

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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JOHN PADBERG, CLIFFORD PAOLILLO, and
RASHID AHMED, LIBARDO URIBE, IONANNIS
SKLAVOUNAKIS, AND JOSEPH GERARD,
individually and on behalf of all others similarly situated,

Plaintiffs,

-Against-

00 Civ. 3355 (RJD)

DIANE MCGRATH-MCKECHNIE, RUDOLPH W.
GIULIANI, JOSEPH MCKAY, MATTHEW DAUS,
HARRY RUBINSTEIN, ELLIOT SANDER,
HARVEY GIANNOULIS, MARVIN GREENBERG,
RAMONA WHALEY, AND THE NEW YORK CITY
TAXI AND LIMOUSINE COMMISSION,

Defendants.

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IMPORTANT NOTICE OF CLASS ACTION SETTLEMENT

**TO: ALL NEW YORK CITY TAXI DRIVERS WHOSE LICENSES
WERE SUMMARILY SUSPENDED, OR WHOSE LICENSES
WERE REVOKED, AS PART OF OPERATION REFUSAL.**

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

Following a class action lawsuit by NYC taxi drivers against the Taxi and Limousine Commission (TLC) and other defendants concerning certain practices and policies known as Operation Refusal, counsel for the taxi drivers and the TLC agreed to a settlement of the action. Under the settlement, affected taxi drivers are entitled to substantial cash awards. The policies and practices of the TLC that were the subject of the lawsuit were in effect from November 10, 1999 to April 25, 2002.

**ANY TAXI DRIVER WHOSE LICENSE WAS SUMMARILY
SUSPENDED OR REVOKED BECAUSE OF AN ALLEGED
SERVICE REFUSAL ON OR AFTER NOVEMBER 10, 1999 MAY
BE A MEMBER OF THE PLAINTIFF CLASS UNLESS HE OR
SHE DECIDES TO BE EXCLUDED FROM THE CLASS.**

According to TLC records, you are among the taxi drivers whose license was suspended without a prior hearing and/or revoked pursuant to Operation Refusal. Therefore, if the settlement is approved, you will be entitled to compensation.

A. Summary of the Settlement: [Note: The following summary is for informational purposes only , and does not modify or replace any provision of the settlement agreement.]

On November 11, 1999, the TLC commenced a policy and practice known as Operation Refusal in which it suspended without prior hearings licenses of taxi cab drivers accused of committing service refusals and, in some cases, revoked the licenses of taxi drivers so accused. These policies led to a class action lawsuit commenced on June 9, 2000 against the TLC and other defendants.

This lawsuit was settled by attorneys for the taxi drivers and attorneys for the TLC. This settlement will take effect upon approval of the Court that the terms are fair, reasonable, and adequate.

Compensation for Suspensions: According to the Settlement (which will become final only after a hearing and upon the approval of the Court), taxi drivers whose licenses were suspended without prior hearings are entitled to \$121.50 per day for the period of their suspensions.

Compensation for Revocations: Taxi drivers whose licenses were revoked are entitled to an additional \$26,000.00. They will also be entitled to apply for renewal licenses.

Taxi drivers who paid fines to the TLC in the course of Operation Refusal are entitled to refunds of the fines paid.

To illustrate how the settlement works, here are two examples:

1. A taxi driver whose license was suspended on December 1, 1999 and restored on February 10, 2000, but was not revoked, would receive \$121.50 per day for 71 days or a total of \$8,626.50.
2. A taxi driver whose license was suspended on March 1, 2000 and restored on April 20, 2000, and whose license was also revoked, would receive \$121.50 per day for 50 days, or \$6,075.00 for his suspension, PLUS \$26,000 for the revocation, for a total of \$32,075.00. This driver would be allowed to apply for license renewal as well.

Both taxi drivers would be entitled to a refund of whatever fines they paid as part of Operation Refusal.

The City will reduce payments to taxi drivers by the amount of any liens on file against them reflecting debts owed.

Attorneys Fees: The Settlement also provides that attorneys for the plaintiff class will receive fees and costs paid for by the defendants. These fees and costs will be paid by the City, and will be at no cost to the taxi driver plaintiffs.

B. Participation in the Settlement:

Any taxi driver who wishes to participate in the settlement and claim compensation will be required to complete a Claim Form and sign a form of Release. These forms will be sent to you, together with a statement of the amount of compensation to which you may be entitled that has been calculated based upon TLC records in your case. These forms and statement will be sent to you as soon as possible after the settlement has been approved. In the event of a change of your address, please update your address information as follows: 1) taxi drivers currently licensed – notify TLC Licensing Department; 2) not currently licensed – notify Class Counsel. Otherwise, **you do not have to do anything now in order to participate in the settlement.**

If you do not contest the settlement or opt out of the settlement, as described below, you will be considered to have agreed to the settlement and be bound by it.

C. Your Right to Contest the Settlement:

If you choose, you may object to the terms of the settlement either on your own or through counsel. In order to object, you or your counsel must file objections to the proposed settlement in writing with the Clerk of the Court by July 7, 2006.

If approved, the settlement will be binding on all class members.

D. Opt-out Procedure:

You have the right to opt out of the class settlement. If you do so, you may separately pursue any individual claims you may have against the defendants, but you will not receive any payments permitted under this Settlement. If you wish to opt out of the Settlement, please fill out and sign the Form entitled OPT OUT and return the form to the Clerk of the Court in the envelope provided by no later than July 7, 2006.

If you do nothing, you will be deemed to have accepted the Settlement and you will be bound by any decision of the Court with respect to the Settlement.

E. Fairness Hearing:

The Honorable Raymond J. Dearie will hold a hearing on the fairness of this settlement on Thursday, July 20, 2006 at 10:00 A.M. in the United States District Court for the Eastern District of New York, 225 Cadman Plaza East, Brooklyn NY 11201. You are invited to attend. But you are not required to attend in order to participate in the settlement. You also may object to the settlement in writing by writing a letter to the Clerk of the Court postmarked or delivered by July 7, 2006, or by appearing at the hearing. Any class member who does not timely object to the Settlement will be deemed to have waived such objections. Following that hearing, the Court will determine whether to approve the Settlement.

If you have any questions, you may contact the attorneys for the class plaintiffs at the addresses or phone numbers below:

Attorneys for the Class Plaintiffs:

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DATED: May 23, 2006

**CLERK OF THE COURT
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
225 CADMAN PLAZA EAST
BROOKLYN, NY 11201**