

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT OF CLASS ACTION,
PRELIMINARY APPROVAL OF THE SETTLEMENT,
AND SETTLEMENT CLASS CERTIFICATION**

TO: All persons in the United States of America who are current or former customers of DIRECTV and who, from and including January 1, 1999 through April 29, 2004, purchased DIRECTV satellite television equipment from Prime TV, LLC, applied to Prime TV, LLC for a rebate and were qualified for the rebate but were denied or failed to receive the rebate. Excluded from the Settlement Class are directors, officers, employees, and agents of DIRECTV and its affiliates, and governmental entities.

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF THIS CLASS ACTION LAWSUIT. IF YOU ARE A SETTLEMENT CLASS MEMBER, THIS NOTICE CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHTS CONCERNING THE SETTLEMENT. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS AND DO NOT SUBMIT A TIMELY REQUEST FOR EXCLUSION, YOU WILL BE BOUND BY THE RELEASE REGARDLESS OF WHETHER YOU SUBMIT A CLAIM.

Pursuant to an Order of the Circuit Court of the City of St. Louis, Missouri (the "Court"), dated June 28, 2007, YOU ARE HEREBY NOTIFIED:

Plaintiffs in this lawsuit ("Action"), individually and on behalf of the Settlement Class (defined herein), have entered into a proposed settlement (the "Settlement") with DIRECTV, Inc. ("Defendant" or "DIRECTV"). This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action or the merits of the claims or defenses asserted. This Notice is to advise you of the Settlement of this Action and of your rights with respect to this Action and the Settlement.

I. NATURE OF THE LITIGATION

The Action was filed on March 31, 2003. The Petition alleges that Defendant has been unjustly enriched and that a constructive trust should be imposed on funds held by Defendant as a result of its practices regarding rebates for DIRECTV satellite television equipment ("equipment") which was purchased by its current and former customers through Prime TV, LLC. Plaintiffs allege that they were promised rebates from Prime TV, LLC, did not receive those rebates, and that DIRECTV is in possession of funds owed to Prime TV, LLC which should be paid to the Settlement Class.

Defendant denies all liability or wrongdoing with respect to any and all of the claims alleged in the Action, but considers it desirable that this matter be settled because such settlement will avoid the risk, expense, inconvenience, and distraction of continued litigation. After arms-length negotiations, a Settlement has been reached and has been preliminarily approved by the Court.

II. SETTLEMENT CLASS

On June 28, 2007, the Court conditionally certified the Action for the purposes of settlement only. This "Settlement Class" includes all persons in the United States of America who are current or former customers of DIRECTV and who, from and including January 1, 1999 through April 29, 2004,

purchased DIRECTV satellite television equipment from Prime TV, LLC, applied to Prime TV, LLC for a rebate and were qualified for the rebate but were denied or failed to receive the rebate. Excluded from the Settlement Class are directors, officers, employees, and agents of DIRECTV and its affiliates, and governmental entities.

If you fit within the above-described Settlement Class, your rights to participate in the Settlement, object to the Settlement, or exclude yourself from the Settlement Class are described in this Notice.

III. SETTLEMENT FAIRNESS HEARING

The Court, by its Order on June 28, 2007, has preliminarily approved the Settlement as fair, reasonable, and adequate, and has directed that this Notice be provided to members of the Settlement Class. The proposed Settlement, the terms of which are summarized in this Notice, is embodied in a Settlement Agreement (the "Agreement"), dated June 28, 2007, which has been filed with the Court. All terms used in this Notice have the same meanings set forth in the Agreement.

A Final Fairness Hearing has been scheduled for November 29, 2007, at 9:30 a.m. before the Honorable John F. Garvey at the Circuit Court of the City of St. Louis, Missouri, Division 3, 10 N. Tucker, St. Louis, MO 63101, to hear any objections to the Settlement; to determine, fully and finally, whether the proposed Settlement is a fair, reasonable, and adequate compromise of the claims of the Settlement Class; and to consider Class Counsel's application for attorneys' fees, reimbursement of costs and expenses, and incentive awards (the "Final Fairness Hearing").

