

## **LEGAL NOTICE OF A CLASS ACTION SETTLEMENT**

**If you are a juvenile who appeared before former  
Judge Mark A. Ciavarella Jr. at any time  
from January 1, 2003 through May 28, 2008**

**--- or ---**

**If you are the parent/guardian of a juvenile who appeared before  
former Judge Ciavarella during this time,**

**YOU COULD RECEIVE BENEFITS FROM A SETTLEMENT  
with Robert K. Mericle and Mericle Construction, Inc.**

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

Various class action lawsuits and individual lawsuits were filed on behalf of juveniles who were adjudicated delinquent or referred to placement by former Luzerne County Court of Common Pleas Judge Mark A. Ciavarella Jr. between January 1, 2003 and May 28, 2008 and on behalf of the parents and natural guardians of the juveniles who were adjudicated delinquent or referred to placement by former Judge Ciavarella during that period of time. This Notice refers to these parties as the “Juveniles” and the “Parents,” respectively.

The class action lawsuits, captioned *H.T., et al. v. Ciavarella*, Case No. 09-cv-357, *Conway v. Cohan*, Case No. 09-cv-291, and *Belanger v. Ciavarella*, and the individual lawsuits, captioned *Wallace v. Powell*, Case No. 09-cv-286, *Humanik v. Ciavarella*, Case No. 09-cv-630, *Clark v. Conahan*, Case No. 09-cv-2535, *Dawn v. Conahan*, Case No. 10-cv-0797, *Elia v. Powell*, Case No. 11-cv-465, and *Gillette v. Ciavarella*, Case No. 11-cv-0658, are pending in the United States District Court for the Middle District of Pennsylvania. This Notice refers to these lawsuits as “the Actions.”

The Actions were filed against multiple defendants. All of the Actions include Robert K. Mericle and Mericle Construction, Inc. as defendants. This Notice refers to Robert K. Mericle and Mericle Construction, Inc. jointly as “the Mericle Defendants.” The Actions allege that the Mericle Defendants violated the Juveniles’ constitutional rights, that they violated the Racketeer Influenced and Corrupt Organizations Act (“RICO”), and that they violated Pennsylvania law.

On December 14, 2011, representatives of the Juveniles and the Parents (the “Representative Plaintiffs”), on behalf of the members of the class and the individual plaintiffs, through their respective counsel, entered into a Master Settlement Agreement (“MSA” or “Agreement”) with the Mericle Defendants, through their counsel. The Mericle Defendants will pay \$17,750,000 to resolve the claims

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

of the Juveniles and the Parents against them and against Luzerne County. For purposes of settlement, all claims set forth in the Actions are certified for class treatment.

The Mericle Defendants have not admitted to doing anything wrong, and the Court has not found that the Mericle Defendants have done anything wrong. However, the Mericle Defendants wish to enter into the MSA to release the Released Parties as defined below from any potential liability and to end all further litigation by the Juveniles and the Parents against these parties.

This Notice is a description of important terms of the Agreement, but it does not set forth every term of the Agreement or modify the Agreement. You may obtain a copy of the entire Agreement at [www.kidswinsettlement.com](http://www.kidswinsettlement.com).

## WHO IS INVOLVED IN THIS SETTLEMENT?

**This Class Action Settlement is to resolve the claims of the Settlement Class Members. The Settlement Class Members fall into two groups:**

1. **“Juveniles”** - all juveniles who appeared before former Judge Ciavarella at any time between January 1, 2003 and May 28, 2008 and who were adjudicated delinquent and/or placed in a detention center by former Judge Ciavarella;
2. **“Parents”** - all parents and/or guardians of all juveniles in paragraph (1) who, as a result of their child’s adjudication or placement by Judge Ciavarella between January 1, 2003 and May 28, 2008: (i) made payments or had wages, social security or other entitlements garnished or withdrawn; (ii) had costs, fees, interest and/or penalties assessed against them or their child; and/or (iii) suffered any loss of companionship and/or familial integrity.

