposed class-action settlement. Records show that you may be eligible to receive a benefit under the proposed settlement.

The settlement will resolve a lawsuit against eBay Inc. and PayPal, Inc. (collectively, "Defendants") involving claims arising out of representations in the PayPal User Agreement regarding PayPal's policies and practices for responding to refund requests from those customers who pay for transactions through PayPal using funds from funding sources other than credit cards. Under the settlement, Defendants have agreed to establish a settlement fund of \$3.5 million to pay claims to potential class members. The proposed Class is defined as:

all U.S. based PayPal account holders who funded a PayPal transaction after February 1, 2004, using a source other than a credit card: (i) who subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, "Policies"); (ii) who did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) who, through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank. Excluded from the Class are any judicial officer to whom this Litigation is assigned; PayPal and any of its affiliates; any current or former employees, officers, or directors of PayPal; any Persons currently residing outside of the United States; and, all Persons who timely and validly request exclusion from the Class pursuant to the Notice.

To see if you are a Class Member and to obtain full notice of the Settlement, the required procedures, the Effective Date, the deadlines, your obligations, and your options, you must visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com). This email is only a brief summary of the full notice that is posted on the website.

If you are an eligible Settlement Class Member, you have rights, obligations, and options under the proposed settlement. You have until _____, ____, 2008 to make your decision. **Your legal rights are affected whether you act or not.**

1. Submit A Claim Form Online and Mail the Certification Form By Mail

This is the only way to get a settlement payment. Beginning on the Effective Date of the settlement, you must: (1) fill out and submit the Claim Form electronically; and (2) print the Certification page of your Claim Form, sign it, and return it by mail to the address provided on the Claim Form. Your Claim Form must be submitted no later than _____, 2008. Your Certification page of the Claim Form must be mailed and postmarked no later than _____, 2008. For more information on these deadlines, the Effective Date of the settlement, the claim form procedures, and the settlement benefit, you must visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com).

2. Exclude Yourself

This is the only option that allows you to ever be part of any other lawsuit about the claims in this case. You will not be eligible for a settlement benefit. Your request for exclusion must be mailed and postmarked on or before _____, 2008.

3. Object

Write to the Court about why you do not like the settlement. Your objection must be mailed and postmarked on or before _____, 2008.

4. Go To A Hearing

If you decide to remain in the Class (*i.e.*, you do not opt out), and you wish to comment in support of or in opposition to the Amended Settlement or Class Counsel's Fee Application, you may do so by mailing or delivering (email is not permitted) your written comments. Your comments must be mailed and postmarked on or before _____, 2008.

5. Do Nothing

You will automatically be included in the Settlement Class and give up your right to be part of any other lawsuit about the claims in this case, but you will not be eligible to receive a settlement benefit unless you submit a claim form.

To get complete information about the proposed Settlement, the required procedures, the Effective Date, the deadlines, your obligations, and your options, you must visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com).

Please do not reply to this message. We are unable to respond to inquiries sent in reply to this email. To contact us, please access the official settlement website at [www.\[tobedetermined\].com](http://www.[tobedetermined].com).

EXHIBIT B

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

MIKE STEELE, DON MEADOWS, MARJORIE SCHOPPE, DENNIS TRUBITSKY, ROBERT LABAY, BARRY JONES, JASON M. ETTEN, NANETTE ARAGON, GEORGE CESAR, ANDREA KARVALY and CHRISTINA SIRACUSA, individually and on behalf of others similarly situated,

Plaintiffs,

v.

PAYPAL, INC., EBAY INC., and ESSEX TECHNOLOGY GROUP, INC.

Defendants.

Civil Action No.:
1:05-CV-01720 (ILG) (VVP)

CLASS ACTION

**NOTICE OF PENDENCY OF
CLASS ACTION AND
PROPOSED SETTLEMENT**

**IF YOU FUNDED A PAYPAL TRANSACTION USING A SOURCE
OTHER THAN A CREDIT CARD BETWEEN FEBRUARY 1, 2004 AND
THE PRESENT, YOUR RIGHTS MAY BE AFFECTED BY A
CLASS ACTION SETTLEMENT.**

PLEASE READ THIS NOTICE CAREFULLY.

A federal court ordered PayPal to send this Notice. This is not a solicitation from a lawyer.

I. BRIEF SUMMARY OF THE SETTLEMENT

- In March 2005, a class action lawsuit was filed in New York state court alleging claims against PayPal, Inc. (“**PayPal**”) and eBay Inc. (“**eBay**”) arising out of representations contained in provisions of the PayPal User Agreement regarding PayPal’s policies and practices for responding to refund requests (or “**Buyer Complaints**”) from those customers who pay for transactions through PayPal using funds from a source other than their credit card.

- This lawsuit was removed to federal court in April 2005, and is currently pending in the United States District Court for the Eastern District of New York and captioned *Steele et al. v. PayPal, Inc. et al.*, Civil Action No. 1:05-CV-01720 (ILG) (VVP).

- PayPal and eBay do not believe that they did anything wrong. In fact, PayPal and eBay deny any and all liability for the claims alleged in the lawsuit. The Court has not decided in favor of the Class or PayPal and eBay, and by requiring PayPal to send this Notice, the Court is not expressing any view on the merits of the lawsuit.

- A proposed partial settlement (the “**Amended Settlement**”) as set forth in a Stipulation and Agreement of Amended Settlement (the “**Amended Settlement Agreement**”) will resolve the claims asserted in the lawsuit against PayPal and eBay. The Settlement will NOT resolve claims against Essex.

- The Settlement provides, among other things, that certain persons who funded transactions through PayPal after February 1, 2004 using a source other than a credit card, may be entitled to receive a share of three million five hundred thousand dollars (\$3,500,000), which will be paid into a Settlement Fund by PayPal.

- In consideration for the Settlement payment, PayPal and eBay will be dismissed with prejudice from the lawsuit and will be released from any and all liability arising out of or relating to the claims and allegations in the lawsuit.

- If you funded a PayPal transaction using a source other than a credit card between February 1, 2004 and the present, your rights will be affected under the Amended Settlement whether you act or do not act. Please read this notice carefully.

- Your rights and options – and the deadlines to exercise them – are explained in this Notice.

- The Court still has to decide whether or not to approve the Settlement.

II. DETAILED INFORMATION ABOUT THE LAWSUIT AND SETTLEMENT

1. WHAT IS THIS NOTICE AND WHY SHOULD I READ IT?

The proposed Settlement of this Lawsuit affects the rights of all current or former PayPal account holders in the United States who funded a PayPal transaction using a funding source other than a credit card between February 1, 2004 and the present, known as “**Class Members**” (see Section 5 below). The Court ordered that this Notice be posted on PayPal’s website because you have a right to know about the proposed Settlement of this lawsuit and about all of your options relating to the Settlement, before the Court decides whether or not to approve the Settlement. The Court further ordered that an Email Notice be sent to Class Members.

This Notice provides a summary of the terms of the proposed Amended Settlement. It also explains the lawsuit, Class Members’ legal rights under the Amended Settlement, what benefits are available to Class Members under the Amended Settlement, and how to obtain the benefits of the Amended Settlement.