Members of the Settlement Class who do not request exclusion (as described in Section VIII below) ("Class Members") have the right to appear and address the Court, either in person or through counsel retained by them, at the Final Fairness Hearing. Attendance at the Final Fairness Hearing is not necessary; however, persons who wish to comment orally on the proposed Settlement must state in writing their intention to appear at the Final Fairness Hearing and the nature of their proposed comment, and must serve that document in the time and manner prescribed for written objections in Section IX below, except as otherwise permitted by the Court.

YOU ARE NOT REQUIRED TO ATTEND THE HEARING.

IF YOU DO NOT WISH TO OBJECT TO THE PROPOSED SETTLEMENT, OR IF YOU DO NOT DESIRE TO DIRECTLY ADDRESS THE COURT, YOU NEED NOT APPEAR AT THE HEARING.

IV. THE PROPOSED SETTLEMENT

The terms of the proposed Settlement are as follows:

A. CLASS BENEFIT

CURRENT DIRECTV CUSTOMERS:

OPTION 1: Class members who are current DIRECTV customers and who already receive the equivalent of the DIRECTV Choice programming package or a more expensive programming package may elect to receive a voucher for a credit on his or her monthly DIRECTV

billing statement in the amount of \$99.98. Said Vouchers shall be valid for one year from the Effective Date of the Settlement or one year from Voucher issuance, whichever is longer, and shall be freely transferable by Class Members. In addition, a person may redeem only one Voucher and only the person redeeming the Voucher may receive the referenced credit on their monthly DIRECTV billing statement. The Voucher credit for programming may not be split or apportioned between accounts.

OPTION 2: Class Members who are current DIRECTV customers may elect to receive a Voucher for two free months of DIRECTV Choice programming. Said Vouchers shall be valid for one year from the Effective Date of the Settlement or one year from Voucher issuance, whichever is longer, and shall be freely transferable by Class Members. In addition, a person may redeem only one Voucher and only the person redeeming the Voucher may receive the referenced credit on their monthly DIRECTV billing statement. The Voucher credit for programming may not be split or apportioned between accounts.

FORMER DIRECTV CUSTOMERS:

OPTION 1: Class Members who are former DIRECTV customers may elect to receive a Voucher for: (1) a standard one room DIRECTV-compatible satellite system, which includes a satellite dish, receiver, and remote control, used to receive DIRECTV programming service (“equipment”); (2) free standard installation of the equipment by an authorized DIRECTV agent or representative; and (3) two free months of DIRECTV Choice programming. The person redeeming the Voucher will have no contractual obligation to maintain his/her DIRECTV programming service for any additional term beyond this period. At the end of the free two month period, DIRECTV, at its cost, will arrange for an authorized DIRECTV agent or representative to uninstall and retrieve the equipment and the customer shall have no payment obligation to DIRECTV. Said Vouchers shall be valid for one year from the Effective Date of the Settlement or one year from Voucher issuance, whichever is longer, and shall be freely transferable by Class Members. In addition, a person may redeem only one Voucher and only the person redeeming the Voucher may receive the referenced credit on their monthly DIRECTV billing statement. The Voucher credit for programming may not be split or apportioned between accounts.

OPTION 2: Class Members who are former DIRECTV customers and who wish to contract with DIRECTV for programming services for at least twelve months may elect to receive a Voucher for: (1) a standard one room DIRECTV-compatible satellite system, which includes a satellite dish, receiver, and remote control, used to receive DIRECTV programming service (“equipment”); and (2) free installation of the equipment by an authorized DIRECTV agent or representative; and (3) two free months of DIRECTV Choice programming. In addition, the subscriber will be entitled to the best national programming promotion offered by DIRECTV at that time in addition to the two free months of Choice programming or a credit of equal value to be applied to the subscribers’ bill. For instance, if the best national promotion offered by DIRECTV at that time includes free services and/or equipment, then the subscriber would be entitled to those free services and/or equipment in addition to the Voucher offer of equipment, installation and 2 free months of Choice programming or a credit of \$99.98 on the subscribers DIRECTV bill set forth in this Option 2. Said Vouchers shall be valid for one year from the Effective Date of the Settlement or one year from Voucher issuance, whichever is longer, and shall be freely transferable by Class Members. In addition, a person may redeem only one Voucher and only the person redeeming the Voucher may receive the referenced credit on their monthly DIRECTV billing statement. The Voucher credit for programming may not be split or apportioned between accounts.