**This Class Action Settlement is paid for by the Mericle Defendants:**

This Class Action Settlement is paid for by **Robert K. Mericle and/or Mericle Construction, Inc.**

**This Class Action Settlement is paid for the benefit of the Released Parties:**

This Class Action Settlement is paid for by the **Mericle Defendants** for their benefit *and* for the benefit of the **Mericle Parties**, defined as defendant Robert K. Mericle, his family, and their respective heirs, executors, administrators, successors, grantees and assigns, defendant Mericle Construction, Inc., Mericle Commercial Real Estate Group Inc., Mericle Commercial Real Estate Services and all of their respective entities, affiliates, successors, assigns and related parties, and/or any other party that is, or may have ever been, owned or controlled by any of the foregoing individuals or entities, and all of the aforesaid’s lawyers, agents, officers, employees and former employees.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

The Class Action Settlement is also paid for by the Mericle Defendants for the benefit of the **Luzerne County Parties**. The Luzerne County Parties include the County of Luzerne and all departments and instrumentalities thereof, including the Luzerne County Department of Juvenile Probation, the Luzerne County District Attorney's Office, the Luzerne County Public Defender's Office and Luzerne County Children & Youth Services, Sandra Brulo, Sam Guesto, the Luzerne County Commissioners, past and present, including without limitation Gregory Skrepenak, Todd Vonderheid, and Steven Urban, and any other current or former employees, officials or agents of the County of Luzerne, and any departments and instrumentalities thereof, all related parties, successors and assigns, and all of the their lawyers, agents and employees.

The Mericle Parties, the Luzerne County Parties, and any entity or individual that is not a Non-Released Party as defined below, are considered "Released Parties."

**This Class Action Settlement does NOT include Non-Released Parties:**

This proposed Settlement does NOT include PA Child Care, LLC, Western PA Child Care, LLC, Mid-Atlantic Youth Services, Inc., Consulting Innovations and Services, Inc., Gregory R. Zappala, Robert J. Powell, Powell Law Group P.C., Perseus House, Inc. d/b/a Andromeda House, Beverage Marketing of PA., Inc., Pinnacle Group of Jupiter, LLC, Vision Holdings, LLC, Mark A. Ciavarella, Jr., Michael T. Conahan, Barbara Conahan, and Cindy Ciavarella, and all of the aforesaid's lawyers, agents and employees, and subsidiary and parent organizations in their capacities as such; and, Later Discovered Parties (collectively, "Non-Released Parties"). "Later Discovered Parties" is defined as any entity or person (other than a Mericle Party or a Luzerne County Party) against which or whom some or all Plaintiffs may bring a claim in any of the Actions based on evidence not currently known to Class Counsel or Individual Plaintiffs' Counsel .

Claims by the Juveniles or the Parents that are currently pending in the Actions against certain Non-Released Parties, including **PA Child Care, LLC, Western PA Child Care, LLC, Mid-Atlantic Youth Services, Inc., Consulting Innovations and Services, Inc., Gregory R. Zappala, Robert J. Powell, Powell Law Group P.C., Beverage Marketing of PA., Inc., Pinnacle Group of Jupiter, LLC, Vision Holdings, LLC, Mark A. Ciavarella, Michael T. Cohan, Barbara Conahan, Cindy Ciavarella** are not settled by the Agreement.

**WHAT IS THE SETTLEMENT?**

The Mericle Defendants shall pay \$17,750,000 into a Cash Settlement Fund, which will be held in escrow by PNC Bank, in exchange for the release of all claims against the Released Parties related to the Actions ("Released Claims"). After payment of court-approved attorneys' fees and reimbursement of common costs, the money in the Cash Settlement Fund shall be divided among all eligible Settlement Class Members pursuant to the method described in more detail below.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

The Mericle Defendants shall pay up to an additional \$1,750,000 into the Cash Settlement Fund if, and when, they are successful in resolving a separate lawsuit the Mericle Defendants filed against their insurance carrier.

- ➔ If you agree to participate in this Settlement and qualify as a Settlement Class Member, you will receive a portion of the Cash Settlement Fund pursuant to the method described below on pages 6-7. In exchange for participating in the Settlement, you will give up your right to pursue all present and future claims and lawsuits against the Released Parties arising from the Released Claims related to these Actions. **Your rights to collect additional money from Non-Released Parties, listed above, will not be affected.**
- ➔ All payments from the Cash Settlement Fund shall be approved in writing by the United States District Court for the Middle District of Pennsylvania.

## HOW DO I PARTICIPATE IN THE SETTLEMENT?

To qualify for payment from the Cash Settlement Fund, you must complete a **Proof of Claim Form** attached to this Notice and submit it, together with any required documentation identified on the form, to:

Claims Committee  
c/o Sol H. Weiss, Esquire  
Adrienne E. Walvoord, Esquire  
Anapol Schwartz  
1710 Spruce Street  
Philadelphia, PA 19103  
(215) 735-2098

You can also obtain a **Proof of Claim Form** at [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call toll-free 1-866-510-3030 and request that the Claims Committee send you a **Proof of Claim Form**.