2. WHAT IS A CLASS ACTION?

In a class action, one or more “Plaintiffs” sue on behalf of all people who have claims similar to theirs. All of these people are members of the “Class.” One court resolves the issues for all members of the Class, except for those persons who exclude themselves, or opt-out, from the Class. The Class is represented by certain persons appointed by the Court to serve as “**Representative Plaintiffs**” (in this case, Vincent Farinella, George Cesar, Douglas Mashkow, and Daniel Shoppe), and by the Representative Plaintiffs’ attorneys of record, called “**Class Counsel**” (in this case, Marina Trubitsky & Associates, PLLC).

3. WHAT IS THIS LAWSUIT ABOUT?

In March 2005, the Plaintiffs filed this lawsuit in New York state court on behalf of themselves and the Class. The lawsuit alleges claims against PayPal and eBay arising out of representations contained in certain provisions of the PayPal User Agreement regarding PayPal's policies and practices for responding to refund requests (or "Buyer Complaints") from those customers who pay for transactions through PayPal using funds from sources other than a credit card. In particular, the lawsuit alleges that PayPal's policies and practices constitute deceptive trade practices, fraudulent inducement and misrepresentations, and breach of the PayPal User Agreement. The lawsuit also alleges claims against Essex, a company that sold goods through eBay, arising out of alleged misrepresentations about Essex's goods and services.

In April 2005, this lawsuit was removed to federal court, where it is currently pending in the United States District Court for the Eastern District of New York. Senior United States District Judge I. Leo Glasser is in charge of this action.

4. WHY IS THERE A SETTLEMENT?

PayPal and eBay do not believe that they did anything wrong. In fact, PayPal and eBay deny any and all liability for the claims alleged in the lawsuit. The Court has not decided in favor of the Class or PayPal and eBay, and by this Notice, the Court is not expressing any view on the merits of the lawsuit.

Instead, the parties engaged in a series of settlement negotiation sessions mediated by retired United States District Judge Nicholas H. Politan and United States Magistrate Judge Viktor Pohoreslky. Eventually, both sides agreed to a settlement in principle. By settling their claims, both sides avoid the uncertainty and cost of a trial or appeal, and eligible members of the Class will receive money and other benefits. The Representative Plaintiffs and PayPal and eBay believe that the Settlement is fair and in the best interest of all members of the Class. The Settlement does not resolve the claims against Essex.

On April 28, 2008, the parties entered into a formal Settlement Agreement, which is on file with the Court and available [on the Settlement Administrator's website, accessible through the following PayPal link: [www.\[tobedetermined\].com](http://www.[tobedetermined].com)].

5. HOW DO I KNOW IF I AM PART OF THE SETTLEMENT?

On _____, Judge Glasser entered an order granting preliminary approval of the Settlement and certifying the following "Class" for purposes of the Settlement: all U.S. based PayPal account holders who funded a PayPal transaction after February 1, 2004, using a source other than a credit card: (i) who subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, "Policies"); (ii) who did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) who, through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank. Excluded from the Class are any judicial officer to whom this Litigation is assigned; PayPal, eBay and any of their affiliates; any current or former employees, officers, or directors of PayPal or eBay; any persons currently residing outside of the United States; and all Persons who timely and validly request exclusion from the Class pursuant to this Notice.

If you funded a PayPal transaction using a source other than a credit card during the period February 1, 2004 through the present, and are not one of the excluded persons listed above, you are a member of the Class, also called a "Class Member."

6. WHO REPRESENTS ME IN THIS CASE?

To represent the Class, the Court has appointed [George Cesar, Vincent Farinella, Douglas Mashkow, and Daniel Shoppe] as Representative Plaintiffs, and their counsel of record, Marina Trubitsky & Associates, PLLC, as Class Counsel. If you want to be represented in this

lawsuit by your own attorney, you may hire one at your own expense, and you may appear in this litigation through your own attorney.

7. **WHAT DOES THE SETTLEMENT PROVIDE?**

A. **Monetary Relief**

Under the Amended Settlement, PayPal will pay a total of three million five hundred thousand dollars (\$3,500,000) into an interest-bearing account. The original deposit of \$3,500,000, plus accrued interest, will constitute the “**Settlement Fund.**” The Settlement Fund will be used: (i) to make payments to Class Members who submit valid claims before the deadline; (ii) to pay certain costs of administering the Settlement, as approved by the Court; and (iii) to pay attorneys’ fees and expenses to Class Counsel in the amount awarded by the Court. After the deduction of administrative costs and Class Counsel’s attorneys’ fees and expenses, the balance of the Settlement Fund (the “**Net Settlement Fund**”) will be applied in accordance with the “Plan of Allocation,” attached as Exhibit F to the Amended Settlement Agreement.

In brief, the Plan of Allocation requires, among other things, that the Net Settlement Fund be distributed to Class Members who funded a PayPal transaction since February 1, 2004, using a source other than a credit card: (i) who subsequently requested a reversal of the transaction through PayPal’s prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, “Policies”); (ii) who did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) who, through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank. Persons who meet all of these requirements are “**Class Members.**”

All claims submitted by Class Members will be reviewed by a Settlement Administrator appointed by the Court to determine if they were submitted on time and are otherwise valid and

non-fraudulent. The Settlement Administrator will also have access to PayPal records, in order to verify the contents of the claim forms.

Thereafter, each Class Member will receive a percentage of his or her validated claim(s) equal to the total amount of the Net Settlement Fund divided by the total monetary value of all validated claims. Thus (by way of example only), if the Settlement Administrator determined there to be \$5 million in validated claims and there were \$1.5 million in the Net Settlement Fund, each Eligible Class Member would receive a payment equal to 30 percent (\$1.5 million divided by \$5 million) of his or her validated claim(s).

8. HOW MUCH WILL MY PAYMENT BE IF I PARTICIPATE IN THE SETTLEMENT AND WHEN WILL I RECEIVE IT?

The timing and amount of payments to Class Members who submit valid claims cannot be estimated at this time. Calculation of the amount of any payments will necessarily have to wait until the Notice period ends and the Court finally approves the Amended Settlement. Only then will it be possible to determine who will be sharing the Net Settlement Fund and the amount of the payment each Class Member will receive under the Plan of Allocation.

9. HOW DO I MAKE A CLAIM AND RECEIVE A PAYMENT?

To make a claim for payment, please [visit the Settlement Administrator's website, accessible through the following PayPal link: [www.\[tobedetermined\].com](http://www.[tobedetermined].com), and click on the box marked "Claim Form."] To make a valid claim, you must: (1) fill out and submit the Claim Form electronically; and (2) print the Certification page of your Claim Form, sign it, and return it by mail to the address provided on the Claim Form.

Your signed Claim Form must be POSTMARKED on or before [_____].

If the Settlement Administrator determines that you are entitled to a payment under the Plan of Allocation, your payment will be transferred electronically to your registered PayPal account. If you do not have a current, unlimited PayPal account or you indicate on the Claim Form that you prefer to receive a check, payment will be made in the form of a check, sent by

first class mail to the address you provide on your Claim Form. If you are paid by check, a \$1.00 charge will be deducted from your payment to cover the cost of issuing and mailing the check.

