

## Circuit Court approves distribution of close to \$5 million in cy pres awards

November 15, 2006

At a court hearing today, Chancery Division Judge Bernetta D. Bush approved the distribution of \$4.9 million in cy pres awards to a diverse group of ten public service organizations as part of the settlement terms of the class action lawsuit filed in 2004 by advertisers against the *Chicago Sun-Times* for inflating circulation figures.

The cy pres awards in *In re Chicago Sun-Times Circulation Litigation*, 04 CH 9757 were recognized at a informal gathering attended by Circuit Court of Cook County Chief Judge Timothy C. Evans, Chancery Division Presiding Judge Dorothy Kirie Kinnaird, Judge Bush, and attorneys for the parties. Also present were *Chicago Sun-Times* publisher John Cruickshank, the newspaper's editor Michael Cooke, and representatives of the organizations that received the awards.

Cy pres awards are derived from unclaimed settlement funds in class action lawsuits. Under the cy pres doctrine, courts have broad discretionary power to use such funds to assist legal aid and other public interest programs as the next best use of the money when, for a variety of reasons, funds can no longer be distributed to class members.

According to the order signed today by Judge Bush, the ten organizations will use the money to pay for programs that will increase the availability of legal aid services, create literacy programs for disadvantaged youth, and fund medical research.

The total settlement in the *Chicago Sun-Times* lawsuit, approved by Judge Bush on January 20, 2006, was \$32 million, comprising \$24.5 million in cash and \$7.3 million in other advertising benefits, including free, expanded or discounted advertising. Of the \$5.7 million in cash that remains undistributed to class members, \$4.9 million will be used to benefit 10 well-established legal aid and public interest organizations; the remaining funds are earmarked to pay for any outstanding claims that may arise.

In explaining her approval of the awards to the ten groups, Judge Bush said, "This settlement presented a tremendous opportunity to reach our underserved populations with badly needed legal assistance and educational resources. The settlement terms also provide for long term oversight to ensure the continued effectiveness of each program receiving funds."

Chief Judge Evans said he was gratified and excited by the diversity of the organizations that were selected. "By targeting a wide range of service organizations to receive the cy pres funding, a broad spectrum of citizens in Cook County will stand to benefit," Chief Judge Evans said.

The following organizations will receive funds as indicated:

The Chicago Bar Foundation, \$2 million

The Abraham Lincoln Marovitz Lend-a-Hand Program, \$2 million

The Medical Research Institute of Children's Memorial Hospital, \$250,000

DePaul University College of Law Center for Public Interest Law, \$100,000

Loyola University Chicago Civitas ChildLaw Center, \$100,000

Children's Memorial Hospital/Chicago Public Schools Partnership, \$100,000

Chicago Communities in Schools, \$100,000

Cook County Bar Association Foundation, \$50,000

Trinity United Church of Christ Legal Clinic/Chicago Volunteer Legal Services Foundation Legal Clinic,  
\$50,000

Teach for America, \$50,000