**The Proof of Claim Form must be submitted to the Claims Committee post-marked no later than May 13, 2012. You will not be permitted to participate in the Settlement if you miss this deadline.**

## HOW DO I KNOW IF I QUALIFY FOR A PORTION OF THE CASH SETTLEMENT FUND?

A “Claims Committee” will be established to administer various aspects of the Settlement, including reviewing the Proof of Claim Forms returned by Settlement Class Members and calculating the amount of the Cash Settlement Fund to be paid to each Settlement Class Member who timely submits a Proof of Claim Form electing to participate in the Settlement.

The Claims Committee has access to records from the Luzerne County Department of Juvenile Probation that identify every juvenile who appeared before former Judge Ciavarella at any time between January 1, 2003 and May 28, 2008. The Claims Committee also has access to records from the Luzerne County Department of Domestic Relations that list all parents and/or natural guardians of

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

juveniles who paid costs and fees in connection with their child's appearance(s) before former Judge Ciavarella at any time between January 1, 2003 and May 28, 2008. This Notice refers to the records from the Luzerne County Department of Juvenile Probation and Luzerne County Department of Domestic Relations as "the Records." The Records will verify whether you are an eligible Settlement Class Member.

After you submit your completed Proof of Claim Form, and any required additional documents, the Claims Committee will review your information. Eligible Settlement Class Members are those juveniles and parents who qualify to receive a portion of the Cash Settlement Fund.

- **If you are not a Settlement Class Member**, meaning that you do not qualify for payment from the Cash Settlement Fund, you will receive a written notice to that effect from the Claims Committee. In the event you receive notice that you are not a Settlement Class Member, it is likely because your name does not appear in the Records or the Records do not show that you are a Settlement Class Member as defined above. You will have thirty (30) days from the date of the notice to submit written documentation establishing that you, or your child, was adjudicated delinquent or placed by former Judge Ciavarella at any time between January 1, 2003 and May 28, 2008.
- **If you are a Settlement Class Member**, meaning that you do qualify for payment from the Cash Settlement Fund, the Claims Committee will send you a proposed payment amount with a written explanation.

## **HOW WILL I KNOW WHAT AMOUNT I AM QUALIFIED TO RECEIVE FROM THE CLASS SETTLEMENT FUND?**

Based upon your responses on the Proof of Claim Form, the information in the Records, and any other written documentation you provide in support of your responses on the Proof of Claim Form, the Claims Committee will determine the amount you are qualified to receive from the Cash Settlement Fund in accordance with the procedure set forth at pages 6-7, below.

### **PROOF OF CLAIM FORM**

You must answer questions on the attached Proof of Claim Form so that the Claims Committee can determine (1) whether you are a Settlement Class Member and, if so, (2) what Benefit Fund you qualify for, and (3) what portion of that Benefit Fund you are eligible to receive. The answers you provide in the Proof of Claim Form, in addition to information from the Records, will also allow the Claims Committee to assess whether you are eligible for a portion of the Enhanced Benefit Fund, explained in more detail below.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

## EXPLANATION OF BENEFIT FUNDS – PLAN OF ALLOCATION

The Cash Settlement Fund will be allocated, or divided, among qualifying Settlement Class Members from the Benefit Funds described below. This Notice refers to the division of funds as the Plan of Allocation.

- 
- 1. PROBATION BENEFIT FUND.** Each qualifying Juvenile Settlement Class Member who never spent any time in PACC, WPACC, or any other juvenile detention facility as a result of an adjudication by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008 shall receive a payment of \$500.

The Probation Benefit Fund shall be \$410,000. In the event the Probation Benefit Fund is not depleted by required distributions, the balance shall be added to the Enhanced Benefit Fund.

- 
- 2. NON-PACC/WPACC BENEFIT FUND.** Each qualifying Juvenile Settlement Class Member who was placed in a detention facility as a result of an adjudication or placement by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008, but who never spent any time in PACC and/or WPACC, shall receive a payment of \$1,000.

The Non-PACC/WPACC Benefit Fund shall be \$820,000. In the event the Non-PACC/WPACC Benefit Fund is not depleted by required distributions, the balance shall be added to the Enhanced Benefit Fund.

- 
- 3. PACC/WPACC BENEFIT FUND.** Each qualifying Juvenile Settlement Class Member who was placed in PACC or WPACC as a result of an adjudication or placement by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008 shall receive a payment of \$5,000.

The PACC/WPACC Benefit Fund shall be \$3,650,000. In the event the PACC/WPACC Benefit Fund is not depleted by required distributions, the balance shall be added to the Enhanced Benefit Fund.