10. WHAT AM I GIVING UP IF I PARTICIPATE IN THE SETTLEMENT?

If the Amended Settlement is granted final approval, the Court will enter a judgment dismissing all claims against PayPal and eBay in the lawsuit with prejudice, and releasing any and all claims for payment of any kind and, any and all liabilities, demands, obligations, losses, actions, causes of action, damages, costs, expenses, attorneys' fees and, any and all other claims of any nature whatsoever, arising from or relating to any of the allegations or statements made in, or in connection with, the Litigation (and including, without limitation, any and all claims based upon any of the laws, regulations, statutes, or rules cited, evidenced and referenced by all such allegations and statements), or any State Attorney General's report or investigation involving the same or substantially similar matters regarding PayPal's alleged failure to fully reimburse Class Members during the Class Period.

As a result, if you are a Class Member and do not exclude yourself from the Class, you will be barred from bringing any of the claims described above against PayPal and eBay that arose prior to the date this Notice is sent out. This means that you will not be able to sue, continue to sue, or be part of another lawsuit against PayPal, eBay or their affiliates, relating to the legal issues in this case. You will be bound by all proceedings, orders, and judgments entered in connection with the Settlement, whether favorable or unfavorable. You will be represented by the Representative Plaintiffs and Class Counsel for purposes of the Settlement, unless you choose to hire your own lawyer at your own expense to represent you in this case.

In short, if you do not exclude yourself from the Class, and the Amended Settlement is granted final approval, your claims against PayPal, eBay, and their affiliates will be forever released as described above.

11. WHAT IF I WANT TO EXCLUDE MYSELF (OPT-OUT) FROM THE SETTLEMENT?

If you do not want to remain a member of the Class and participate in the Amended Settlement, then you may exclude yourself from the Class by mailing or delivering (email is not permitted) your written comments, as follows:

Your original, signed request for exclusion must be POSTMARKED on or before [] and mailed to the following address:

The Garden City Group, Inc.
c/o PayPal/Steele Class Action Settlement
[Address1]
[Address2]

Copies of this request for exclusion must also be sent to PayPal and eBay's counsel at the following address:

Cooley Godward LLP
attn: Michael Rhodes
c/o PayPal/Steele Class Action Settlement
4401 Eastgate Mall
San Diego, CA 92121

Copies of this request for exclusion must also be sent to Class Counsel at the following address:

Marina Trubitsky & Associates, PLLC
attn: Marina Trubitsky
c/o PayPal/Steele Class Action Settlement
11 Broadway, Suite 861
New York, NY 10004

Your request for exclusion must contain your name and address, be signed by you, and include the reference "*Steele et al. v. eBay et al.*, Civil Action No. 1:05-CV-01720."

12. IF I EXCLUDE MYSELF, CAN I STILL GET MONEY FROM THE SETTLEMENT?

No. If you exclude yourself from the Class, you will not participate in the Amended Settlement and will not receive any payment from the Amended Settlement. Any claims that you may have against PayPal, eBay and their affiliates will not be released.

13. HOW WILL THE LAWYERS IN THE CASE BE PAID?

From the inception of the litigation in March 2005 to the present, Class Counsel have not received any payment for their services in bringing or prosecuting this case. Nor have they been reimbursed for any out-of-pocket expenses.

If the Court approves the Settlement, Class Counsel will make a motion, or “Fee Application,” to the Court for an award of attorneys’ fees of up to twenty-eight percent (28%) of the Settlement Fund as defined in Section 7(A), and reimbursement of expenses and costs already incurred or expected to be incurred in the prosecution of this Litigation. Class Counsel’s Fee Application may also include an application on behalf of certain of the Representative Plaintiffs for reimbursement from the Settlement Fund of their actual out-of-pocket expenses (including lost wages) relating to the prosecution of the litigation. Such awards as may be granted by the Court will be paid from the Settlement Fund as defined in Section 7(A), and Class Counsel have reserved the right to make additional applications for fees and expenses incurred relating to the Settlement. The Fee Application will be heard at the Settlement hearing described below in Section 16.

Class Counsel’s Fee Application will be based on various factors, including the time and effort already invested in the prosecution of the Litigation, the benefits obtained for the Class by bringing this lawsuit, as specified herein and in the Amended Settlement Agreement, as well as the time and effort that will be required of Class Counsel prior to final approval of this Amended Settlement. PayPal takes no position on the application for attorneys’ fees, costs and expenses.

14. CAN I COMMENT IN SUPPORT OF OR IN OPPOSITION TO THE SETTLEMENT?

If you decide to remain in the Class (*i.e.*, you do not opt out), and you wish to comment in support of or in opposition to the Amended Settlement or Class Counsel’s Fee Application, you may do so by mailing or delivering (email is not permitted) your written comments, as follows:

Your original, signed comments must be POSTMARKED on or before [_____] and mailed to the Court at the following address:

Clerk of the Court
United States District Court for the Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

In addition, you must mail a copy of your written comments, POSTMARKED on or before [_____], to the following addresses:

Marina Trubitsky & Associates, PLLC
attn: Marina Trubitsky
c/o PayPal/Steele Class Action Settlement
11 Broadway, Suite 861
New York, NY 10004

Cooley Godward LLP
attn: Michael Rhodes
c/o PayPal/Steele Class Action Settlement
4401 Eastgate Mall
San Diego, CA 92121

Your written comments must contain your name and address, be signed by you, and include the reference “*Steele et al. v. eBay et al.*, Civil Action No. 1:05-CV-01720.”

If you wish to appear before the Court and present your comments orally at the Settlement hearing, your written comments must contain a notice that you intend to appear and to be heard, a statement of the position that you intend to present at the hearing, and any supporting arguments you may have.

If you do not comply with these procedures and deadlines for submitting written comments or appearing at the hearing, you will not be entitled to speak at the hearing, you will not be entitled to contest in any way the Settlement or the Court’s decision on the Fee Application, and you will not be able to contest any other orders or judgments that the Court may enter in connection with the Settlement.

15. WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is simply telling the Court that you do not like the Settlement or any aspect of the Settlement. You can object only if you are a member of, and do not exclude yourself from, the Settlement Class. Even if you object to the Amended Settlement, you may submit a Claim Form and obtain payment under the Settlement if you are an Eligible Class Member.

Excluding yourself, or opting-out, from the Class is telling the Court that you do not want to be part of the Class or participate in the Settlement. If you exclude yourself from the Class,

then you may not file a Claim Form, you will not receive any payment under the Amended Settlement, and you may not object to the Amended Settlement.

16. WHEN AND WHERE WILL THE COURT HOLD A HEARING ON THE SETTLEMENT?

The Court will hold a hearing on [REDACTED], before the Honorable I. Leo Glasser, Senior United States District Judge for the Eastern District of New York, Courtroom 5, 225 Cadman Plaza East, Brooklyn, New York 11201.