Return of DIRECTV receiver device. Within 60 days from the end of either the usage period described in Former DIRECTV Customer Option 1, above, or the usage period described in Former DIRECTV Customer Option 2, above, DIRECTV, may, at its sole cost, make arrangements for return of the receiver equipment received by the Class Member pursuant to Option 1 or Option 2, above, by providing the Class Member with a postage prepaid shipping container with detailed instructions for return of said equipment. If DIRECTV fails to provide the Class Member with a postage prepaid shipping container within said time period, said equipment shall become the sole property of the Class Member. If the Class Member fails to return the receiver and remote control within 60 days from receipt of the shipping container, the Class Member will be charged a fee of \$55.00 for each standard receiver not returned. To the extent the Class Member has received any advanced equipment from DIRECTV as part of this Settlement or the best national programming promotion available at the time the Class Member activated their account, which is not returned to DIRECTV as provided for herein, the Class Member will be charged the same fee DIRECTV charges other subscribers who fail to return this advanced equipment as provided herein.

Return of satellite dish and mounting apparatus. This Settlement Agreement does not create an obligation in or for DIRECTV to remove the satellite dish and mounting apparatus provided to the Class Member under Former DIRECTV Customer Option 1 or Former DIRECTV Customer Option 2. The satellite dish and mounting apparatus shall become the property of the Class Member or the owner of the property on which the satellite dish and mounting apparatus was installed, in accordance with their ownership interest and applicable law.

B. HOW TO OBTAIN A CLAIM FORM

In order for Class Members to receive the Voucher(s), they must complete and submit to DIRECTV by mail a hard copy of the Claim Form (attached to the end of this Notice) to the address specified on the Claim Form. Additionally, Claim Forms are available at www.directvrebatesettlement.com or if you do not have access to the Internet, you may call 1 (888) 269-1605 to request a Claim Form be sent to you. For instructions on filing your Claim Form with DIRECTV, see Section VII, below.

V. EFFECT OF SETTLEMENT – RELEASE OF CLAIMS

Upon the Effective Date of the Settlement, as defined in the Settlement Agreement, Plaintiffs and each of the members of the Settlement Class shall be deemed to have, and by operation of the Judgment and Order of Dismissal shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims, as defined in the Settlement Agreement, against Defendant and its parents and affiliates. Further, upon the Effective Date of the Settlement and to the fullest extent permitted by law, Plaintiff and each of the members of the Settlement Class shall, either directly, indirectly, representatively, as a member of or on behalf of the general public, or in any capacity, be permanently barred and enjoined from commencing, prosecuting, or participating in any recovery in any action in this or any other forum (other than participation in the Settlement as provided herein) in which any of the Released Claims is asserted.

Upon the Effective Date of the Settlement, Defendant shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged Plaintiff, each and all of the members of the Settlement Class, and Class Counsel, from all claims arising out of, in any way relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the litigation or the Released Claims.

VI. APPLICATION FOR ATTORNEYS' FEES, COSTS, AND EXPENSES, AND CLASS REPRESENTATIVE AWARDS

Class Counsel has prosecuted this litigation without the payment of any fees thus far and has advanced all costs on behalf of Plaintiffs and the Class. At the Final Fairness Hearing, Class Counsel will make an application for an award by the Court of attorneys' fees, costs, and expenses in the total amount not to exceed \$145,000, which are to be paid by Defendant over and above any relief to the Class identified herein. In addition, Class Counsel will make an application for an award by the Court to the two Class Representatives in the amount of \$1,000 each for their time, effort and obligations as Class Representatives. Defendant has agreed not to object to these applications up to said amounts and to pay any award by the Court up to these amounts.