- 
- 4. PARENT AND/OR NATURAL GUARDIAN BENEFIT FUND.** Each qualifying Parent Settlement Class Member who, as a result of their child's adjudication or placement by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008, (i) made payments to Luzerne County or had wages, social security or other entitlements garnished or withdrawn by Luzerne County; or (ii) had court-ordered services or pay court-ordered costs, fees, interest, and/or penalties assessed against them or their child, shall receive the actual amount of monies paid, garnished, or withdrawn.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

The Parent and/or Natural Guardian Benefit Fund shall be \$500,000. In the event the Parent and/or Natural Guardian Benefit Fund is not depleted by required distributions, the balance shall be added to the Enhanced Benefit Fund.

---

- 5. ENHANCED BENEFIT FUND.** A portion of the total Cash Settlement Fund shall be reserved for the Enhanced Benefit Fund to compensate Juveniles with specified unique situations. Affirmative answers to the Enhanced Benefit Fund questions in the Proof of Claim Form will, in various combinations, be assigned certain numbers of points. The Claims Committee will then add the points for all Settlement Class Members qualifying for the Enhanced Benefit Fund and divide the available portion of the Cash Settlement Fund by the total number of points to arrive at the cash value of each Enhanced Benefit Fund point.

The Enhanced Benefit Fund shall be at least \$8,035,000.

Enhanced benefits will be based on the factors below as documented in the Records or other supporting documents provided by you:

- Age
- Number of juvenile petitions
- Number of days spent at PACC and/or WPACC
- Number of days spent in placement at facilities other than PACC or WPACC
- Physical injury or illness, for which you received treatment from a healthcare provider, while detained or placed at PACC or WPACC and/or as a result of your detention or placement at PACC or WPACC by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008.
- Psychological or emotional harm, for which you received treatment from a licensed professional, while you were detained or placed at PACC or WPACC or as a result of your detention or placement at PACC or WPACC by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008.
- Adverse effects on your educational progress as a result of having been detained or placed at PACC or WPACC by former Judge Ciavarella during the period from January 1, 2003 through May 28, 2008.
- Suicide as a result of having been detained or placed at PACC or WPACC by former Judge Ciavarella during the period from January 2003 through May 28, 2008.

Juveniles shall not seek an award from the Enhanced Benefit Fund without a good faith basis for asserting such a claim.

After Settlement Class Members qualifying for payment from the Enhanced Benefit Fund receive payments, and after all disputes have been resolved, any money remaining (as a result of, for example, uncollected claims) will be paid on a pro rata basis to the Settlement Class Members who qualify for the Enhanced Benefit Fund.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

## **HOW MAY I DISPUTE THE AMOUNT I WAS OFFERED?**

If you qualify as a Settlement Class Member, file a Proof of Claim Form, and believe the amount you were assigned by the Claims Committee was wrongly determined, you can dispute this amount in the following way.

The Court will appoint a Special Master for Allocation Appeals who will independently review your dispute. The Special Master will re-assess the Claims Committee's decision. This reassessment will include a complete review of your Proof of Claim Form, the information available in the Records, and any additional written documentation provided by you in support of your claim. If appropriate, the Special Master will make adjustments to the amount assigned by the Claims Committee under the terms of the Plan of Allocation.

The determinations made by the Special Master are final and shall not be subject to any further review or appeal.

### **I. IF YOU QUALIFY AS A SETTLEMENT CLASS MEMBER -- AND -- YOU WISH TO PARTICIPATE IN THIS SETTLEMENT, YOU MUST SUBMIT A PROOF OF CLAIM FORM**

Complete a **Proof of Claim Form** attached to this Notice and submit to the Claims Committee below by May 13, 2012:

Claims Committee  
c/o Sol H. Weiss, Esquire  
Adrienne E. Walvoord, Esquire  
Anapol Schwartz  
1710 Spruce Street  
Philadelphia, PA 19103  
(215) 735-2098

A separate Proof of Claim Form, together with any required documentation as identified on the form, must be submitted for each Settlement Class Member – whether a Juvenile Class Member or a Parent Class Member – participating in this Settlement.

You can also obtain a Proof of Claim Form at [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call toll-free 1-866-510-3030 and request that the Claims Committee send you a Proof of Claim Form.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

**II. IF YOU QUALIFY AS A SETTLEMENT CLASS MEMBER -- AND -- YOU DO NOT WISH TO PARTICIPATE IN THE SETTLEMENT, YOU CAN EITHER:**

**1. DO NOTHING**

If you do nothing and do not return a completed Proof of Claim Form by the Proof of Claim Deadline on May 13, 2012, you will not receive a portion of the Cash Settlement Fund. You will be bound by all terms of the Agreement and give up your rights to pursue present and future claims and lawsuits against the Released Parties, including the Mericle Parties and the Luzerne County Parties, arising from the events related to these Released Claims. Your case will be dismissed with prejudice against the Released Parties. However, claims against certain Non-Released Parties that are still in the Actions, including PA Child Care, LLC, Western PA Child Care, LLC, Mid-Atlantic Youth Services, Inc., Robert J. Powell, Powell Law Group P.C., Beverage Marketing of PA., Inc., Pinnacle Group of Jupiter, LLC, Vision Holdings, LLC, Mark A. Ciavarella, and Michael T. Conahan will not be affected.