The purpose of the hearing will be to determine: (a) whether the proposed Amended Settlement should be approved as fair, reasonable and adequate; (b) whether the Class should be certified for purposes of the Amended Settlement; (c) whether Class Counsel's Fee Application should be granted and in what amount; and (d) whether the lawsuit and Class Members' claims should be dismissed with prejudice pursuant to the Amended Settlement.

The Court reserves the right to adjourn or continue the Settlement hearing without further notice to the Class.

17. DO I HAVE TO COME TO THE HEARING?

No. You are not required to attend the hearing in order to participate in the Settlement. Nor do you have to attend the hearing for the Court to consider your objection or other written comments. As long as you mail your written comments on time and follow the procedures set forth in Section 15 above, the Court will consider them.

However, you may attend the Settlement hearing at your own expense if you wish. You may also ask your own lawyer to attend on your behalf, at your expense.

18. WHAT HAPPENS IF I DO NOTHING AT ALL?

If you do nothing, you will be deemed to have accepted the Settlement and any decisions of the Court with respect to the Settlement and the lawsuit. However, you will not receive any payment unless you meet all of the requirements to be an Class Member as set forth in Section 7A above and timely submit a valid Claim Form as provided in Section 9.

19. ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

This Notice contains only a summary of certain provisions in the Settlement. The full terms and provisions of the Amended Settlement are contained in the Amended Settlement Agreement. A copy of the Amended Settlement Agreement (including all exhibits) is on file with the Court and can be viewed [on the Settlement Administrator's website, accessible through the following PayPal link: [www.\[tobedetermined\].com](http://www.[tobedetermined].com)]. A copy of the Amended Settlement Agreement may also be purchased for the cost of copying from the Settlement Administrator, [_____] , at [_____]. Finally, the Clerk of the Court, located at 225 Cadman Plaza East, Brooklyn, New York 11201, maintains files containing the Amended Settlement Agreement and all other documents filed in the lawsuit. Copies of these documents are available for inspection and copying during the Court's normal business hours.

20. HOW DO I GET MORE INFORMATION ABOUT THE SETTLEMENT?

You can get more information by sending a letter or email to the Settlement Administrator or Class Counsel at the following addresses:

The Garden City Group, Inc.
c/o PayPal/Steele Class Action Settlement
[Address1]
[Address2]
[Email Address]

Marina Trubitsky & Associates, PLLC
attn: Marina Trubitsky
c/o PayPal/Steele Class Action Settlement
11 Broadway, Suite 861
New York, NY 10004

While PayPal employees are available to give you information about your PayPal account, they cannot give you legal advice, and they will not be able to answer questions about the lawsuit or the settlement.

PLEASE DO NOT TELEPHONE THE COURT ABOUT THIS NOTICE.

Dated: _____

**BY ORDER OF:
THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

EXHIBIT C

LEGAL NOTICE

If you funded a PayPal transaction using a funding source other than your credit card between February 1, 2004 and the present, you may be eligible to receive a benefit from a class-action settlement.

To see if you are a Class Member and to obtain full notice of the Settlement, the required procedures, the deadlines, your obligations, and your options, you must visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com). This Notice is only a brief summary.

A settlement has been given preliminary approval in a class-action lawsuit against eBay Inc. and PayPal, Inc. (collectively, "Defendants"). If you are a member of the Class, you may complete a Claim Form to receive a benefit, or you can exclude yourself from the settlement, or object to it.

The United States District Court for the Eastern District of New York authorized this notice. Before any benefits are issued, the Court will have a hearing to decide whether to finally approve the settlement.

WHO'S INCLUDED

You may be a Class Member and could get a benefit if you are a U.S. based PayPal account holders who funded a PayPal transaction after February 1, 2004, using a source other than a credit card who: (i) subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy; (ii) did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank. **To see if you are a Class Member, you must visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com).**

WHAT'S THIS ABOUT?

The settlement will resolve a lawsuit against Defendants involving claims arising out of representations in the PayPal User Agreement regarding PayPal's policies and practices for responding to refund requests from those customers who pay for transactions through PayPal using funds from funding sources other than credit cards. The Defendants deny that they did anything wrong. The Court did not decide which side was right, but both sides agreed to the settlement.

For information on your legal rights, the Notice of the Proposed Settlement, and to complete a

WHAT DOES THE SETTLEMENT PROVIDE?

Under the settlement, Defendants have agreed to establish a settlement fund of \$3.5 million to pay claims to potential class members.

HOW DO YOU GET THE BENEFIT?

If you are a Class Member, a detailed notice available online contains everything you need to obtain your settlement benefit once the settlement takes effect. Just: (1) fill out the Claim Form, which can be found at [www.\[tobedetermined\].com](http://www.[tobedetermined].com), and submit the Claim Form electronically; and (2) print the Certification page of your Claim Form, sign it, and return it by mail to the address provided on the Claim Form. The notice describes the required procedures, the effective date of the settlement, the deadlines, your obligations, and your options.

WHAT ARE YOUR OTHER OPTIONS?

If you do not want to be legally bound by the settlement, you must exclude yourself by [date], 2008, or you will not be able to sue, or continue to sue, the Defendants about the claims in this case. If you exclude yourself, you cannot receive a benefit from the settlement. If you stay in the settlement, you may object to it by [date] 2008. The detailed notice, found at [www.\[tobedetermined\].com](http://www.[tobedetermined].com), explains how to exclude yourself and object.

The Court will hold a hearing in this case on [date] 2008, to consider whether to finally approve the settlement and a request by the lawyers representing the Class Members for no more than \$980,000 in attorneys' fees as well as reimbursement of expenses and costs, plus interest on the same. You may comment in support of or opposition to the settlement, but you do not have to. For more information, visit the website [www.\[tobedetermined\].com](http://www.[tobedetermined].com).

Claim Form, visit [www.\[tobedetermined\].com](http://www.[tobedetermined].com)

EXHIBIT D

WHEN THE CLASS MEMBER CLICKS ON THE "CLAIM FORM" LINK ON THE SETTLEMENT ADMINISTRATOR'S WEBSITE, HE OR SHE WILL SEE THE FOLLOWING TEMPLATE:

PayPal Litigation

Steele et al. v. PayPal, Inc. et al., Case No. 1:05-CV-01720 (ILG) (VVP)
United States District Court for the Eastern District of New York

**CLASS MEMBERS:
USE THIS FORM TO MAKE A CLAIM FOR PAYMENT**

In order to qualify as a Class Member and submit a Claim Form, you must have funded a PayPal transaction using a funding source other than a credit card on or after February 1, 2004, and meet all of the following requirements:

- You subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy;
- You did not receive a refund equal to 100% of your transaction payment in response to such a request from PayPal or your bank;
- At the time of the transaction, you had a valid credit card in your possession that you could have used to fund the transaction instead of the other funding source; and
- You have a reasonable and good faith believe that you would have received a full reversal of your payment if you had used your valid credit card to fund the transaction and filed a timely chargeback request with your credit card issuing bank.

TO SUBMIT THIS CLAIM FORM YOU MUST:

- (1) Complete this form;
- (2) Print the Certification page (Section D); and
- (3) Sign and mail the signed Certification, along with any supporting documentation, to:

The Garden City Group, Inc.
c/o PayPal/Steele Class Action Settlement
[Address1]
[Address2]

In order to be valid, your signed Certification and supporting documentation must be POSTMARKED ON OR BEFORE [, 2008.]