VII. FILING A CLAIM

In order to receive a Voucher, Class Members must complete and submit a Claim Form to Alibegovic, et al. v. DIRECTV, Inc., et al., c/o The Garden City Group, Inc., P.O. Box 9182, Dublin, Ohio, 43017-4182, postmarked no later than 305 days after the Effective Date of the Settlement.

The Claim Form must include your name, current address and telephone number, and your address at the time of purchase of the DIRECTV equipment from Prime TV, LLC (if available), and, additionally for current DIRECTV customers, your DIRECTV account number. A Claim Form is attached at the end of this Notice.

VIII. OPTING OUT OF THE SETTLEMENT CLASS

If you wish to opt out of the Settlement Class and forego any of the Settlement benefits, you must individually sign and submit a written notice clearly manifesting your intent to be excluded from the Settlement Class. Your request must set forth: (1) your full name; (2) your address; (3) your phone number; (4) the name and number of the Action (*Alibegovic, et al. v. DIRECTV, Inc., et al*, cause number *032-00973*); (5) your request for exclusion from the Settlement Class; and (6) your signature. In the event you are not able to sign on your own behalf, signature by a duly authorized representative (including attorney), documented under oath, along with a copy of the empowering documents, is authorized and shall be acceptable. The written notice must be postmarked no later than twenty days before the Final Fairness Hearing date (on or before November 9, 2007), and sent to:

Class Counsel
Ben Barnow
Barnow and Associates, P.C.
One North LaSalle Street, Suite 4600
Chicago, IL 60602

IX. OBJECTING TO THE SETTLEMENT

If you do not request exclusion from the Settlement Class under Section VIII, above, and you oppose the proposed Settlement, you may object to the Settlement. If you wish to object to the Settlement, you must file your timely written objection, setting forth the reasons for your objection. You or your duly authorized representative must sign the objection and provide information identifying yourself as a Class Member (such as proof of purchase of DIRECTV equipment from Prime TV, LLC, proof of rebate submission during the Class Period, and an affidavit stating under oath to the best of the

Class Member's knowledge and belief that the Class Member did not receive a rebate), the objector's address, and whether the objector intends on appearing at the Final Fairness Hearing. If proof of purchase and rebate submission is not available, an affidavit to that effect to the best of the Class Member's knowledge and belief and setting forth the fact of purchase of DIRECTV equipment from Prime TV, LLC during the Class Period and the approximate date of rebate submission and the fact that the Class Member did not receive the rebate must be included. You must file your objection with the Clerk of the Circuit Court, Circuit Court of the City of St. Louis, MO, Division 3, 10 N. Tucker, St. Louis, MO 63101 by no later than twenty days before the Final Fairness Hearing (on or before November 12, 2007). The written objection must also contain the caption of the case (*Alibegovic, et al. v. DIRECTV, Inc., et al*), the case number (032-00973) and the division number (*Division 3*). Additionally, you must serve, by said date, one copy of your written objection upon each of the following counsel:

Class Counsel: Ben Barnow
Barnow and Associates, P.C.
One North LaSalle Street, Suite 4600
Chicago, IL 60602

Defendant's Counsel: Michael E. Williams
Quinn Emanuel Urquhart Oliver & Hedges LLP
865 S. Figueroa St., 10th Floor
Los Angeles, CA 90017

ANY CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED HEREIN WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION, AND SHALL BE FOREVER FORECLOSED FROM MAKING ANY OBJECTION TO THE PROPOSED SETTLEMENT.

X. FURTHER INFORMATION

For a more detailed statement of the claims in this Action and the Settlement, you are referred to the papers on file in this Action, including the Agreement, which may be inspected during regular business hours at the office of the Clerk of the Circuit Court, Circuit Court of the City of St. Louis, MO, 10 N. Tucker, St. Louis, MO 63101. The Settlement Agreement and Claim Form as well as this Notice, is also posted on www.DirectTVRebateSettlement.com.

PLEASE DO NOT CONTACT THE COURT

By Order of the Honorable John F. Garvey, Judge of the Circuit Court of City of St. Louis, MO