**2. OPT OUT OF THE SETTLEMENT**

If you choose to “Opt-Out” of the Settlement, indicate in the appropriate area on the Proof of Claim Form that you wish to “Opt-Out” and return the Proof of Claim Form to the Claims Committee by May 13, 2012.

To Opt-Out means that you will receive no payment from the Cash Settlement Fund. However, if you Opt-Out you will keep the right to sue, or continue to sue, the Released Parties, on your own or with your own attorney, about the legal issues in this case.

**NOTE →** If you Opt-Out and you wish to pursue your claims against the Mericle Parties, on your own or with your own attorney, you will be required to participate in confidential non-binding mediation with the Mericle Defendants at some point during the ninety (90) days following the deadline to return your Proof of Claim Form.

**NOTE →** If you wish to Opt-Out but do not submit a Proof of Claim Form indicating your desire to opt-out by May 13, 2012, you will not receive a portion of the Cash Settlement Fund; you will be bound by all terms of the MSA and give up your rights to pursue present and future claims and lawsuits against the Released Parties, including the Mericle Parties and the Luzerne County Parties, arising from the events related to these Actions; and your case will be dismissed with prejudice against the Released Parties. However, claims against certain Non-Released Parties that are still in the Actions, including PA Child Care, LLC, Western PA Child Care, LLC, Mid-Atlantic Youth Services, Inc., Robert J. Powell, Powell Law Group P.C., Beverage Marketing of PA., Inc., Pinnacle Group of Jupiter, LLC, Vision Holdings, LLC, Mark A. Ciavarella, and Michael T. Conahan will not be affected.

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**

**III. IF YOU QUALIFY AS A SETTLEMENT CLASS MEMBER -- AND -- YOU DO NOT BELIEVE THE SETTLEMENT IS FAIR -- BUT -- YOU STILL WANT TO PARTICIPATE IN THE SETTLEMENT IF IT ULTIMATELY IS APPROVED BY THE COURT, YOU MAY:**

**1. WITHIN 75 DAYS OF THE COURT'S PRELIMINARY APPROVAL OF THE SETTLEMENT, OBJECT TO THE SETTLEMENT IN WRITING**

If you qualify as a Settlement Class Member, you can object to the Settlement if you do not like some or all of it. You can give reasons why you think the Court should not approve it. The Court will consider your views.

To object, you must send your completed Proof of Claim Form and required documentation, together with a letter saying that you object to the Settlement, to the Claims Committee. In your letter, be sure to include your (1) name; (2) address; (3) telephone number; (4) reasons you object to the Settlement; and (5) signature. Mail your Proof of Claim Form and letter objecting to the Settlement to the Claims Committee so that it is received by May 12, 2012. The Claims Committee must file any objections with the Court by May 13, 2012.

- ***What's the difference between objecting and opting-out?*** Objecting is telling the Court that you do not like something about the settlement. You can object only if you participate in the Settlement, *i.e.*, timely submit a completed Proof of Claim Form. If you Opt-Out, you are telling the Court that you do not want to participate in the Settlement. If you Opt-Out, you may not object to the Settlement because the Settlement no longer affects you.

**2. ATTEND A HEARING TO OBJECT TO THE SETTLEMENT**

The Court will hold a hearing to decide whether to finally approve the Settlement. You may attend and you may ask to speak, but you don't have to.

- ***When and Where.*** The exact date and location of the hearing are unknown, although the hearing will be after all Proof of Claim Forms and objections have been submitted. We will post the date and location on [www.kidswinsettlement.com](http://www.kidswinsettlement.com) as soon as the Court announces them.
- After the hearing, the Court will decide whether to finally approve the Settlement. We do not know how long it will take for the Court to decide.

**\*\* You have a right to select a lawyer of your choosing for the purpose of assisting you in determining whether you wish to participate, object, opt-out, or dispute your proposed payment amount.**

**If you have any questions, visit [www.kidswinsettlement.com](http://www.kidswinsettlement.com) or call 1-866-510-3030**