[TO BEGIN CLAIM SUBMISSION, GO TO NEXT PAGE]

Section A. YOUR GENERAL INFORMATION [This will be the first template.]

PLEASE NOTE: *You must provide all of the information requested below in order to receive a payment.*

Current Name: _____

Current Street Address: _____

City, State, Zip Code: _____

Current email address: _____

Current Home Telephone Number: (____) _____

Name Associated with PayPal Account
(if different from current name): _____

Street Address Associated with PayPal Account
(if different from current street address): _____

City, State, Zip Code: _____

Email Address Associated with PayPal Account
(if different from current email address): _____

Telephone Number Associated with PayPal Account
(if different from current street address): _____

Date PayPal Account Opened (approximate): _____

PLEASE NOTE: Payment will be made electronically to your PayPal account. If you do not have a current, unlimited PayPal account or prefer to receive a check, please check the box below. *(For more information, please refer to Section 9 of the Notice of Pendency of Class Action and Proposed Settlement.)*

Send my payment by check to my current address stated above. (I understand that a \$1.00 charge will be deducted from my payment to cover the cost of issuing and mailing my check.)

[TO CONTINUE CLAIM SUBMISSION, GO TO NEXT PAGE]

Section B. YOUR CLAIM DETAILS

[This will be the second template.]

- Does your claim relate to more than one transaction? **PLEASE NOTE:** If you check the “YES” box below, you will receive a prompt at the end of this page that will allow you to fill out a separate “Your Claim Details” page for each of your transactions. *Please do not attempt to enter information for more than one transaction on this same page.*
 YES NO
- What was the date of the transaction? _____
- What was the amount of your PayPal transaction? _____
- Did you fund the transaction through PayPal using your bank account?
 YES NO
- Did you request a refund of the transaction from your bank?
 YES NO
- Did you receive a refund from your bank?
 YES NO
- How much money, if any, did you receive from your bank? _____
- Did you file a Buyer Complaint with PayPal?
 YES NO
- On what date did you file the Buyer Complaint with PayPal? _____
- What was the resolution of your PayPal Buyer Complaint? _____

- In response to your Buyer Complaint, how much money, if any, was returned to you, either by the seller or by PayPal? _____
- Do you still have the item as to which you submitted your Buyer Complaint?
 YES NO
- Did you file a claim under PayPal’s Buyer Protection Policy?
 YES NO
- On what date did you file the Buyer Protection claim? _____
- What was the resolution of your Buyer Protection claim? _____

-
- In response to your Buyer Protection claim, how much money, if any, was returned to you, either by the seller or by PayPal? _____

 - Do you still have the item as to which you submitted your Buyer Protection claim?
 YES NO

 - Did you have one or more valid credit cards on the date of your transaction?
 YES NO

 - If yes, what type of credit card(s) did you have (e.g., Visa, Mastercard, American Express, Discover)?

 - Do you have a good faith belief that you would have received a full refund of your transaction payment if you had used your valid credit card and filed a timely chargeback request with your credit card issuing bank?
 YES NO

 - Please provide detailed information about the circumstances surrounding your Buyer Complaint or your claim under the Buyer Protection Policy, including a description of the item you purchased, whether you received the item, the reason for your Buyer Complaint or claim under the Buyer Protection Policy, whether you contacted the seller in order to work out any issues surrounding your transaction, the details of your communications with your bank account and/or PayPal regarding the transaction, and the reasons that you believe that you should have received a full refund.

 - Do you have any other transactions to report in connection with your claim?
 YES NO

[TO CONTINUE CLAIM SUBMISSION, GO TO NEXT PAGE]

Section C. DOCUMENTATION [This will be the third template.]

- Provide any available documentation supporting your claim, and mail it with your signed Certification to the Settlement Administrator at the address provided on the following page, **POSTMARKED on or before** _____, **2008**.

- Types of documentation that might help to prove your claim include:
 1. Bank statements or other correspondence with your bank regarding the transaction
 2. Correspondence with PayPal regarding your Buyer Complaint or Buyer Protection Claim (including the actual Buyer Complaint and/or Buyer Protection Claim and information regarding the final resolution of the Buyer Complaint and/or Buyer Protection Claim)
 3. Correspondence with the seller
 4. Proof that you returned the item to the seller
 5. Any other documents that you believe support your claim for a refund

- **PLEASE NOTE:** You may choose not to provide documentation, but if you do not provide documentation, it may affect the amount of your payment and may result in your receiving no payment at all.

[TO COMPLETE CLAIM SUBMISSION, GO TO NEXT PAGE]

Section D. CERTIFICATION [This will be the fourth and final template.]

In order to complete the claims process and submit a valid claim, you must: print this Certification page, then sign it and mail it to the Settlement Administrator, **POSTMARKED on or before _____, 2008.**

CERTIFICATION: I declare, subject to penalty of perjury under applicable law, as follows:

1. All of the statements made in this Claim Form are true and correct;
2. All copies of documents submitted in support of my claim are true and correct copies of documents that show losses I incurred as a direct result of using my bank account to fund a transaction through PayPal instead of using a credit card;
3. I understand that the information contained herein, and any other information or documentation that I submit in connection with this claim, may be shared with PayPal, Inc. and eBay Inc., and that they may provide information regarding my PayPal account to the Settlement Administrator for the purposes of administering my claim; and
4. I have reviewed the definition of "Class Member," and believe in good faith that I qualify as an Class Member with respect to each of the transactions reported in this Claim Form.

Date: _____

Signature: _____

YOUR SIGNED CERTIFICATION MUST BE COMPLETED AND MAILED TO THE SETTLEMENT ADMINISTRATOR, POSTMARKED ON OR BEFORE _____, AT THE FOLLOWING ADDRESS:

The Garden City Group, Inc.
c/o PayPal/Steele Class Action Settlement
[Address1]
[Address2]

[PRINT THIS PAGE]

EXHIBIT E

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

MIKE STEELE, DON MEADOWS,
MARJORIE SCHOPPE, DENNIS
TRUBITSKY, ROBERT LABAY, BARRY
JONES, JASON M. ETTEN, NANETTE
ARAGON, GEORGE CESAR, ANDREA
KARVALY and CHRISTINA SIRACUSA,
individually and on behalf of others similarly
situated,

Plaintiffs,

v.

PAYPAL, INC., EBAY INC., and ESSEX
TECHNOLOGICAL GROUP, INC.

Defendants.

Civil Action No. 1:05-CV-01720 (ILG)(VVP)

**PLAN OF ALLOCATION FOR NET
SETTLEMENT FUND**

The Net Settlement Fund will be distributed in accordance with the following terms.

1. All defined terms contained and not otherwise defined herein shall have the same meanings as those set forth in Section 1 of the Stipulation and Agreement of Amended Settlement (“Amended Settlement Agreement”), dated April 28, 2008.

2. As used herein, the following terms have the meanings set forth below:

a. Class Members: all U.S. based PayPal account holders who funded a PayPal transaction after February 1, 2004, using a source other than a credit card: (i) who subsequently requested a reversal of the transaction through PayPal’s prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, “Policies”); (ii) who did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) who, through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card

issuing bank. Excluded from the Class are any judicial officer to whom this Litigation is assigned; PayPal and any of its affiliates; any current or former employees, officers, or directors of PayPal; any Persons currently residing outside of the United States; and, all Persons who timely and validly request exclusion from the Class pursuant to the Notice.

b. Net Settlement Fund: the Settlement Fund less all Administrative Costs and the amount of any Fee Award.

c. Settlement Administrator: a third party class action administrator approved by the Court in its Preliminary Approval and Notice Order or thereafter, who is responsible for administering the Settlement Fund as provided in the Amended Settlement Agreement and this Plan of Allocation.

d. Settlement Fund: three million five hundred thousand dollars (\$3,500,000) in cash to be paid by PayPal into an interest bearing account, plus accrued interest thereon.

3. The Net Settlement Fund will be distributed among Class Members in accordance with the following procedures:

a. In their motion for preliminary approval of the Amended Settlement, Class Counsel and Defense Counsel will jointly propose for Court approval a person of appropriate experience and expertise who will serve as the Settlement Administrator.

b. After receipt of all claims, the Settlement Administrator will develop a plan (the "Plan") for distributing the Net Settlement Fund among all Class Members who have timely returned a Claim Form and submitted a valid claim.

c. In developing the Plan, the Settlement Administrator will consider, as to each Class Member, the proof submitted in support of the claim and such other factors as the Settlement Administrator deems relevant. The Parties anticipate that in developing the Plan, the Settlement Administrator will develop and implement reasonable measures to detect claims submitted by persons who may have misused the PayPal system or defrauded PayPal or PayPal users.

d. The Settlement Administrator will be authorized to retain one or more former PayPal employees who are familiar with PayPal's policies, procedures and systems to assist in the development of the Plan, including the identification of fraudulent claims. The Settlement Administrator is also authorized to request that PayPal provide copies of records pertaining to Class Members who have submitted timely Claim Forms. Subject to the Court's approval, PayPal's obligation to provide such records will be contingent on the negotiation of an agreement between PayPal and the Settlement Administrator for the provision of such records, which may include a provision for payment of an hourly rate to PayPal for its overhead and out-of-pocket costs incurred in providing such records.

e. The Settlement Administrator will consult with counsel for the Parties in advance of his or her development of the Plan in an effort to avoid any later objections thereto.

f. Once the Settlement Administrator has made a good-faith determination as to all claims timely submitted by Class Members, the Plan will allocate the Net Settlement Fund to all Class Members whom the Settlement Administrator determines to have timely submitted a valid, non-fraudulent claim, taking into account the considerations enumerated in Section 3.c above. In the event that a Class Member submits more than one valid, non-fraudulent claim, the Plan will allocate to such Class Member a payment for each such claim submitted.

g. Each Class Member will receive a percentage of his or her validated claim(s) equal to the total amount of the Net Settlement Fund divided by the total monetary value of all validated claims. Thus (by way of example only), if the Settlement Administrator determined there to be \$5 million in validated claims and there were \$1.5 million in the Net Settlement Fund, each Class Member would receive a payment equal to 30 percent (\$1.5 million divided by \$5 million) of his or her validated claim(s).

h. The reasonable fees, expenses, and costs of the Settlement Administrator, including any costs incurred in retaining any former PayPal employee he or she may decide to retain or in obtaining records from PayPal, are Administrative Costs as described more fully in

Sections 4.7-4.10 of the Amended Settlement Agreement, and are payable from the Settlement Fund before any payments to Class Members may be allocated from the Net Settlement Fund.

4. Following development of the Plan, the Settlement Administrator will submit the Plan for consideration by PayPal and the Representative Plaintiffs. The Parties will negotiate in good faith to resolve any disputes with respect to the Plan, and will submit to the Mediator any issues as to which the Parties cannot reach agreement. The Parties will, as soon as reasonably practicable thereafter or as otherwise ordered by the Court, jointly submit the Plan to the Court for approval.

5. Within 90 days following the Court's approval of the Plan or as soon thereafter as is reasonably practicable under the circumstances, each Eligible Class Member will be sent a single payment from the Settlement Fund in the amount of the distribution to which the Eligible Class Member is entitled under Section 3.g. The Settlement Administrator shall provide Class Counsel and Defense Counsel with weekly status reports regarding the claims process.

a. For each such Eligible Class Member who has an unlimited PayPal account at the time his or her payment is to be made, the payment will be sent to the Eligible Class Member by electronically transferring the amount of the payment to the Eligible Class Member's account, unless the Eligible Class Member requests on his or her Claim Form that payment be made by check as provided in Section 5.b below.

b. For each Eligible Class Member who requests payment by check or who does not have an unlimited PayPal account at the time his or her payment is to be made, the payment will be sent by first-class mail to the Eligible Class Member at the address specified on his or her Claim Form in the form of a check payable to the Eligible Class Member and drawn on the Net Settlement Fund. A \$1.00 charge will be deducted from all payments made by check to cover the cost of issuing and mailing the check.

6. No Eligible Class Member shall be entitled to object to the amount of the payment to which the Settlement Administrator determines he or she is entitled, or to the Plan of

Allocation approved by the Court.

EXHIBIT F

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

MIKE STEELE, DON MEADOWS, MARJORIE SCHOPPE, DENNIS TRUBITSKY, ROBERT LABAY, BARRY JONES, JASON M. ETTEN, NANETTE ARAGON, GEORGE CESAR, ANDREA KARVALY and CHRISTINA SIRACUSA, individually and on behalf of others similarly situated,

Plaintiffs,

v.

PAYPAL, INC., EBAY INC., and ESSEX TECHNOLOGICAL GROUP, INC.

Defendants.

Civil Action No.:
1:05-CV-01720 (ILG) (VVP)

CLASS ACTION

**[PROPOSED]
ORDER GRANTING
PRELIMINARY APPROVAL OF
PROPOSED AMENDED
SETTLEMENT,
PROVISIONALLY CERTIFYING
CLASS, AND DIRECTING
DISSEMINATION OF NOTICE
TO CLASS**

WHEREAS the Parties have applied for an order granting preliminary approval of a proposed settlement of the above-captioned action ("Litigation"), in accordance with a Amended Settlement Agreement dated April 28, 2008 ("Amended Settlement Agreement"), which together with the Exhibits annexed thereto set forth the terms and conditions of a proposed settlement of the Litigation whereby the Litigation will be dismissed with prejudice ("Amended Settlement");

WHEREAS the Court has read and considered the Amended Settlement Agreement and the Exhibits annexed thereto; and

WHEREAS all defined terms contained herein shall have the same meanings as set forth in the Amended Settlement Agreement;

NOW, THEREFORE IT IS HEREBY ORDERED THAT:

1. The Court grants preliminary approval of the Amended Settlement Agreement and the proposed Amended Settlement set forth herein, subject to further consideration at the Settlement Hearing described below.

2. Solely for the purposes of the Amended Settlement Agreement and the proposed Amended Settlement, the Court certifies the following Class:

All U.S. based PayPal account holders who funded a PayPal transaction after February 1, 2004, using a source other than a credit card: (i) who subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, "Policies"); (ii) who did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iii) who, through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank.

Excluded from the Class are any judicial officer to whom this Litigation is assigned; PayPal and eBay and any of its affiliates; any current or former employees, officers, or directors of PayPal or eBay; any persons presently residing outside of the United States; and all Persons who timely and validly request exclusion from the Class pursuant to the Notice disseminated in the accordance with the Notice Order.

3. This Court finds and concludes that the Class is ascertainable and that there is a well-defined community of interest in the questions of law and fact involved affecting the Class Members. The Court finds and concludes that (a) the Persons who are part of the Class are so numerous that joinder of all such Persons is impracticable; (b) there are questions of law or fact common to the Class that predominate over any individual questions; (c) the claims of the Representative Plaintiffs are typical of those of the Class; (d) in negotiating and entering into the Agreement, the Representative Plaintiffs and their counsel have fairly and adequately represented and protected the interests of all Persons who are part of the Class; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering (i) the interests of the Persons who are part of the Class individually controlling the prosecution of separate actions; (ii) the extent and nature of any litigation concerning the controversy already commenced by Persons who are part of the Class; (iii) the desirability or undesirability of concentrating litigation of the claims in this particular forum; and

(iv) the difficulties likely to be encountered in the management of the Litigation as a class action.

4. To act on behalf of the Class in connection with the Agreement and proposed Settlement, the Court appoints Representative Plaintiffs Vincent Farinella, George Cesar, Douglas Mashkow, Daniel Shoppe, and Nannette Aragon as representatives of the Class and their counsel of record, Marina Trubitsky & Associates, as class counsel.

5. If the Agreement is not approved by the Court or the Amended Settlement is terminated or fails to become effective in accordance with the terms of the Amended Settlement Agreement, this conditional class certification shall be vacated without further order of the Court and without prejudice to the right of any party to seek or oppose class certification thereafter. Otherwise, upon the Effective Date of the Amended Settlement, this class certification shall become unconditional.

6. A hearing ("Settlement Hearing") shall be held before this Court on [_____, ____ 2008 at _:00 a.m., at the United States District Court for the Eastern District of New York, Brooklyn Main Office, 225 Cadman Plaza East, Brooklyn, New York 11201, to determine whether the proposed Amended Settlement, resolving and dismissing the Litigation on the terms and conditions provided for in the Amended Settlement Agreement, is fair, reasonable, and adequate to the Class and should be approved by the Court; whether a Judgment as provided in Exhibit H of the Amended Settlement Agreement should be entered herein; and to determine the amount of fees and expenses that should be awarded to Class Counsel. The Court may adjourn the Settlement Hearing without further notice to Class Members.

7. The Parties have proposed that the Class be given notice of the proposed Amended Settlement in the following manner:

a. Beginning on the date specified by the Court in its Preliminary Approval and Notice Order or as otherwise ordered by the Court, PayPal will disseminate the Email Notice (in a form substantially similar to that attached to the Amended Settlement Agreement as Exhibit A) ("Email Notice") at its own expense and at no cost to the Class or the Settlement Fund. The Email Notice will be sent via a single email to all Class Members who: (i) funded a PayPal

transaction after February 1, 2004, using a source other than a credit card; (ii) subsequently requested a reversal of the transaction through PayPal's prevailing Buyer Complaint Policy and/or Buyer Protection Policy (collectively, "Policies"); (iii) did not receive a refund equal to 100% of their transaction payment in response to such request from PayPal or their bank; and (iv) through the timely submission of a Claim Form under oath, attest to a reasonable and good faith belief that they would have received a full reversal of such payment had they used a valid credit card in their possession at the time of the subject transaction to fund the payment and filed a timely chargeback request with their credit card issuing bank. The Email Notice will consist of a summary of the Long-Form Notice, and a link to the official settlement website where the entire Long-Form Notice will be displayed.

b. The Long-Form Notice will also be published via a hypertext link located within the website www.paypal.com, on the "Legal Agreements" page, which is available to both current and former PayPal users. This link will stay active on PayPal's website throughout the entire Notice Period.

c. GCG will maintain a website, identified in both the Email and Long-Form Notices, for the purpose of providing the Class with information about the Settlement and the claims process. In addition to allowing visitors to obtain a copy of the Notice, this website will provide access to copies of the Amended Settlement Agreement.

d. During the Notice Period, PayPal shall cause the approved summary form of Publication Notice (in a form substantially similar to that attached as Exhibit C to the Amended Settlement Agreement) ("Publication Notice"), to be published in one daily issue and one weekend issue of the national edition of *USA Today*.

The Court approves the form and content of the Notices and Claim Forms, and finds that under the circumstances, transmission of the Notices as proposed by the Parties meets the requirements of Federal Rule of Civil Procedure 23 and due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all Persons entitled thereto.

8. All Persons who fall within the Class definition and who do not timely and validly exclude themselves from the Class shall be bound by all determinations and judgments in the Litigation concerning the Amended Settlement, whether favorable or unfavorable to the Class.

9. Persons who wish to exclude themselves from the Class shall request exclusion within the time and the manner set forth in the Notice, including mailing or delivering a signed written exclusion request, such that it is received on or before [_____, 2008], to the Parties' counsel at the addresses set forth in the Long-Form Notice. Unless the Court orders otherwise, no request for exclusion shall be valid unless it is made within the time and the manner set forth in the Notice.

10. Any Class Member may enter an appearance in the Litigation, at the Class Member's own expense, individually or through counsel of the Class Member's choice. Any Class Member who does not enter an appearance will be represented by Class Counsel. Pending final determination of whether the Settlement should be approved, neither the Representative Plaintiffs nor any Class Member, either directly, representatively, or in any other capacity, shall commence or prosecute against any of the Released Persons, any action or proceeding in any court or tribunal asserting any of the Released Claims.

11. Any Class Member may appear and show cause why the proposed Amended Settlement should or should not be approved as fair, reasonable, and adequate; or why a Judgment should or should not be entered thereon; or why attorneys' fees and expenses should or should not be awarded to Class Counsel; provided, however, that no Class Member or any other Person shall be heard on or entitled to contest the Court's decision on any of the foregoing matters unless that Person has (a) no later than [_____, 2008], filed written objections and any supporting papers and briefs with the Clerk of the United States District Court for the Eastern District of New York, Brooklyn Main Office, 225 Cadman Plaza East, Brooklyn, New York 11201; and (b) mailed or delivered copies of such objections, papers, and briefs, such that they are received no later than [_____, 2008], to the Parties' counsel at the addresses listed in the Notice.

12. Unless otherwise ordered by the Court, any Class Member who does not make his, her, or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed Settlement, or to any award of attorneys' fees and expenses to Class Counsel.

13. No Person who is not a Class Member or Class Counsel shall have any right to any portion of, or in the distribution of, the Settlement Fund unless otherwise ordered by the Court or otherwise provided in the Amended Settlement Agreement.

14. The Settlement Fund shall be deemed and considered to be in custodia legis of the Court, and shall remain subject to the jurisdiction of the Court, until such time as the Settlement Fund shall be distributed pursuant to the Amended Settlement Agreement or further order of the Court.

15. All papers in support of the Amended Settlement or any application by Class Counsel for attorneys' fees or reimbursement of expenses shall be filed and served by [_____, 2008]. The Parties may respond to any objection to the Amended Settlement or the application for attorneys' fees and reimbursement of expenses, provided that such response is filed and served no later than [_____, 2008].

16. Any application for attorneys' fees or reimbursement of expenses made by Class Counsel shall be considered separately from the fairness, reasonableness, and adequacy of the Amended Settlement.

17. At the Settlement Hearing, the Court shall determine whether to grant any application for attorneys' fees or reimbursement of expenses made by Class Counsel.

18. All reasonable costs incurred in giving notice to Class Members and administering the Settlement shall be borne and paid as set forth in the Agreement.

19. Neither the Amended Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations or proceedings in connection therewith, shall be construed as an admission or concession by PayPal or eBay of the truth of any of the allegations in the Litigation,

or of any liability, fault, or wrongdoing of any kind.

20. The Court reserves the right to adjourn the date of the Settlement Hearing without further notice to the Class Members, and retains jurisdiction to consider all further applications arising out of or in connection with the proposed Settlement. The Court may approve the Amended Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Class.

21. If the Amended Settlement is not approved or consummated for any reason whatsoever, the Amended Settlement and all proceedings had in connection therewith shall be without prejudice to the rights of the Parties status quo ante.

DATED: _____

The Honorable I. Leo Glasser
United States District Court Judge

EXHIBIT G

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

MIKE STEELE, DON MEADOWS, MARJORIE SCHOPPE, DENNIS TRUBITSKY, ROBERT LABAY, BARRY JONES, JASON M. ETTEN, NANETTE ARAGON, GEORGE CESAR, ANDREA KARVALY and CHRISTINA SIRACUSA, individually and on behalf of others similarly situated,

Plaintiffs,

v.

PAYPAL, INC., EBAY INC., and ESSEX TECHNOLOGICAL GROUP, INC.

Defendants.

Civil Action No.:
1:05-CV-01720 (ILG) (VVP)

CLASS ACTION

**[PROPOSED]
FINAL JUDGMENT AND ORDER
OF DISMISSAL WITH
PREJUDICE**

This matter came before the Court for hearing pursuant to the Order Granting Preliminary Approval Of Proposed Amended Settlement, Provisionally Certifying Class, And Directing Dissemination Of Notice to Class, dated [____ __, 2008] (“Notice Order”), on the application of the Plaintiffs and Defendants eBay Inc. and PayPal, Inc. (collectively, “Defendants”) (Plaintiffs and Defendants are collectively, the “Parties”) for approval of the settlement set forth in the Amended Settlement Agreement dated April 28, 2008 (“Amended Settlement Agreement”). Due and adequate notice having been given of the Amended Settlement (“Amended Settlement”) set forth in the Amended Settlement Agreement as required in the Notice Order, and the Court having considered all papers filed and proceedings had herein and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. This Judgment incorporates by reference the definitions in the Amended Settlement Agreement, and all defined terms used herein shall have the same meanings as set

forth in the Amended Agreement.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Class Members.

3. Pursuant to Federal Rule of Civil Procedure 23, this Court hereby affirms its findings and conclusion, set forth in the Notice Order, that, for purposes of the Amended Settlement Agreement and Amended Settlement, this Class meets the prerequisites for maintenance of a class action under Rule 23(b)(3). The Court hereby makes final its previously conditional certification of the Class.

4. Pursuant to Federal Rule of Civil Procedure 23(e), this Court hereby approves the Amended Settlement and finds that the Amended Settlement is, in all respects, fair, reasonable, and adequate for the Class.

5. This Court hereby dismisses with prejudice and without costs (except as otherwise provided in the Amended Settlement Agreement) the Litigation against PayPal.

6. The Court finds that the Amended Settlement Agreement and the Amended Settlement are fair, reasonable, and adequate as to Settling Parties, grants final approval of the Amended Settlement Agreement and the Amended Settlement in all respects, and directs the Settling Parties to perform the terms of the Amended Settlement Agreement.

7. As set forth in paragraphs 5.1 – 5.2 of the Amended Settlement Agreement, upon the Effective Date, the Representative Plaintiffs and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have fully, finally, and forever released, relinquished, and discharged the Released Persons from all Released Claims.

8. The persons identified in Exhibit 1 hereto have requested exclusion from the Settlement as of the deadline for opting out. These persons so identified shall not share in the benefits of the Settlement. In addition, this Judgment and Order of Dismissal With Prejudice does not affect their legal rights to pursue any claims they may have against PayPal. With regard to all other members of the Class, such Class Members are hereinafter barred and permanently enjoined from prosecuting further the Released Claims against PayPal.

9. Under the circumstances, the notice of this Amended Settlement provided to the Class Members in accordance with the Notice Order was the best notice practicable of the proceedings and matters set forth herein, including the proposed Amended Settlement, to all Persons entitled to such notice, and said notice fully satisfied the requirements of Federal Rule of Civil Procedure 23 and the requirements of due process.

10. Neither Class Counsel's application for attorneys' fees and reimbursement of expenses, nor any order entered by this Court thereon, shall in any way disturb or affect this Judgment, and all such matters shall be construed separate from this Judgment.

11. Neither the Amended Settlement Agreement nor the Amended Settlement nor any act performed or document executed pursuant to or in furtherance of the Amended Settlement Agreement or the Amended Settlement (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claims, or of any wrongdoing or liability of PayPal; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of PayPal in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal.

12. Defendants may file this Judgment and/or the Amended Settlement Agreement from this action in any other action that may be brought against it in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction, or any theory of claim preclusion or issue preclusion or similar defense or counterclaim. Defendants may rely on this Judgment and/or the Amended Settlement Agreement from this action to seek a dismissal of any claim brought against PayPal or any of the Released Persons, in any court whatsoever, which derives from the Released Claims.

13. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over (a) implementation of the Amended Settlement; (b) distribution or disposition of the Settlement Fund; (c) further proceedings, if necessary, on applications for attorneys' fees, expenses, and costs in connection with the Litigation and the

Amended Settlement; and (d) the Settling Parties for the purpose of construing, enforcing, and administering the Amended Settlement Agreement. If Defendants fail to fulfill its obligations under the Amended Settlement Agreement completely, the Court retains the power to vacate the provisions of this Judgment releasing, relinquishing, and discharging, and barring and enjoining the prosecution of, the Released Claims against the Released Persons, and to reinstate the Released Claims against the Released Persons.

14. The Court finds that during the course of the Litigation, the Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11, and that the Amended Settlement Agreement is the product of good-faith negotiations.

15. If the Amended Settlement does not become effective in accordance with the terms of the Amended Settlement Agreement, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Amended Settlement Agreement and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Amended Settlement Agreement.

IT IS SO ORDERED.

DATED: _____

The Honorable I. Leo Glasser
United States District Court Judge